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Social and Solidarity Economy in Asia

**A South-South
and triangular
cooperation
perspective**



Social and Solidarity Economy in Asia:
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By Benjamin R. Quiñones, Jr.

Research coordinated and edited by
Anita Amorim, Jürgen Schwettmann and Nuno Tavares-Martins

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Abbreviations

AAC	Association of Artisans in Cambodia
ABC	Brazilian Cooperation Agency
ADB	Asian Development Bank
AEC	ASEAN Economic Community
AGCI	Agencia de Cooperación de Chile
AICHR	ASEAN Intergovernmental Commission on Human Rights
APDC	Asian and Pacific Development Centre
APPEND	Alliance of Philippine Partners for Enterprise Development
APRACA	Asia Pacific Rural and Agricultural Credit Association
APSC	ASEAN Political-Security Committee
ASC	ASEAN Security Committee
ASCC	ASEAN Socio Cultural Committee
ASEAN	Association of Southeast Asian Nations
ASEC	Asian Solidarity Economy Council
ASEF	Asian Solidarity Economy Forum
ASKI	Alalay sa Kaunlaran Inc.
AU	African Union
AUN	ASEAN University Network
BIMP-EAGA	Brunei Darussalam-Indonesia-Malaysia-Philippines – East Asia Growth Area
BMZ	German Ministry for Economic Cooperation and Development

BRIC	Brazil-Russia-India-China
BS	Bina Swadaya
BUMDes	Badan Usaha Milik Desa ‘Anuta Waya’
CARD	Center for Agriculture and Rural Development
CBSE	Community-based social enterprises
CEDAC	Centre d’Etude et de Développement Agricole Cambodgien
CFUG	Community Forest User Group
CGAP	Consultative Group to Assist the Poorest
CLAEH	Centro Latinoamericano de Economía Humana
CODI	Community Organization Development Institute
COMMACT	Common Wealth Network for People Centred Development
CSA	Community Assisted Agriculture
CSO	Civil Society Organization
CSR	Corporate Social Responsibility
CRS	Catholic Relief Services
CSRSMEAsia	Coalition of Socially Responsible Small and Medium Enterprises in Asia
CUPC	Credit Union Promotion Centre
DAC	Development Assistance Committee
DHRUVA	Dharampur Utthan Vahini
DID	Développement International Desjardins
DWA	Decent Work Agenda
EABC	East ASEAN Business Council
ECODA	Environment Conservations and Community Development Association
ESPU	Emerging and Special Partnerships Unit – ILO
FAO	Food and Agriculture Organization
FIAM	Foundation for Integrated Agricultural Management
FIDAP	Farmers Integrated Development Assistance programme
FOPG	Federation of Producer Groups
FTA	Free Trade Agreement
FTAA	Free Trade Area of the Americas
FTGN	Fair Trade Group Nepal
GBA	Grameen Bank Approach
GDP	Gross Domestic Product
GTZ	German Organization for Technical Cooperation

HBWW	Home-based women's workers
HNP	Homenet Pakistan
IBSA	India-Brazil-South Africa
ICF	International Cooperation and Development Fund
IFAD	International Fund for Agricultural Development
IFAT	International Federation for Alternative Trade
ILO	International Labour Organization
IMT-GT	Indonesia-Malaysia-Thailand – Growth Triangle
INDAP	Institute for Agricultural Development in Chile
ITB	Institut Teknologi Bandung
ITEC	Indian Technical and Economic Cooperation
JICA	Japan International Cooperation Agency
JFC	Jolibee Food Corporation
KFPC	Kalasag Farmers Producer Cooperative
KOICA	Korean International Cooperation Agency
KSM	Kelompok Swadaya Masyarakat
KSWs	Kishan Swaraj Welfare Samity
MERCOSUR	Mercado Común del Sur (Southern Common Market)
MFI	Microfinance Institution
MIX	Microfinance Information Exchange
MNCE	Malaysian Network for Community Economy
NABARD	National Bank for Agriculture and Rural Development
NEPAD	New Partnership for African Development
NGO	Non-governmental organization
NLDC	National Livelihood Development Corporation
NTF	Nigeria Trust Fund
ODA	Overseas Development Assistance
OECD	Organization for Economic Cooperation and Development
OAU	Organization of African Unity
PARC	Pacific Asia Resource Center
PARCIC	Pacific Asia Resource Center International Cooperation
PARDEV	Partnerships and Field Support Department – ILO
PCF	People's Credit Fund
PDA	Population and Community Development Association
PFA	Parakum Farmers Association
PODIE	People's Organization for Import and Export

REC	Regional Economic Communities
RIPESS	Réseau Intercontinental de Promotion de l'Économie Sociale et Solidaire (Intercontinental Network for the Promotion of Social Solidarity Economy)
SADPA	South Africa Development and Partnership Agency
SBV	State Bank of Viet Nam
SEED-Net	Southeast Asia Engineering Education Development Network
SELJ	Solidarity Economy Learning Journey
SENAI	National Service for Industrial Training
SFD	Saudi Fund for Development
SHG	Self Help Group
SLIPP	Sustainable Livelihoods for Poor Producers
SRCBT	Seung River Community-based Tourism
SSBF	Swedish Savings Banks Foundation
SSE	Social and Solidarity Economy
SSTC	South-South and triangular cooperation
STP	Smile Together Project
TAC	Technical Aid Corps
TCDC	Technical Cooperation among Developing Countries
TCSR	Training Center of Scientific Research
TICA	Thailand International Development Cooperation Agency
TIKA	Turkish Cooperation and Development Agency
TSKI	Taytay Sa Kauswagan Inc.
TYM Fund	Tao Yeu Mai Fund
UMFI	Upland Marketing Foundation Inc.
UNAG	Unión Nacional de la Agricultura y Ganadería de Nicaragua
UNAF	Unión Nacional de la Agricultura Familiar
UNASUR	Union of South American Nations
UNDG	United Nations Development Group
UNDP	United Nations Development Programme
UNOSSC	United Nations Office for South-South Cooperation
UNSRAT	Universiti Sam Ratulangi
VWU	Viet Nam Women's Union
WFTO	World Fair Trade Organization
WTF	Work Together Foundation

Introduction

South-South and triangular cooperation (SSTC) is a partnership between equals that is guided by the principles of solidarity and non-conditionality. This is central to the mainstreaming of the ILO's Decent Work Agenda (DWA).¹

South-South Cooperation implies cooperation between developing countries, whereas triangular cooperation includes the participation of one (or more) Northern partner (i.e. developed country) supporting alliances between countries of the South. South-South and triangular cooperation draws on the strategic advantage of the ILO, being the only tripartite United Nations agency that brings together representatives of governments, employers and workers to jointly shape policies and programmes. Therefore, SSTC is for the ILO an effective means of capacity development, knowledge sharing, exchanging experience and good practices, inter-regional cooperation, and resource mobilization.²

Experts who received an ILO South-South fellowship during the ILO Academy on Social and Solidarity Economy (Agadir, Morocco, 8–12 April 2013)

¹ Anita Amorim & Andrew Dale (eds.) (2013) South-South Cooperation and Decent Work: Good Practices. International Labour Office, Partnerships and Field Support Department – Geneva: ILO, 2013, p. 9. Retrieved from http://www.ilo.org/wcmsp5/Groups/public/---dgreports-excel/documents/publication/wcms_211770.pdf.

² ILO Partnerships for Decent Work Newsletter, 'South-South Exchanges on Social and Solidarity Economy.' May 2013, No. 37, p. 1. Retrieved from http://www.ilo.org/pardev/information-resources/newsletter/wcms_212742/lang-en/index.htm.

pointed out the complementarity between South-South and triangular cooperation and Social and Solidarity Economy³ as follows:

- 1) South-South partnerships between SSE stakeholders are inclusive. They involve a multi-stakeholder approach central to the mainstreaming of the Decent Work Agenda.
- 2) South-South and triangular arrangements can reinforce the impact of Social Solidarity Economy in national contexts. They can sustain wider regional and inter-regional networks and platforms for knowledge and experience sharing.
- 3) Existing SSE networks between countries from the South are inspiring initiatives.

The features of South-South and triangular cooperation good practices⁴ could serve as pointers to encourage developing countries to use South-South and triangular cooperation in strengthening Social and Solidarity Economy.

Box 1. Features of South-South and triangular cooperation (SSTC)

Good Practices

1. *Horizontal dimension of cooperation:* SSTC strengthens horizontal cooperation between countries in Social and Solidarity Economy (SSE) with no conditionality, based on non-discrimination and on the sharing of information, training of human resources or replication of strategies;
2. *Triangular dimension of cooperation:* SSTC strengthens cooperation in developing SSE between two or more countries in the South with Northern assistance in the form of financial contributions or technical knowledge;
3. *Support for SSE Innovation:* SSTC supports SSE innovations that increase the productivity of local resources and/or enhance the effectiveness of development programmes. The practice need not be new, but its effectiveness should be accepted;

³ Ibid.

⁴ Leandro Pereira Morais (2014). Social and Solidarity Economy and South-South and triangular cooperation in Latin America and the Caribbean: Contributions to Inclusive Sustainable Development, International Labour Office, Partnerships and Field Support Department, ILO, Geneva, 2014, pp. 19–20. http://ilo.org/wcmsp5/groups/public/---dgreports/---exrel/documents/genericdocument/wcms_236660.pdf.

4. *Enhance adaptability/replicability of SSE good practices:* SSTC enhances the adaptability/ replicability of SSE local good practice whose features are transferable to other contexts or situations;
5. *Reinforce sustainability of SSE good practices:* SSTC reinforces the sustainability of SSE good practices when it is adaptable and replicable in countries of the South. This will boost public visibility of the practice and its influence in shaping public policy;
6. *Mainstream social inclusion in SSE organizations:* SSTC supports partnerships between SSE stakeholders that are inclusive and with a multilateral approach to integration of the DWA;
7. *Strengthen and scale up SSE value chains:* SSTC helps to build SSE value chains that enhance economic diversity and resilience.

These arguments build a strong case for the ILO to embark on a programme of South-South and triangular cooperation in developing and scaling up Social and Solidarity Economy good practices in Asia. The present project is undertaken with the aim of compiling evidence of good practices that will support the ILO in developing a strategy of South-South and triangular cooperation in Social and Solidarity Economy in Asia, the planned goals for which are shown in Box 2.

Box 2. South-South and triangular cooperation in Social and Solidarity Economy in Asia: Planned Goals

1. Reinforce the existing Asian networks of field actors who have carried out South-South and triangular cooperation projects to promote the Decent Work Agenda in Asia with particular emphasis on Social and Solidarity Economy. This network will serve as a contact base of experts in South-South and triangular cooperation activities in the region and will coordinate its work with RIPESS and the UN Task Force on Social and Solidarity Economy.
2. Organize a training course for around 15 Social and Solidarity Economy practitioners, researchers and policymakers in the region. The course will help to provide participants with knowledge on previously tested technologies of: (i) Promoting Social Dialogue and Social and Solidarity Economy; (ii) Monitoring and evaluation of solidarity-based social enterprises in the framework of South-South Cooperation; and (iii) Organization and development planning for the

scale up of solidarity-based social enterprises. The final purpose of the course is to help participants to develop their country level action programmes with the aim of building the capacities of solidarity-based community enterprises in their respective countries.

3. Collect practical research papers of South-South and triangular cooperation activities in the field of Social and Solidarity Economy in Asia and identify successful SSTC activities and encourage actors to contribute to the compilation by structuring the information in due format to produce a research paper.

Background to the study



Partnerships in Social and Solidarity Economy are a case for South-South exchanges. Building such partnerships necessarily involves a solidarity-based multi-stakeholder approach that is central to the mainstreaming of the Decent Work Agenda. The exchange of best practices amongst the developing countries is an important means to achieve national ownership in the field of Social and Solidarity Economy and South-South and triangular Cooperation efforts – including the identification of successful experiences in one country and their adaptation and application in another, which is an important addition to the dissemination of decent work outcomes under the ILO’s four strategic objectives. At the same time, it enables the formation of networks between developing countries and traditional donors in triangular schemes that contribute to fair globalization.

To build partnerships for Social and Solidarity Economy, the ILO has been organizing the Academy on Social and Solidarity Economy,⁵ which is an inter-regional training event gathering practitioners from all around the world to share their experience and interact with Social and Solidarity Economy specialists. Its main aims are to contribute to a better understanding of the concept of Social and Solidarity Economy, to discuss the relevance of Social and Solidarity Economy as a new development alternative and how to relate it to the ILO’s Decent Work Agenda, and to strengthen the impact of Social and Solidarity Economy through the creation of a community of practice.

⁵ Background on the ILO SSE Academy can be accessed at <http://socialeconomy.ilo.org/en>.

Selection of case studies on Social and Solidarity Economy

The 38 SSE cases from 17 countries⁶ included in the present study were selected based on the constituent elements of South-South and triangular cooperation: *(1) taking initiatives in social, economic, environmental, technical or political realms; (2) manifestation of solidarity; (3) egalitarian partnership based on solidarity, sharing of knowledge and experience, training and technology transfer; (4) social dialogue; (5) shared interest; (6) emerges out of a socio-economic demand; (7) respect for autonomy, specificities and priorities of partners at the national level; (8) cross-cutting nature of actions and objectives; (9) cooperation between trade unions and universities; and (10) strengthening of knowledge and research capacity for interventions in policies and organizational development.*

The cases were selected from among the research studies prepared by the authors as their contribution to the Asian Solidarity Economy Forum. They do not necessarily represent all types of organizations involved in Social and Solidarity Economy that have been identified comprehensively by RIPESS.⁷

The study's basic premise is that Social and Solidarity Economy embodies the constituent elements of South-South and triangular cooperation, and that the latter has been a driving force in the development of Social and Solidarity Economy in Asia. The present study seeks to provide concrete evidence of South-South exchanges carried out 'from the bottom up' through the cooperation of professional organizations and community-based social enterprises managed and operated by organized groups of ordinary people.

Definition of Social and Solidarity Economy

The International Network for the Promotion of Social and Solidarity Economy ("Réseau Intercontinental de Promotion de l'Économie Sociale et Solidaire" -RIPESS) defines Social and Solidarity Economy as 'an alternative to capitalism and other authoritarian, state-dominated economic systems. In

⁶ The case studies were generated from 15 countries of Asia namely Bangladesh, Cambodia, China, India, Indonesia, Japan, Laos, Malaysia, Nepal, Pakistan, Philippines, Sri Lanka, South Korea, Thailand, and Viet Nam), and 2 non-Asian countries, Kenya and Switzerland. Of the 38 cases, 17 are examples of South-South and triangular cooperation, 17 are examples of country-to-country peer cooperation, and 4 are devoted to defining Social and Solidarity Economy. All these studies were presented and discussed in the biennial Asian Solidarity Economy Forum and various conferences and workshops conducted by the Asian Solidarity Economy Council during the period 2007–2013.

⁷ RIPESS. (June 2013) 'RIPESS Global vision' Accessed at http://www.ripest.org/wp-content/uploads/2013/06/DOC2_global_vision_base_document_EN.pdf.

Social and Solidarity Economy ordinary people play an active role in shaping all of the dimensions of human life: economic, social, cultural, political, and environmental. Social and solidarity economy exists in all sectors of the economy – production, finance, distribution, exchange, consumption and governance. It also aims to transform the social and economic system that includes public, private and other sectors. Social and solidarity economy is not only about the poor, but strives to overcome inequalities, which includes all classes of society. Social and solidarity economy has the ability to take the best practices that exist in our present system (such as efficiency, use of technology and knowledge) and transform them to serve the welfare of the community based on different values and goals'.⁸

Peter Utting⁹ cites examples of Social and Solidarity Economy which include traditional forms of cooperatives, mutual associations and non-governmental organizations, as well as women's self-help groups, community forestry groups, social provisioning organizations or 'proximity services', fair trade organizations, associations of informal sector workers, social enterprises, and community or group currency and finance schemes. Apart from the solidarity organizations of workers and producers at the primary level, Peter Utting also adds the Social and Solidarity Economy networks, associations and movements at various scales (local, sub-national, national, regional and global).

SSE is an economic approach that favours decentralization and local development and is driven by ethical values such as solidarity and fair trade, thus being holistic in the sense that SSE organizations, enterprises and networks simultaneously pursue some combination of economic, social, environmental and emancipatory objectives. According to the United Nations Inter-Agency Task Force on Social and Solidarity Economy, 'the economic sphere of SSE provides opportunities including job creation, access to markets, provision of financial intermediation, and economies of scale. The social sphere offers better protection as it is built on principles of mutuality, solidarity and reciprocity, and advocates for comprehensive social protection and redistribution. The environmental sphere promotes environmental justice and seeks to ensure that economic activity enhances rather than depletes natural capital. Empowerment not only refers to the economic dimension, but also to political aspects. SSE facilitates a voice and representation through self-organization, participatory governance and collective action at multiple levels. This multifaceted approach distinguishes SSE from other forms of social

⁸ RIPESS. op.cit.

⁹ Utting, Peter (2013. Apr 29) 'Social and Solidarity Economy: A pathway to socially sustainable development?' <http://www.unrisd.org/thinkpiece-utting> RIPESS.

organization and enterprise associated with the public, private and informal economy sectors.’¹⁰

Some studies presented and discussed in the Asian Solidarity Economy Forum provide a glimpse into Asian perspectives on the concept and practice of Social and Solidarity Economy in different cultures and environments in Asia (see Box 3). These studies have contributed to the elaboration of the RIPESS global vision of Social and Solidarity Economy during the 5th RIPESS international meeting (Manila 15–18 October 2013), and to the formulation of the ‘SSE recommendations for the post-2015 Millennium Development Goals’,¹¹ which RIPESS submitted to the UN High Level Political Forum on 3 July 2014.

Box 3. Clarifying the concept and practice of Social and Solidarity Economy:

Perspectives from Asia

Four studies included in this paper’s review were devoted to clarifying the concept and practice of Social and Solidarity Economy in Asia. The study in **Nepal**¹² identified different types of organizations that are involved in Social and Solidarity Economy. These are: cooperatives, mutual benefit societies, community-based organizations, social enterprises, non-profit, non-governmental organizations, fair trade groups, organic farming groups and other non-formal self-help groups. The study estimates the number of these organizations in Nepal at more than 300,000, creating decent jobs for about 20 million people.

The study in **Japan**¹³ assessed four types of collective organizations in Japan, namely agricultural coops, consumer coops, mutual aid coops, and non-profit organizations, to ascertain whether they form part of the Social and Solidarity Economy and whether they provide an alternative to the neoliberal market economy. Democratic participation in decision making and interpersonal trust are fundamental features of Social and Solidarity Economy organizations. These traits are

¹⁰ United Nations Inter-Agency Task Force on Social and Solidarity Economy (TFSSE), ‘Social and Solidarity Economy and the Challenge of Sustainable Development’, Position Paper, June 2014, pp. ix–x. http://unsse.org/wp-content/uploads/2014/08/Position-Paper_TFSSE_Eng1.pdf.

¹¹ RIPESS. (October 2013), Social Solidarity Economy recommendations for the Post-2015 Development Agenda. <http://www.ripest.org/social-solidarity-economy-recommendations-for-the-post-2015-development-agenda/?lang=en>.

¹² Ripu M. Kunwar, Ripu, Ram P. Acharya, Gheeta Khadka, Bishnu H. Poudyal, Sita Shahi, Suman Dhakal, Sunil Pariyar, and Bhola Bhattarai (2013). ‘Public policy for social and solidarity economy: A case study from Nepal’. Quezon city: 5th RIPESS International Meeting of Social Solidarity Economy, 15–18 October 2013.

¹³ Yoko Kitazawa (2009). ‘Japan’s Lost Decades and a Women-led Socio-Solidarity Economy.’ Tokyo: 2nd Asian Solidarity Economy Forum. 7–11 November 2009.

usually found in primary level organizations such as the Seikatsu Club, while coop federations or coop unions do not have these features. The latter operate more like multinational companies. The study further noted that solidarity-based primary level institutions were created to address human needs, while national federations/unions were established to meet business needs for efficiency and effectiveness and they compete under conditions and influence of the neoliberal market economy. Lessons drawn from the Seikatsu Club's face-to-face engagement with people at the primary level have become part of the inter-people cooperation project of the Pacific Asia Resource Centre Inter-people Cooperation (PARCIC)¹⁴ in Timor-Leste and in Sri Lanka. A comparative study of Social and Solidarity Economy organizations and activities in **Geneva, Switzerland** and those in the **Philippines** reflected on how the Social and Solidarity Economy is being conceptualized and practised in varying contexts and cultures.¹⁵ The study noted that Social and Solidarity Economy in the Philippines is being conceptualized through a 'supply chain approach' that fosters solidarity between all actors, while in Geneva the Social and Solidarity Economy movement is focused on the practice of individual members. The approach in Geneva is to make a value system explicit via guiding principles, and Social and Solidarity Economy Chamber members are enjoined to put them into practice. In terms of relating to more sustainable forms of consumption and production, social considerations are highly valued in Social and Solidarity Economy, with environmental concerns taking a back seat in both Geneva and the Philippines. In both of these approaches, members of the Social and Solidarity Economy movement have found a shared interest in developing Social and Solidarity Economy as an alternative model of development. Both approaches use social dialogue as a means of inculcating principles or concepts.

The study 'Building Blocks for Solidarity Economy'¹⁶ elaborated on some strategies for building Social and Solidarity Economy. These would include documenting varied forms of Social and Solidarity Economy, building Social and Solidarity Economy networks in territories, fostering exchange of ideas and experience, establishing platforms for economic exchanges and transactions between various Social and Solidarity Economy enterprises and supply chains, and establishing an enabling policy environment for Social and Solidarity Economy.

¹⁴ <http://parcic.org/english/>.

¹⁵ Marlyn D. Sahakian & Christophe Dunand (2013). 'Conceptualizing SSE towards sustainable consumption and production'. Quezon city: 5th RPESS International Meeting of Social Solidarity Economy, 15–18 October 2013. <http://public.apres-ge.ch/noed/53181>.

¹⁶ Basilio M. Rodriguez, Jr. (2009a). 'Building a solidarity economy in the Philippines'. Kuala Lumpur. Workshop on Small & Medium Enterprises with CSR Agenda. 10–13 March 2009.

Methodological approaches

Sections I and II introduce the ILO strategy of South-South and triangular cooperation and its links to solidarity economy in Asia.

Section III reviews the experiences of the Association of Southeast Asian Nations (ASEAN), the Mercado Común del Sur (Mercosur), and the African Union in promoting South-South and triangular cooperation and Social and Solidarity Economy within the context of regional socio-economic integration. Included in this section is a collection of sample cases of South-South and triangular cooperation and Social and Solidarity Economy from Asia, Latin America, and Africa. It is relevant to note that the present study builds on a similar study in Latin America which concludes that South-South and triangular cooperation and Social and Solidarity Economy are ‘two sides of the same coin which feed-back mutually, bringing effective forms of local economic and social development as a result.’¹⁷

The present study then proceeds to examine the idea that South-South and triangular cooperation has been a driving force in the development of Social and Solidarity Economy in Asia by analysing the case studies selected for the purposes of this paper.

Section IV synthesizes the contributions of South-South and triangular cooperation on Social and Solidarity Economy to local economic and social development based on the cases reviewed. Finally, Section VI presents the study’s conclusions and a proposal for building South-South and triangular cooperation in developing Social and Solidarity Economy in Asia as a means of mainstreaming the ILO’s Decent Work Agenda.

¹⁷ Moraes, op.cit. Box 7, p. 13.

South-South and triangular cooperation



south-South Cooperation and the Emerging Economies

International development cooperation in the post-World War II era was directed largely at ensuring economic, financial and technical assistance from the developed North to the developing South, based on the premise that the developed North possessed the capital resources and technical skills which the poor South lacked.¹⁸ Guided by such concepts of development cooperation and backed by a favourable global environment in trade and investment, capital flows and commodity prices,¹⁹ developing countries went through a period of economic growth which encouraged them to borrow huge sums of money from international creditors to advance industrialization and infrastructure development.

This period of rapid economic growth has been described as an 'era of major and disruptive transformation.'²⁰ From the 1970s up until the mid-2000s, South-South Cooperation slackened owing to the dominance of developed countries belonging to the Organisation for Economic Co-operation and Development (OECD) Development Assistance Committee (DAC) in providing

¹⁸ The Reality of Aid Management Committee. (2013. February). 'South-South development cooperation: A challenge to the Aid system?', p. 1. <http://www.realityofaid.org/wp-content/uploads/2013/02/ROA-SSDC-Special-Report1.pdf>.

¹⁹ Akyuz, Yilmaz (2012. March). 'The staggering rise of the South?'. South Centre, Research papers 44.

²⁰ *The Economist*. 2013. May 8. 'The Global Economy: Welcome to the Post-BRIC Period' accessed 20 February 2015 from <http://www.economist.com/blogs/freexchange/2013/05/global-economy>.

official development assistance (ODA).²¹ At the same time this era brought forth the emerging economies, the foremost among them being Brazil, Russia, India, and China (BRIC). The BRIC countries comprise 40 per cent of the world's population, spread over three continents, and account for more than 25 per cent of global gross domestic product (GDP).²²

The rise of emerging economies in the mid-2000s was coupled with the revitalization of South-South Cooperation. The UN Office for South-South Cooperation (UNOSSC) views South-South cooperation as a manifestation of solidarity between peoples and countries of the South that contributes to their national well-being, their national and collective self-reliance, and the attainment of internationally agreed development goals including the UN's 2013 Agenda. Developing countries initiate, organize and manage the South-South cooperation agenda themselves and may range from the sharing of knowledge and experience to training, technology transfer, financial and monetary cooperation and in-kind contributions.²³ Governments often play a lead role, with active participation from public and private-sector institutions, non-governmental organizations and individuals, and from various sectors whether bilateral, multilateral, subregional, regional or inter-regional in nature.

Making use of their own experience in North-South as well as South-South cooperation, emerging economies initiated their own financial disbursements to southern countries for development cooperation (including supporting ODA).²⁴

²¹ Manning, R. 2006. Will 'emerging donors' change the face of international co-operation? *Development Policy Review* 24(4): 371-385.

²² The Reality of Aid Management Committee, op. cit.

²³ South-South Cooperation dates back to the Asia-Africa Conference of 1955 held in Bandung, Indonesia where 29 newly independent African and Asian States decided to form the 'Afro-Asian Group' on the basis of mutual interest and respect for national sovereignty. This pioneering South-South conference paved the way for the establishment of the Non-Aligned Movement (NAM) in 1961 and the Group of 77 in 1964. Source: Final Communiqué of the Asian-African Conference of Bandung, 24 April 1955, available at http://www.ena.lu/final_communique_asian-african_conference_bandung_24_april_1955-020000556.html. In support of development cooperation between developing countries, the United Nations General Assembly established in 1974 a special unit within the United Nations Development Programme to promote technical cooperation between developing countries. In 2004, the Special Unit for TCDC acquired a new name: the Special Unit for South-South Cooperation (SU/SSC) by virtue of General Assembly resolution 58/220 of 19 February 2004.

²⁴ Development cooperation agencies established by southern countries in the 1950s and 1960s were either revitalized, restructured, or replaced by new ones. Today, the new ODA providers include the Thailand International Development Cooperation Agency (TICA); the Turkish Cooperation and Development Agency (TIKA); Indian Technical and Economic Cooperation (ITEC); the Korea International Cooperation Agency (KOICA); the Nigeria Trust Fund (NTF); Technical Aid Corps (TAC) of Nigeria; the International Cooperation and Development Fund (ICDF) of Taiwan;

Note 24 continued on page 13

A study by the UN Economic and Social Council²⁵ reveals that ODA disbursements by non-DAC countries increased from US\$3.5 billion in 2003 to an estimated amount of between US\$9.5 billion and US\$12.1 billion in 2006, or 7.8 to 9.8 per cent of total flows. Of the total ODA disbursements from non-DAC countries in 2006, around half came from Asian and Latin American countries, with Venezuela and China taking the biggest shares of 18.0% and 14.4% per cent respectively, followed by Republic of Korea (5.8%), India (4.1%), Taiwan (3.1%), and Brazil (2.6%). The rest came from Thailand (1.3%), Argentina (0.07%), Chile (0.02%), and Malaysia (0.01%).²⁶

Non-DAC contributors to all multilateral institutions were much less, at an average of about 18 per cent of ODA, compared with an average of 28 per cent for DAC donors.²⁷ The bulk of non-DAC bilateral development assistance was in the form of project loans and grants, with much less significant amounts for general budget support.²⁸

Economic integration: ASEAN, MERCOSUR and the African Union

In addition to bilateral cooperation, developing countries also promote their collective economic interests and enhance their South-South development cooperation through the formation of regional institutions. Examples of economic integration initiatives are the Association of Southeast Asian Nations (ASEAN), Mercado Comun del Sur (MERCOSUR), and the African Union (AU), and cases of South-South and triangular cooperation from Southeast Asia, Latin America, and Africa. These are featured in Boxes 4, 5 and 6 respectively.

ASEAN

The Association of Southeast Asian Nations (ASEAN) was formed on 8 August 1967 by five founding member countries – Indonesia, Malaysia, Philippines,

Note 24 continued from page 12

the Brazilian Cooperation Agency (ABC) and the National Service for Industrial Training (SENAI) in Brazil; the Agencia de Cooperación de Chile (AGCI); the South African Development Partnership Agency (SADPA), Kuwait Fund for Arab Economic Development, and Saudi Fund for Development (SFD). Others like China do not have such specialist development agencies.

²⁵ UN Economic and Social Council, May 1988. 'Background study for the Development Cooperation Forum: Trends in South-South and triangular development cooperation.'

²⁶ The Reality of Aid Management Committee, February 2013. 'South-South development cooperation: A challenge to the aid system?' p. 5. Accessed from <http://www.realityofaid.org/wp-content/uploads/2013/02/ROA-SSDC-Special-Report1.pdf>.

²⁷ ECOSOC, op.cit. p. 11.

²⁸ Ibid., p. 12.

Singapore and Thailand – with the aim of uniting against the threat of communist-led insurgency. The other five member countries joined in succeeding years – Brunei Darussalam in 1984, Viet Nam in 1995, Lao PDR and Myanmar in 1997, and Cambodia in 1999.²⁹

ASEAN has become a major economic powerhouse in the region, having signed free trade agreements (FTA) with China, Australia, New Zealand, India, Japan, and the Republic of Korea.³⁰

Box 4. Examples of SSTC in Southeast Asia

In **Indonesia** the ASEAN Foundation, together with the Japan International Cooperation Agency (JICA), ASEAN University Network/Southeast Asia Engineering Education Development Network (AUN/SEED-Net) and the Faculty of Mechanical and Aerospace Engineering of Institut Teknologi Bandung (ITB) jointly organized the Regional Conference on Mechanical and Aerospace Technology (9–10 February 2010, Bali, Indonesia), with 150 engineering experts from ASEAN and Japan and representatives from the government and private sectors participating. The ASEAN Foundation, through the Japan-ASEAN Solidarity Fund, in partnership with JICA, provides financial support to expand and enhance the educational and research engineering capacities of 19 leading engineering schools in ASEAN in cooperation with 11 leading Japanese universities.³¹

In **Malaysia** FAO-ASEAN cooperation in agriculture and forestry was initiated in 2013 with the aim of strengthening cooperation in agriculture and forestry toward the goal of reducing hunger in the region and improving food security. The two organizations have agreed to work together in addressing growing challenges in agriculture, particularly in addressing global challenges in food and nutrition security and sustainable agriculture, as well as supporting the sector by contributing to the realization of the ASEAN Economic Community in 2015. Under the programme, ASEAN and FAO will strengthen collaboration in the areas of trans-boundary animal-disease control, food safety, nutrition, food security, and bioenergy development.³²

²⁹ ASEAN Secretariat. 'About ASEAN'. <http://www.asean.org/asean/about-asean>.

³⁰ Isabella Bennett, Julie Ginsberg, and Beina Xu, Beina 'ASEAN'. October 8, 2013. <http://www.cfr.org/asia-and-pacific/asean-association-southeast-asian-nations/p18616>.

³¹ ASEAN Foundation. (2010. Feb 24) 'ASEAN Foundation AUN-ICA-ITB collaborate to enhance ASEAN Japan technology cooperation.' http://www.aseanfoundation.org/newsletter/2010/pdf/8_ASEAN_Foundation_AUN_JICA_ITB_collaborate_to_enhance_ASEAN-Japan_technology_cooperation_2024Feb2010.pdf.

³² *The Nation*. 'FAO-Asean-to-strengthen-cooperation-in-farming-forestry.' September 28, 2013. <http://www.nationmultimedia.com/business/FAO-Asean-to-strengthen-cooperation-in-farming-for-30215816.html>.

The **Korea International Cooperation Agency (KOICA)** expanded its overseas development assistance (ODA) in 2015 for ASEAN. This was intended to strengthen the partnership between ASEAN and KOICA in combating poverty and supporting the sustainable socio-economic growth of ASEAN member countries. Currently Cambodia is the third largest recipient of KOICA's global ODA (the largest among ASEAN countries) with US\$25.392 million, followed by Viet Nam (US\$ 23.89 million), the Philippines (US\$23.717 million) and Indonesia (US\$19.8722 million). KOICA's ODA to other ASEAN countries such as Malaysia, Thailand, and Singapore were rather limited, but KOICA welcomed further joint collaboration with these countries in 2015.³³

The **Indonesia-Malaysia-Thailand Growth Triangle (IMT-GT)** is an ASEAN sub-regional development cooperation initiative formed in 1993 by the Governments of Indonesia, Malaysia, and Thailand with the aim of increasing intra-IMT-GT and inter-IMT-GT trade and investment to accelerate economic transformation in less developed provinces. The private sector plays a key role in promoting IMT-GT economic cooperation. Since its formation the IMT-GT has grown in geographic scope and activities to encompass more than 70 million people. It is now composed of 14 provinces in southern Thailand, 8 states of Peninsular Malaysia, and the 10 Provinces of Sumatra in Indonesia.³⁴

The **Brunei Darussalam Indonesia Malaysia Philippines East Asian Growth Area (BIMP-EAGA)** is another ASEAN subregional development cooperation initiative formed in 1994 with the aim of increasing trade, tourism and investment in the growth area through cross-border cooperation. To achieve its development goals, the BIMP-EAGA cooperation is anchored on five strategic pillars: Connectivity, Food Basket, Tourism, Environment, and Trade and Investment Facilitation. In support of this inter-governmental initiative, the business sector has organized the East ASEAN Business Council (EABC) with a full-time Secretariat in Brunei Darussalam. The East ASEAN Business Council promotes private sector participation in all activities in BIMP-EAGA.³⁵

³³ Nur Ashikin Abdul Aziz. 'Korea's KOICA to expand programme and partnership with Asean'. Bernama December 17, 2014. http://web6.bernama.com/bernama/v3/bm/news_lite.php?id=1094149.

³⁴ Indonesia-Malaysia-Thailand Growth Triangle (2009). 'About IMT-GT'. <http://www.imtgt.org/About.htm>.

³⁵ Brunei Darussalam-Indonesia-Malaysia-Philippines East Asia Growth Area (BIMP-EAGA) (2010). 'Vision, Goals and Strategic Objectives'. <http://www.bimp-eaga.org/Pages/Content.aspx?cid=17>.

ASEAN has established three pillars to support regional integration: (1) Security Community (ASC), later renamed the ASEAN Political-Security Community (APSC), which was intended to bring ASEAN's political and security cooperation to a higher plane to ensure that countries in the region live at peace with one another and with the world at large in a just, democratic and harmonious environment;³⁶ (2) the ASEAN Economic Community (AEC), which pursues the end goal of economic integration as outlined in the ASEAN Vision 2020, to create a stable, prosperous and highly competitive ASEAN economic region in which there is a free flow of goods, services, and investment and a freer flow of capital, equitable economic development and reduced poverty and socio-economic disparities in year 2020; and (3) the ASEAN Socio-Cultural Community (ASCC), which envisages ASEAN as a 'community of caring societies' bonded together in partnership and cooperation in undertaking 'social development aimed at raising the standard of living of disadvantaged groups and the rural population' with the active involvement of all sectors of society, in particular women, youth, and local communities. The ASCC beefs up ASEAN's shift from the economic-centric regional community building in the past to a more holistic, inclusive approach that recognizes as well the social, cultural, and environmental dimensions of development.

In 2000 the ASEAN Heads of State launched the Initiative for ASEAN Integration (IAI) with the objectives of Narrowing the Development Gap (NDG) and accelerating the economic integration of the newer members of ASEAN, namely Cambodia, Lao PDR, Myanmar, and Viet Nam (CLMV).³⁷ On November 2012 the Heads of Member States adopted the ASEAN Human Rights Declaration at the 21st ASEAN Summit in Phnom Penh, Cambodia, affirming the civil, political, economic, social and cultural rights, as well as the right to development and peace of all citizens of ASEAN countries.

MERCOSUR

Mercosur was formed in 1991 through the Treaty of Asunción as a trading block, or free trade area, its original members being Argentina, Brazil, Paraguay and Uruguay. Venezuela joined in 2012. Its associate member countries are Bolivia, Chile, Colombia, Ecuador and Peru. Observer countries are New

³⁶ ASEAN Secretariat, 'Declaration of ASEAN Concord II' (Bali Concord II), Bali, October 7, 2003 <http://www.aseansec.org/15159.htm>.

³⁷ ASEAN Secretariat. 2014. 'Initiative for ASEAN Integration (IAI) and Narrowing the Development Gap (NDG)'. Accessed at <http://www.asean.org/communities/asean-economic-community/category/initiative-for-asean-integration-and-narrowing-the-development-gap>.

Zealand and Mexico. Patterned after the European Union, Mercosur's purpose is to promote free trade and economic, social and political integration, including the free movement of goods, services, people and factors of production among Member States.³⁸

During its early stages Mercosur focused on the economic and trade aspects of liberalization and regional integration. The 1997 Asian financial crisis slowed this economic-centric integration as it triggered economic challenges such as the devaluation of the Brazilian real in 1999, overvaluation of the Argentinian peso which brought about the Argentinian crisis of 2001 and contributed to 'disintegration' in Mercosur. This stage of Mercosur's development has been the subject of critical comments.³⁹

Box 5. Examples of SSTC in Latin America

A ground-breaking measure by Mercosur member countries was the establishment of the **Banco del Sur** (Bank of the South), a monetary fund and lending organization established by Argentina, Brazil, Paraguay, Uruguay, Ecuador, Bolivia and Venezuela with an authorized capital of \$20 billion. Banco del Sur was intended to help fund the development and infrastructure projects of member countries without World Bank or International Monetary Fund involvement.⁴⁰ It was seen as a significant economic and political step to avoid dependence on the US economy

³⁸ Intellectual Network for the South (2008). 'Common Market of the South (MERCOSUR)' http://www.insouth.org/index.php?option=com_Task_Details_Itemid=68.

³⁹ Some of these views include:

- a) The Intellectual Network for the South noted that while Mercosur has become a full customs union and a trading bloc, the degree of market integration was ambiguous owing to the proliferation of exceptions and violations of the bloc's original accords. According to Winters (2003), a customs union is a type of trade bloc which is composed of a free trade area with a common external tariff. The participant countries set up common external trade policy, but in some cases they use different import quotas. Common competition policy is also helpful to avoid competition deficiency.
- b) Larry Rohter, in an article written in 1997 for the New York Times, raised the question as to whether Mercosur was a customs union or a glorified free trade area. Quoted in Global envision (2005, September 28). 'Mercosur demystified'. <https://www.globalenvision.org/library/15/807>.
- c) *The Economist* has criticized Mercosur for mounting protectionism among its members and for turning into a political union which increased the influence of left-of-centre governments on decision-making. *The Economist*, Buenos Aires and Rio de Janeiro (2012, July 14). 'Mercosur RIP'. <http://www.economist.com/node/21558609>.

⁴⁰ Klonksy, Joanna, Hanson, Stephanie, and Lee, Brianna (2011, July 31) Mercosur: South America's Fractious Trade Block Council on Foreign Relations, <http://www.cfr.org/trade/mercosur-south-americas-fractious-trade-bloc/p12762>.

and isolation from the global market.⁴¹ Nobel Laureate and Columbia University Professor Joseph Stiglitz gave his blessing to the project and stated that ‘one of the advantages of having a Bank of the South is that it would reflect the perspectives of those in the Western Hemisphere. It would boost Latin America’s development and provide a useful alternative to the World Bank and the International Monetary Fund (IMF). It is a good thing to have competition in most markets, including the market for development lending.’⁴²

In **Brazil** eleven cooperatives devoted to family agriculture were assessed and advised so they can improve their processes and have access to the available public policy instruments in an efficient manner. The technical assistance provided to the cooperatives is part of a cooperation agreement between the Ministry for Agricultural Development of Rio Grande do Sul (through the Secretariat for Rural Development, Fishery and Cooperativism), the Rio Grande do Sul State Bank, the Rio Grande Association for Technical Assistance and Rural Outreach Ventures and the IFAD Mercosur programme. The objective of this cooperation is to pool efforts to help the organizations devoted to family farming to improve their access to the instruments foreseen by the existing public policies.⁴³

In **Argentina** a project for the supply of water was initiated in 2013 to promote the development of 25 territories in five provinces, essentially aiming to improve the use and management of water with two key objectives: first, social equality, i.e., that everybody may have access to safe drinking water and a better quality of life; and competitiveness by improving and enhancing production. This project was funded under the Mercosur Fund for Structural Convergence (Focem) in the framework of South-South cooperation involving the CLAEH, the Secretariat for Rural Development and Family Farming of the Ministry of Agriculture, Livestock and Fishery of Argentina, and IFAD Mercosur.⁴⁴

In **Chile** the Second Programme of Cooperation between the IFAD MERCOSUR Programme and the Institute for Agricultural Development in Chile (INDAP) was launched in March 2014 through the Professional Association ‘National Union of Organizations of Family Farming Producers of Chile’ (UNAF). The programme is intended to develop competencies for the comprehensive management of coope-

⁴¹ South Centre, op. cit., p. 2.

⁴² Quoted in Council of Hemispheric Affairs. ‘Bank of the South: Another step in Latin American integration. December 7, 2007. <http://www.coha.org/bank-of-the-south-another-step-toward-latin-american-integration>.

⁴³ IFAD MERCOSUR. (2013. September). ‘Strengthening of family farming’. <http://fidamercosur.org/clah/activities-and-events/cooperation/247-strengthening-family-farming-cooperatives>.

⁴⁴ IFAD MERCOSUR. (2012). ‘Project for water supply’. <http://fidamercosur.org/clah/activities-and-events/cooperation/246-project-for-water-supply>.

ratives and to strengthen leadership in business from their respective roles, both organizational and technical.⁴⁵

In **Nicaragua** civil society organizations represented by the National Union for Agriculture and Livestock of Nicaragua (Unión Nacional de la Agricultura y Ganadería de Nicaragua, or UNAG) and Chile's National Union of Family Agriculture (Unión Nacional de la Agricultura Familiar, or UNAF) have launched a programme to exchange experience at the level of workers' organizations and farm families (IFAD, 2013). This cooperation programme started with a trip by Chilean union leaders to Nicaragua to hold a dialogue with UNAG leaders. This is an initiative supported by the CLAEH (Centro Latinoamericano de Economía Humana), IFAD (International Fund for Agricultural Development) and the MERCOSUR Regional programme.⁴⁶

But the faltering Mercosur gained new life in 2003 when Brazil reaffirmed its commitment towards regional integration. As noted by the South Centre, Mercosur adopted a new purpose and role as it was no longer economic-centric, but expanded its activities by embracing social, political and environmental concerns.

The new initiative included the formal institutionalization of Mercosur with the establishment of the Mercosur Parliament, enhanced cooperation and dialogue with other South American countries (i.e., Bolivia and Venezuela) and integration blocs (e.g. Andean community), more cooperation in various areas such as scientific research, education and military/defence policy, enhanced macro-economic policy coordination, improvement of social and labour rights and conditions, promotion of democracy, energy integration leading to the formation of the Union of South American Nations (UNASUR), which aims to enjoin Latin American countries to work together for the development of the continent, and presenting a united political front to the rest of the world through Mercosur's negotiations with the Free Trade Area of the Americas (FTAA) and in negotiating with the European Union as a united trading block.⁴⁷

⁴⁵ IFAD MERCOSUR. (2014. March) Second agreement between INDAP AND and IFAD MERCOSUR <http://fidamercosur.org/clahh/activities-and-events/cooperation/418-segundo-convenio-indap-y-programa-fida-mercotur>.

⁴⁶ IFAD MERCOSUR. (2013. August). 'South-South cooperation: UNAG_UNAF'.

⁴⁷ South Centre (2008. August). 'Mercosur's experience & progress toward true regional integration'. Analytical Note SC/AN/GGDP/GPG/5. http://www.southcentre.int/wp-content/uploads/2013/07/AN_GPG5_Mercosurs-Experience_EN.pdf.

The African Union

In Africa 54 nation States formed the African Union (AU) in 2002 from the vestiges of the Organization for African Unity (OAU).⁴⁸ It aims to protect the security of the continent, rather than the sovereignty of individual States.⁴⁹

The African Union adopted a development strategy focused on security and stability as well as on poverty eradication and sustainable development.⁵⁰ The New Partnership for Africa's Development (NEPAD) has been adopted as the blueprint for African development and recovery. To achieve greater economic integration, the Regional Economic Communities (RECs) are recognized as the building blocks of the AU and are also central to the strategy for implementing NEPAD.⁵¹ The goals of NEPAD are poverty eradication, sustainable development, and the integration of Africa into the global economy. To achieve these goals, the AU establishes partnerships with industrialized countries for increased aid, foreign investment, debt relief, and market access, while simultaneously building the institutional capacity of RECs to enhance their effectiveness.⁵²

Experts say the AU's implementation of these new goals is still an aspiration, not a reality. The AU faces tremendous challenges,⁵³ such as endemic poverty and civil conflict in many of its Member States; weakly organized RECs;

⁴⁸ The AU was established on 26 May 2001 in Addis Ababa and launched on 9 July 2002 in South Africa to replace the Organisation of African Unity (OAU). The only African state that is not a member is Morocco.

⁴⁹ Roberta Cohen, senior fellow at the Brookings Institution and lawyer William G. O'Neill in the Bulletin of the Atomic Scientists, stated that 'The AU is the world's only regional or international organization that explicitly recognizes the right to intervene in a member state on humanitarian and human rights grounds.' Quoted in Stephanie Hanson. 'The African Union'. Council on Foreign Relations. September 1, 2009 <http://www.cfr.org/africa-sub-saharan/african-union/p11616>.

⁵⁰ Department of International Relations and Cooperation, South Africa (2004. July 21) The Role of the Regional Economic Communities (RECs) as the Building Blocks of the African Union <http://www.dfa.gov.za/docs/2003/au0815.htm>.

⁵¹ Currently, the RECs are: AMU (Arab Maghreb Union); ECCAS (Economic Community of Central African States); COMESA (Common Market of Eastern and Southern Africa); SADC (Southern African Development Community); IGAD (Intergovernmental Authority for Development); and ECOWAS (Economic Community of West African States). The other RECs in Africa, often described as sub-regional economic communities are: CEMAC (Central African Economic and Monetary Community); EAC (East African Community); CEN-SAD/COMESSA (Community of Sahel-Saharan States); UEMOA/WAEMU (West African Economic and Monetary Union); CEPGL (Great Lakes River Basin); IOC (Indian Ocean Commission); MRU (Mano River Union); and SACU (Southern African Customs Union). Ibid.

⁵² Ibid.

⁵³ Alemayehu Gedaa, Haile Kebretb. 'Regional economic integration in Africa: A review of problems and prospects with a case study of COMESA'. *Journal of African Economies* Vol. 17, No. 3, November 2, 2007. pp.357–394, doi:10.1093/jae/ejm021.

multiplicity of membership of African countries in regional groupings; none of the regional groupings have successfully fulfilled the requirements of a functional common market – in many cases, not even that of a customs union; and poor private sector and people's participation, singled out as a major weakness in regional integration.

Box 6. Examples of SSTC in Africa

In **Rwanda**, IFAD supported South-South knowledge sharing on the **system of rice intensification (SRI)** technology by facilitating a learning visit by two technicians and two rice farmers from Madagascar to the Union des Coopératives Rizicoles de Butare (UCORIBU), an umbrella of rice cooperatives in southern Rwanda. First developed in Madagascar in the 1980s, SRI is a flexible agricultural system that requires efficient management, but uses less water, seed and chemical fertilizers while increasing crop yields significantly in marshlands where rice is grown. The technology is being adopted by increasing numbers of Rwandan farmers with the support of the Rwanda Agricultural Board and the former Institute of Science and Agricultural Research.⁵⁴

Kenya has adopted successful South-South cooperation practices in labour migration through experience sharing activities with Brazil, the East African region, and the Philippines. Through a horizontal cooperation agreement, Kenya drew lessons from the good practices of the Philippines in implementing its labour migration and diaspora policy. Enriched with these lessons, Kenya signed bilateral agreements with Middle East Countries establishing benchmarks and standards on labour migration issues, particularly the protection of vulnerable migrants and harmonization of remittances.⁵⁵

In the **East African Region**, the East African Community (EAC) Protocol 15 on free movement of people and labour was launched on 1 July 2010 based on good practices in labour administration in five countries: Kenya, Uganda, Tanzania, Burundi and Rwanda. Improvements in the labour administration of these five countries were made by running a survey to inform a skills repository as well as other labour market administration issues such as social security and portability issues, labour migration, and common entry documents, as well as labour law and labour market

⁵⁴ IFAD (2014. December). 'System of rice intensification', in Learning from each other: South-South and triangular cooperation in East and Southern Africa. A report of the East and Southern Africa (ESA) Division, p. 19. <http://www.ifad.org/operations/projects/regions/pf/factsheets/sstc.pdf>.

⁵⁵ Department of Partnerships and Field Support, International Labour Organization (2014). 'Global South-South Development Expos: Decent work solutions (2010–2013)', p. 26. http://www.ilo.org/wcmsp5/groups/public/dgreports/exrel/documents/publication/wcms_244336.pdf.

institutions. Subsequently, Sudan entered into a bilateral agreement with Kenya for the training of South Sudan medical personnel in Kenya and an exchange programme in labour administration. The Inter-Governmental Agency for Development (IGAD), a subregional grouping that covers the Horn of Africa (Djibouti, Ethiopia, Kenya, Sudan and Uganda), has also taken steps to share good practices in labour administration with its Member States.⁵⁶

In a triangular arrangement, **South Africa** conducted capacity building and training of the police force in Rwanda, funded by Sweden, and in the Democratic Republic of Congo, funded by Japan. In another South-South and triangular cooperation arrangement, UNDP supported a needs assessment on avian influenza in Egypt at the request of the Thai Ministry of Foreign Affairs, with the support of the African Union and the Governments of Egypt and France.⁵⁷

Tunisia has carried out more than 64 technical assistance and capacity building projects, mainly to Arab and African countries, in such areas as basic and reproductive health services, agriculture, fisheries, vocational training, tourism, public administration and teaching.⁵⁸ These projects were funded by multilateral institutions such as the African Development Bank, the Islamic Development Bank, the Arab Bank for Economic Development in Africa, EU, OPEC Fund, UNDP and the World Bank, and bilateral governments, including Canada, France, Germany and Japan. France, in particular, funded the training of Nigerian doctors by Tunisian physicians and Japan supported Tunisian experts in fishery techniques, navigation and shipbuilding mechanics to conduct training programmes in Mauritania.

While still struggling to reform its governing bodies, the AU plays an increasingly high profile role in peacekeeping, and despite its unsatisfactory performance to date in the economic and political arenas, fresh momentum is now invigorating the process of integration of African economies. A source of renewed enthusiasm in Africa and the world today is the establishment of the South-South trilateral agreement between India, Brazil and South Africa (IBSA), dubbed as the emerging Southern trade powerhouse.

⁵⁶ ILO, op. cit., p. 27.

⁵⁷ United Nations Department of Economic and Social Affairs. (April 2008). 'Background Study for the Development Cooperation Forum: Trends in South-South & Triangular Development Cooperation.' p. 16. http://www.un.org/en/ecosoc/docs/pdfs/south-south_cooperation.pdf.

⁵⁸ Morais, op. cit., p. 17.

South-South and triangular cooperation on social and solidarity economy

The case studies reviewed in this paper were selected from research papers compiled by the Asian Solidarity Economy Council over the period 2007 to 2013 for the purpose of informing the discussions of the Asian Solidarity Economy Forum. They may not, therefore, fully represent all the types of social solidarity economy actors, sectors or practices identified comprehensively in the RIPESS document 'Global Vision for a Social Solidarity Economy: Convergences and Differences in Concepts, Definitions and Frameworks'. Nonetheless, the cases reviewed represent field projects with the qualities of adaptability, replicability, and sustainability.

South-South and triangular cooperation prospers where experiences and practices that have become sustainable in one Southern country can be adapted and replicated successfully in another. *Adaptability* is the ability of an entity or organism to alter itself or its responses to the changed circumstances or environment.⁵⁹ *Replicability* relates to the positive features of an activity, process or test result that allows it to be duplicated at another location or time.⁶⁰

⁵⁹ Business Dictionary. 'Adaptability' <http://www.businessdictionary.com/definition/adaptability.html>.

⁶⁰ Business Dictionary. 'Replicability' <http://www.businessdictionary.com/definition/replicability.html>.

Sustainability is the endurance of systems and processes in balancing social development, economic development, and environmental protection.⁶¹

Elements of South-South Cooperation evident in selected cases

South-South and triangular cooperation typically emerges from socio-economic demand. The more specific the demand, the greater the precision of partnership focus. Table 1 lists the kind of socio-economic demand addressed by the cases.

Table 1. Socio-economic demand addressed in the case studies reviewed

Country/ Case	Socio-economic demand
Indigenous management of the commons (culture, forest, rivers)	
China: Indigenous forest management	Access to forest resources via collective management of forest by indigenous people
Nepal: Community forest users group	Access to forest resources via collective management of the forest by the community
Laos: Community-based eco-tourism	Access to common resource (i.e. river) via collective management of indigenous culture, forests, and river
Access to finance and market	
Indonesia: Badan Usaha Milik Desa (village-owned enterprise)	Access to finance and market
Malaysia: Credit Union Promotion Centre	Access to financial resources, housing, education
Philippines: Upland Marketing Foundation Inc.	Access to finance and market for indigenous people
Thailand: Panmai, home-based women weavers	Access to market
Kenya: rotating savings and credit associations (ROSCAs), 2 cases	Access to finance
Alternative job creation	
Japan: Irodori Co. Ltd., Meiho Ladies Corporation	Alternative job creation amidst dislocation caused by natural disaster or economic liberalization

⁶¹ Sustainability (2010). ‘Can our society endure’. <http://www.sustainability.com/sustainability>.

Country/ Case	Socio-economic demand
Other socio-economic needs	
Japan: Seikatsu club of Atsugi	Children and elderly care
Malaysia: Fertigation system	Access to technology to increase farm productivity
Pakistan: Home-based women kite producers	Redesign of enterprise in response to unfavourable public policy
Philippines: San Jose Cabinets Manufacturing	Equitable and just labour-management relations
Republic of Korea: Work Together Foundation	Care for children from poor households
Republic of Korea: Social Ventures Competition Asia	Capacity build-up of social enterprises

Note: A background description of each case is given in Annex 1.

Socio-economic demand is a solid basis on which the *shared interest* of would-be partners is built. Shared interest motivates the partners to engage in constant *dialogue* and to forge *solidarity* among them in order to undertake collective action meant to address the demand. Socio-economic demand, shared interest, social dialogue, and manifestation of solidarity are among the basic elements of South-South and triangular cooperation.

Furthermore, the cases addressed *cross-cutting nature of actions and objectives*. They were aimed at solving development problems arising from *social, economic, environmental, technical or political causes*. The solutions that they provided to development problems were geared towards achieving the cross-cutting objectives of social development, economic development, and environmental protection. They promoted *egalitarian partnership, the sharing of knowledge and experience, and respect for the autonomy of partners*. These elements formed a solid basis for the ‘*shared interest*’ of the partners involved. The transfer of knowledge, experience and technology between partners in the cases reviewed were premised on their shared interest in the common undertaking.⁶²

⁶² See Annex I for a detailed description of the South-South Cooperation features of the selected cases cited in Table 1.

Other salient features of Social and Solidarity Economy

Some of the salient features of Social and Solidarity Economy in Asia revealed by the cases reviewed are the following.

a) Variety of actors

The actors of social and solidarity economies constitute a variety of organized groups. These include village associations (Community Forest User Groups, indigenous peoples' groups in China and Cambodia, Badan Usaha Milik Desa, Panmai, ROSCAs of Kenya, and home-based workers of Pakistan), cooperatives (Seikatsu Club, Credit Union Promotion Centre of Malaysia, chilli farmer producer cooperative in Sabah), private shareholding social enterprises (Irodori, Meiho Ladies, San Jose Kitchen Cabinets Manufacturing), and non-governmental organizations (Work Together Foundation, Social Venture Capital Asia).

b) Sustainable management of the commons

Solidarity-based management of the commons (e.g. culture, atmosphere, forest, wildlife, water, fish stocks, and other shared resources which are not formally regulated) tends to foster the sustainability of the commons. The cases in China and Nepal reviewed in this paper tend to support Garrett Hardin's theory in 'Tragedy of the Commons',⁶³ which states that individuals acting independently and rationally according to their self-interest behave contrary to the whole group's long-term best interests by depleting some common resource. As Axelrod⁶⁴ contends, with the presence of thick social networks indicating abundant social capital, even self-interested individuals will often find ways to cooperate, because collective restraint serves both the collective and individual interests.

c) Women's emancipation

Social and Solidarity Economy and women's emancipation are closely linked. Women tend to be the driving force of Social and Solidarity Economy. This is evident in the cases studied in Japan, Sri Lanka, Laos, Cambodia, Viet Nam, India, Nepal, and practically in every Asian country where home-based enterprises, solidarity-based community enterprises, village banks, self-help groups, microfinance, people's credit funds, rotating savings and credit associations and the like are operating.

⁶³ Garrett Hardin. (December 1968). 'The Tragedy of the Commons', in *Science* #13 (December 1968), Vol. 162 no. 3859 pp. 1243–1248.

⁶⁴ Robert Axelrod (1984). *The evolution of cooperation*. New York: Basic Books.

d) Workers' collective

Through the workers' collective, as exemplified by the Seikatsu Club of Japan, Social and Solidarity Economy offers workers and professionals a suitable vehicle for dealing with the socio-economic problems of the communities where they live. Workers and professionals can find more common resources in the community than they could mobilize individually to solve local problems. Community-based workers' collectives are not a substitute for labour unions. Labour unions are meant to solve work-related problems in the workplaces of individuals. In companies where workers have no equity claims, common resources that can be appropriated by workers to advance their cause are scant.

e) Social and Solidarity Economy and faith

Social and Solidarity Economy is an ethical and values-based approach to economic development that prioritizes the welfare of people and planet over profits and blind growth.⁶⁵ The major religions of the world foster values that resonate well with SSE, such as compassion, caring, sharing, empathy, non-violence, respect for life, justice, solidarity, harmony, truthfulness, tolerance, partnership, mutual respect, and love. From these core values arise such beliefs as treating individuals (men and women) equally, caring for the environment, and treating business not just as a way to earn, but a mission. This was the case of the furniture making social entrepreneur in the Philippines, showing that Social and Solidarity Economy sets aside a space through which the faithful and religious can practise their religious beliefs in transforming people for a better world.

f) Sustainable community-based eco-tourism

Social and Solidarity Economy can be used by the government and the private sector as a strategy for developing unorganized and underdeveloped communities. The principles of Social and Solidarity Economy can be applied to any enterprise, including eco-tourism, provided the latter incorporates social inclusion in its approach, i.e. the local people are involved in the ownership, management, and operation of the community enterprise. Community-managed and operated eco-tourism is a sustainable alternative to commercial tourism. Money rules in commercial tourism, with social development and environmental conservation taking second place. In contrast, community-based eco-tourism prioritizes the development needs of people and environmental conservation because it is in their interest to do so. Moreover, community management of common resources normally comes with community-sanctioned

⁶⁵ RIPESS June 2013, op.cit.

standards of behaviour for tourists to ensure the conservation of local culture and environment, which in the first place are the very objects of tourist interest.

g) Partnership between solidarity-based community enterprises and professional helping organizations

The development of Social and Solidarity Economy involves a partnership between Social and Solidarity Economy organizations (cooperatives, clubs, village associations or other types of membership-based organizations) that operate and manage *solidarity-based community enterprises*, on the one hand, and *helping organizations* (e.g. non-governmental organizations, private shareholding social enterprises, faith-based organizations, local government agencies, etc.) on the other. The latter usually provide financial, technical support and professional services to the solidarity-based community enterprises. Table 2 shows the partners involved in South-South and triangular cooperation in developing Social and Solidarity Economy.

Table 2. Cases of South-South and triangular cooperation in Social and Solidarity Economy

Theme/Country/ Case	Partners
Globalizing Social and Solidarity Economy via fair trade and community supported agriculture	
Cambodia: Home-based women workers in fair trade	Artisans Association of Cambodia, World Rehabilitation Fund, Homenet Asia, World Fair Trade Organization-Asia
Nepal: Mahaguthi Craft	Mahaguthi Craft (Nepal), World Fair Trade Organization-Asia, Oxfam, SERRV Intl
Sri Lanka: Organic farming by Parakum Farmers Association	People's Organization for Development of Imports and Exports (Sri Lanka), World Fair Trade Organization-Asia, fair trade buyers from New Zealand
Bangladesh: Sustainable Livelihoods for Poor Producers (SLIPP)	Development Wheel (Bangladesh), European Commission, Traidcraft Exchange, WFTO-Asia (Thailand), People Tree (Japan)
Cambodia: System of Rice Intensification & Organic rice	Centre d'Etude et de Développement Agricole Cambodgien (Cambodia), Rickmers (Germany), Lotus Food (U.S.), Asian Farmers Association for Sustainable Rural Development
Hong Kong: The Sharing Economy in Hong Kong	Hongkong Organic Resource Center (HKORC), IFOAM-Asia; AgriPro Asia Expo (APA)

IV. South–South and triangular cooperation on social and solidarity economy

Theme/Country/ Case	Partners
Mainstreaming financial inclusion in support of SSE thru microfinance	
Indonesia: Kelompok Swadaya Masyarakat; Self-help group-bank linkage programme (2 case studies)	Bina Swadaya (Indonesia), Asian Pacific Rural and Agricultural Credit Association, APRACA (Thailand), BMZ and GTZ (Germany)
India: Self-help group-bank linkage programme	Vasundhara Cooperative (India), NABARD (India), APRACA (Thailand), BMZ and GTZ (Germany)
India: Self-help group-bank linkage programme	Kishan Swaraj Welfare Samity (India), NABARD (India), APRACA (Thailand), BMZ and GTZ (Germany)
Philippines: Farmers Integrated Devt Assistance programme	Taytay Sa Kauswagan (Philippines), Grameen Bank (Bangladesh), Oikocredit Asia
Philippines: Assistance to Farmers programme	Alalay Sa Kaunkaran (Philippines), Grameen Bank (Bangladesh), Oikocredit Asia, Catholic Relief Services
Viet Nam: Tao Yeu Mai (TYM) Fund & People's Credit Fund, (2 case studies)	Viet Nam Women's Union, CARD (Philippines), BMZ and GTZ (Germany), SSBF (Sweden)
Laos: Village Bank, 2 case studies	Lao Women's Union, FIAM (Thailand), CODI (Thailand), ECCDA (Laos), Homenet Laos, KOICA (Republic of Korea)
Cooperation for building community solidarity in conflict-affected territory	
Japan: Inter-people cooperation in economic recovery of communities	Pacific Asia Resource Center Inter-People Cooperation, PARCIC (Japan), fishing villages in Jaffna, Sri Lanka; anonymous individual donors from Japan

Note: A background description of each case is compiled in Annex 1.

As Table 2 shows, the cases can be classified into three groups: those involved in globalizing Social and Solidarity Economy through fair trade and community-supported agriculture, those contributing to financial inclusion through microfinance, and an illustrative case of ‘inter-people cooperation’ to build solidarity in conflict-affected areas. It might be noted that similar practices can also be found in Latin America and Africa. They have become widely recognized as instruments for people empowerment and poverty alleviation.

Globalizing Social and Solidarity Economy through fair trade and community supported agriculture

South-South and triangular cooperation is illustrated in the experiences of fair trade and community-supported agriculture (CSA), both of which have been adapted and replicated in many countries of the world by international non-governmental organizations such as the World Fair Trade Organization (WFTO), the International Federation of Organic Agriculture Movement (IFOAM), the Agricultural and Food Marketing Association for Asia and the Pacific (AFMA), and Urgenci – the international network of community-supported agriculture, some with support from international donor organizations.

Fair trade and CSA practices promote the globalization of Social and Solidarity Economy by linking solidarity-based community enterprises in developing countries to fair trade and organic buyers in developed countries. Integration into the global supply chains of fair trade or organic farming helps Social and Solidarity Economy organizations to access vital information, markets, financing and technical support. Integrating Social and Solidarity Economy organizations into 'triple bottom line' global supply chains could be a useful strategy for South-South and triangular cooperation, as most of them are small and localized, and they need scaling up. As Utting noted, in most case studies on Social and Solidarity Economy 'there is a tendency to focus descriptively on myriad local-level best practices and ignore issues of up-scaling, replication and long-term sustainability in what are often extremely different and difficult institutional and societal contexts.'⁶⁶

Fair Trade

FINE, an informal association of four international fair trade networks, defines Fair Trade as 'a trading partnership, based on dialogue, transparency, and respect, that seeks greater equity in international trade. It contributes to sustainable development by offering better trading conditions to, and securing the rights of, disadvantaged producers and workers – especially in the South'.⁶⁷ Adhering to the 10 principles of Fair Trade (Box 7), fair trade organizations contribute to sustainable development by offering better trading conditions to, and securing the rights of, marginalized producers.⁶⁸

⁶⁶ Utting, op.cit.

⁶⁷ 'FINE' (<http://www.fairtraderesource.org>) is an acronym created from the first letters of four international fair trade organizations: Fairtrade International, (FI), International Fair Trade Association (now World Fair Trade Organization, WFTO), the Network of European Worldshops (NEWS!) and the European Fair Trade Association (EFTA).

⁶⁸ Fair Trade Group Nepal (2011). 'Fair Trade: A Sustainable trading model'. Kuala Lumpur: 3rd Asian Solidarity Economy Forum 30 Oct–Nov 2, 2011.

The solidarity-based fair trade producers reviewed in this paper are the Mahaguthi Craft with a Conscience,⁶⁹ the Artisans Association of Cambodia,⁷⁰ and the Parakum Farmers' Association in Sri Lanka.⁷¹ The first two organizations produce handicrafts, while the latter produce organic rice. These kinds of products comprise only a tiny portion of fair trade exports to developed countries. The helping (buyer or import) organizations that facilitated access to market and finance as well as South-South cooperation in promoting fair trade principles and systems include the World Fair Trade Organization-Asia, Homenet Cambodia, and Homenet Southeast Asia. The international organizations that sponsored fair trade products were Intermon, Oxfam UK, SERRV Intl, Ctm Altromercato, Oxfam Australia, the World Rehabilitation Fund and fair trade buyers from New Zealand.

Box 7. Fair Trade Principles⁷²

The World Fair Trade Organization (WFTO) promotes fair trade as –

- (1) a strategy for poverty alleviation and sustainable development;
- (2) transparent management and commercial relations to deal fairly and respectfully with trading partners;
- (3) a means to develop producers' independence by developing their capacity;
- (4) a means of raising awareness of the possibility of greater justice in world trade;
- (5) mechanism through which a *fair price* in the regional or local context can be agreed upon through dialogue and participation;
- (6) a means by which work is properly valued and rewarded;
- (7) a vehicle for promoting a safe and healthy working environment for producers;
- (8) a concrete response to the UN Convention on the Rights of the Child;
- (9) a means to promote better environmental practices and the application of responsible methods of production;
- (10) a trading system that prioritizes the social, economic and environmental well-being of marginalized small producers and does not maximize profit at their expense.

⁶⁹ Sunil Chitrakar. (2011). 'Alleviating poverty via Fair Trade: Learning Experience of Mahaguthi'. Kuala Lumpur: 3rd Asian Solidarity Economy Forum 30 Oct–Nov 2, 2011.

⁷⁰ Tynoborin Chhouean (2013). 'Social and Solidarity Economy in Cambodia: Experience of the Artisans' Association of Cambodia (AAC)'. Quezon city: 5th RIPESS International Meeting of Social Solidarity Economy, 15–18 October 2013.

⁷¹ Modestus Karunaratne (2007). 'Study on Asian Visions of a Responsible, Plural and Solidarity-based Economy: The case of Parakum Farmer Association Wanniamunukula'. Quezon city: 1st Asian Solidarity Economy Forum. 17–20 October 2007.

⁷² Fair Trade Group Nepal, op.cit.

In 2011 some 54% of the producer organizations certified for Fairtrade were located in Latin America, 31% in Africa and only 15% in Asia. The bulk of fair trade products were composed of coffee and bananas. Individual members of African-certified producer organizations comprised over half of all Fairtrade members globally, but they shared only about 25 per cent of sales. In contrast, only 25 per cent of Fairtrade individual members were in Latin America but, with their dominance in fair-trade coffee, they earned nearly 70 per cent of global sales revenues.⁷³

A survey of the impact of fair trade on certified coffee producers of Latin America identified the following benefits:⁷⁴

- The higher price paid for fair trade coffee is the most direct benefit to small-scale farmers.
- Pre-financing at world market rates offered by fair trade buyers to producer cooperatives enabled the individual producers to have greater access to credit from formal financial institutions. Fair trade certification enhanced the creditworthiness of producer organizations because it demonstrates a capacity to enter the export market.
- The combination of the fair trade price guarantee and increased access to credit contributed to greater economic and social stability for coffee farmers because these factors enabled them to better plan for their production, as well as for personal, family and community needs.
- Fair trade producers had access to training in organic farming and other quality-related technologies which enhanced their ability to improve the quality of their products.
- The long-term relationships between cooperatives and buyers also contributed to quality improvement by providing feedback to farmers.
- Participation in fair trade enabled producer cooperatives to develop new networks of contacts in both domestic and international markets.
- A less visible but commonly reported benefit to individuals from fair trade was an increase in self-esteem.

One of the biggest challenges of fair trade is that its share in the global market is relatively small. In 2011 producer revenues were still less than 1 per cent

⁷³ Kimberly Elliott. 2012. 'Is My Fair Trade Coffee Really Fair? Trends and Challenges in Fair Trade Certification.' CGD Policy Paper 017. Washington DC: Center for Global Development. Accessed at http://www.cgdev.org/doc/full_text/policyPapers/1426831/Is-My-Fair-Trade-Coffee-Really-Fair.html.

⁷⁴ Douglas Murray, Laura T. Reynolds, Peter Leigh Taylor. March 2003. 'One cup at a time: Poverty alleviation and fair trade in Latin America'. Colorado State University. Accessed at <http://www.colostate.edu/Depts/Sociology/FairTradeResearchGroup>. pp 6–8.

of the value of global exports of bananas, cocoa beans, coffee, and cane sugar.⁷⁵ The bulk of small and poor farmers are not represented in fair trade networks.

Community-supported agriculture

Community-supported agriculture (CSA) can be defined as local solidarity-based partnerships between farmers and the people they feed. There is no fixed way of organizing these partnerships, it is a framework to inspire communities to work together with their local farmers, provide mutual benefits and reconnect people to the land where their food is grown.⁷⁶ Having visited hundreds of CSA farms all over the world, Urgenci Honorary President Elizabeth Henderzon said that no two CSA farms are alike. ‘Each project fits into the cultural and physical landscape in a unique way that suits the farmers and loyal supporters attracted to that particular piece of land, or group of farms. There is no set formula – crops vary from farm to farm and season to season, each community finds its own methods of distribution, packaging and sets its own prices and payment schedule. Every culture has its own name – AMAP, Teikei, GAS, Reciproco. Yet underlying all of these distinct projects is a set of shared values that were first set out in the 10 principles of Teikei [see Box 8], written and adopted by the Japanese Organic Agriculture Association in 1978. These values are reflected in the charters of CSA networks in France, England, and across Europe, and in the basic platform of Urgenci.’⁷⁷

As Henderzon pointed out, CSA provides better and more resilient opportunities for farmers in developing countries to improve their socio-economic conditions. There is no universal formula to follow, but only the mutual understanding between local producers and local consumers.

Box 8. Ten Principles of Teikei

Building up of Producer-Consumer Co-Partnership in Organic Agriculture Movement

1. *Principle of mutual assistance.* The essence of this partnership lies not in trading itself, but in the friendly relationship between people. Therefore, both producers and consumers should help each other on the basis of mutual understanding: This relation should be established through reflection on past experiences.

⁷⁵ Elliott, op.cit. p. 8.

⁷⁶ Elizabeth Henderzon. 2014. October 11. ‘Building food communities at the Organic World Congress’. Speech delivered at the 16th Organic World Congress, Istanbul, Turkey. 13–15 October 2014, p.1.

⁷⁷ *ibid.*

2. *Principle of intended production.* Producers should, through consultation with consumers, intend to produce the maximum amount and maximum variety of produce within the capacity of the farms.
3. *Principle of accepting the produce.* Consumers should accept all the produce that has been grown according to previous consultation between both groups, and their diet should depend as much as possible on this produce.
4. *Principle of mutual concession in the price decision.* In deciding the price of the produce, producers should take full account of savings in labour and cost due to grading and packaging processes being curtailed, as well as of all their produce being accepted; and consumers should take full account of the benefit of fresh, safe, and tasty foods.
5. *Principle of deepening friendly relationships.* The continuous development of this partnership requires the deepening of friendly relationships between producers and consumers. This will be achieved only through maximizing contact between the partners.
6. *Principle of self-distribution.* On this principle, the transportation of produce should be carried out by either the producers' or consumers' groups to the latter's depots, without dependence on professional transporters.
7. *Principle of democratic management.* Both groups should avoid over-reliance on limited numbers of leaders in their activities, and try to practice democratic management with responsibility shared by all. The particular conditions of the members' families should be taken into consideration on the principle of mutual assistance.
8. *Principle of learning among each group.* Both groups of producers and consumers should attach major importance to studying among themselves, and should try to keep their activities from ending only in the distribution of safe foods.
9. *Principle of maintaining the appropriate group scale.* The full practice of the matters written in the above articles will be difficult if the membership or the territory of these groups becomes too large. That is the reason why both of them should be kept to an appropriate size. The development of this movement in terms of membership should be promoted through increasing the number of groups and the collaboration between them.
10. *Principle of steady development.* In most cases, neither producers nor consumers will be able to enjoy such good conditions as mentioned above from the very beginning. Therefore, it is necessary for both of them to choose promising partners, even if their present situation is unsatisfactory, and to go ahead with the effort to advance in mutual cooperation.

Source: Japan Organic Agriculture Association, 1978

This flexibility in organizing community economies is illustrated in the CSA cases reviewed in this paper, namely: Sustainable Livelihoods for Poor Producers (SLIPP) in Bangladesh,⁷⁸ System of Rice Intensification and organic rice in Cambodia,⁷⁹ and the Sharing Economy in Hong Kong.⁸⁰ The helping organizations that facilitated access to market, finance, and technology, and also promoted the principles and systems of CSA include the Development Wheel in Bangladesh, the Cambodian Centre for Study and Agricultural Development, and the Hong Kong Organic Resource Centre (HKORC), respectively. The international organizations that supported the CSA practices of the producer groups reviewed in the present study include the European Commission, Traidcraft Exchange (U.K.), People Tree (Japan), WFTO-Asia, Rickmers (Germany), Lotus Food (U.S.), Asian Farmers' Association for Sustainable Rural Development, IFOAM, AgriPro and Asia Expo. Other organizations that supported peer-to-peer training on organic agriculture are the Food and Agriculture Organization (FAO), UN Conference on Trade and Development (UNCTAD), and the Agricultural and Food Marketing Association for Asia and the Pacific (AFMA).

CSA was first developed in Japan and Switzerland in the 1970s. It then spread in the 1980s to the United States, China, Brazil, Sweden, France and other European countries. Community-supported agriculture serves to shorten the agricultural supply chain by linking organized local producers to organized local consumers. Its main focus is on people who farm and people who eat, forming communities around locally grown food. It is about citizens making a commitment to local farms to share the risks and the bounty of ecological farming. CSAs range in size from large gardens that supply five or six families to farms of several hundred acres providing shares for thousands of households.⁸¹

In a declaration entitled 'Position on the Full Diversity of Organic Agriculture: What We Call Organic', IFOAM states that direct farmer-consumer relationships, represented in their simplest form by direct sales at the farm gate or in farmers' markets and in more complicated situations such as Box Schemes,

⁷⁸ Shah Abdus Salam. (2013). 'Sustainable livelihoods through small scale agriculture: a case from Bangladesh'. Quezon city: 5th RIPESS Intl Meeting of Social Solidarity Economy, 15–18 October 2013.

⁷⁹ Yang Saing Koma. (2009). 'CEDAC Organic Rice and Marketing programme'. Kuala Lumpur. Workshop on Small & Medium Enterprises with CSR Agenda. 10–13 March 2009.

⁸⁰ Chow Sung Ming (2013). 'Sharing Hong Kong: From SSE to sharing economy, and from fair trade to community supported agriculture. Quezon city: 5th RIPESS Intl Meeting of SSE 15–18 October 2013.

⁸¹ Elizabeth Henderson. (2010, February 22). 'The World of Community Supported Agriculture, Keynote for Urgenci Conference on Community Supported Foods and Farming', February 20–22, 2010. Kobe, Japan.

Community-Supported Agriculture, and Teikei (system used in Japan), is regarded by IFOAM as 'organic agriculture,' and any farmer practising such a system can be called an organic farmer.⁸² This implies that IFOAM recognizes small farmers in developing countries as organic farmers to the extent that farm households sell their produce in local markets direct to consumers. It also means that the simplest forms of CSA can be found in communities all over the world where small farms thrive.

CSA creates several rewards for both the farmer and the consumer. The advantages for farmers are: (1) they get to spend time marketing food early in the year, before their days in the field begins; (2) they receive payment early in the season, which helps with the farm's cash flow; and (3) they have an opportunity to get to know the people who eat the food they grow. Meanwhile, the advantages to consumers are: (1) they eat ultra-fresh food, with all the flavour and vitamin benefit; (2) they get exposed to new vegetables and new ways of cooking; (3) they usually get to visit the farm at least once a season; (4) they find that children typically favour food from 'their farm', even vegetables that they have never been known to eat; and (5) they develop a relationship with the farmer who grows their food and learn more about how food is grown.⁸³

It might also be added that in developing countries in Asia, Latin America and Africa, CSA provides a doable and sustainable way of developing local communities, alleviating poverty and empowering people. CSA provides a sustainable solution to the twin problems of population growth and the food crisis which individuals acting independently and rationally cannot resolve. CSA brings together people who farm and people who eat to form communities around locally grown food. CSA can happen when citizens make a commitment to local farms to share the risks and the bounty of ecological farming.

CSA as an approach to local development fits well into the paradigm of South-South and triangular cooperation in the sense that it respects the autonomy, peculiarities and priorities of actors at the local level. In relation to the Post-2015 sustainable development goals, CSA adheres to the principle of common but differentiated responsibilities.

⁸² IFOAM. 'Position on the full diversity of organic agriculture: What we call Organic'. Accessed at <http://infohub.ifoam.bio/sites/default/files/page/files/full-diversity-organic-agriculture.pdf>.

⁸³ Local Harvest (2014). 'Community Supported Agriculture'. Accessed from Local Harvest website <http://www.localharvest.org/csa/>.

Mainstreaming financial inclusion through microfinance

Financial inclusion through microfinance is an area where South-South and triangular cooperation has accomplished far-reaching milestones in supporting Social and Solidarity Economy in Asia as well as in Latin America and Africa. At various forums and conferences organized by the Asian Solidarity Economy Council and its partner organizations, a number of case studies were delivered giving evidence about inclusive financing as an inherent feature of Social and Solidarity Economy and South-South and triangular cooperation. Invariably, the vehicle for financial inclusion is an organized group of poor people who pool and transform their savings into credit funds for on-lending to the members who are micro or small entrepreneurs.

Financial inclusion or inclusive financing is the delivery of financial services at affordable cost to sections of disadvantaged and low-income segments of society. As pointed out by the Consultative Group to Assist the Poor (CGAP), having access to affordable financial services helps people to make day-to-day transactions, including sending and receiving money; safeguard savings, which can help households manage cash flow spikes, smooth consumption and build working capital; finance small businesses or microenterprises, helping owners invest in assets and grow their businesses; plan and pay for recurring expenses, such as school fees; mitigate shocks and manage expenses related to unexpected events such as medical emergencies, a death in the family, theft, or natural disasters; and improve their overall welfare.⁸⁴

Financial inclusion is an in-built feature of group formation and social capital formation in Social and Solidarity Economy. This feature was evident in the cases from Cambodia, India, Indonesia, Laos and Viet Nam, where self-organized groups of people mobilized savings from members to create revolving loan funds that are accessible to members at affordable cost.

Institutional and financial linkages between self-help groups and banks

A form of South-South and triangular cooperation on financial inclusion initiated in the late 1980s that has survived to this day is the Self Help Group-Bank Linkage Programme [Box 9]. The programme was aimed at building institutional and financial linkages between self-help groups and banking institutions for savings mobilization and credit delivery to poor households, particularly those operating micro and small enterprises

⁸⁴ Consultative Group to Assist the Poor (2015). www.cgap.org/about/faq/what-financial-inclusion-and-why-it-important.

Self-help groups at the village level, e.g. the Vasundhara cooperative,⁸⁵ the Kishan Swaraj Welfare Samity in India,⁸⁶ and Margi Rejeki in Indonesia⁸⁷ (Bina Swadaya Foundation, 2007) were assisted by the respective helping organizations in India (i.e. Dharampur Utthan Vahini, National Bank for Agriculture and Rural Development, and Reserve Bank of India) and in Indonesia (Bank Rakyat Indonesia and Bank Indonesia).

The Asia Pacific Rural and Agricultural Credit Association (APRACA) facilitated South-South and triangular cooperation between Indonesia and India, on the one hand, and the BMZ and the GTZ on the other in replicating the linkage banking programme.⁸⁸

Box 9. South-South and triangular cooperation in microfinance in support of Social and Solidarity Economy

Microfinance originated with the successful practice of the Grameen Bank in Bangladesh in the mid-1970s. The Grameen Bank Approach was first replicated in several Asian countries in the mid-1980s by the now defunct Asian and Pacific Development Centre (APDC) based in Kuala Lumpur, Malaysia with the support of the UNDP. Almost at the same time, the project Linking Banks and Self Help Groups was launched in Indonesia by the Asia-Pacific Rural and Agricultural Credit Association (APRACA) based in Bangkok, Thailand – with German Government support in the mid-1980s, and subsequently replicated in several Asian countries such as India, Nepal, the Philippines, Thailand and Viet Nam.

The programme was incubated during 1986 to 1988 by the Asia-Pacific Rural and Agricultural Credit Association (APRACA), a Thai-based association of agricultural and rural banks and some central banks directly or indirectly engaged in lending to small farmers and established by the UN Food and Agriculture Organization (FAO)

⁸⁵ International Resources for Fairer Trade (2007). 'Perspectives and Realities of Solidarity Economy in India: A case study on BAIF Dhruva and Vasundhara Cooperative in Gujarat, India.' Quezon city: 1st Asian Solidarity Economy Forum. 17–20 October 2007.

⁸⁶ Rajanita Das Purkayastha. (2013). 'Social, economic and environmental sustainability as reflected in a case of rural community in West Bengal, India'. Quezon city: 5th RIPESS International Meeting of Social Solidarity Economy, 15–18 October 2013.

⁸⁷ Bina Swadaya Foundation. (2007). 'Perspectives on solidarity economy: Case study of self-help group in Melikan Village, Central Java.' Quezon city: 1st Asian Solidarity Economy Forum. 17–20 October 2007.

⁸⁸ Hans Dieter Seibel & Uben Parhusip. (1989). 'Linking formal & informal financial institutions: An action programme in Asia and the Pacific – with a case study of Indonesia'. Paper presented at the International Seminar organized by the Ohio State University, the World Bank and the United States Agency for International Development, Washington, D. C., 18–20 October 1989.

in the mid-1970s. From 1988 to 1994 the German Finance Ministry (BMZ) and the German technical assistance agency (GTZ) provided funding and technical support to APRACA for facilitating exchange visits, peer-to-peer learning, and capacity building of banks, NGOs, and support agencies participating in the programme.

The programme was first implemented in Indonesia,⁸⁹ which subsequently provided a concrete model that was replicated in other Asian countries, notably India, Nepal, the Philippines, Thailand, and Viet Nam. In India the National Bank for Agriculture and Rural Development collaborated with the Reserve Bank of India to implement the self-help groups-Bank linkage programme in the early 1990s.⁹⁰ During the pilot stage of the project, the National Bank for Agriculture and Rural Development NABARD received support from BMZ/GTZ and from the Swiss Government to work out self-help group-bank linkages together with civil society organizations.

Microfinance institutions as social investor and integrator of solidarity-based community enterprise supply chains

In recent years microfinance institutions – including NGOs, cooperatives, credit unions, and non-bank financing companies – have diversified their portfolios by extending financial and technical support to the collective production and marketing activities of organized groups of farmers. The cases reviewed in this section are the Farmers' Integrated Development Assistance programme⁹¹ and the Assistance to Farmers programme,⁹² both in the Philippines, and implemented respectively by Taytay Sa Kauswagan Inc. (TSKI) and Alalay Sa Kaunlaran Inc. (ASKI), which are institutional members of the Alliance of Philippine Partners for Enterprise Development (APPEND). TSKI and ASKI represent the case of microfinance institutions that have scaled up their operations with a clientele outreach in the hundreds of thousands, and which gradually adopted the new role as social investor and integrator of the value chains of solidarity-based community enterprises. Both TSKI and ASKI were replicators

⁸⁹ Ibid.

⁹⁰ Amarendra A. Reddy and Dharm Pal Malik. (2011). *A Review of SHG-Bank Linkage Programme in India*. Indian Journal of Industrial Economics and Development, Vol. 7, no. 2, (2011): 1–10.

⁹¹ Taytay Sa Kauswagan Inc. (2009). 'Value Chain Financing of Agriculture: Case study of Farmers Integrated Development Assistance programme (FIDAP)'. Quezon city: Value Chain Financing of Agriculture. 10 November 2010.

⁹² Alalay Sa Kaunlaran Inc. (2010). 'Value Chain Financing of Agriculture: Case study of Alalay sa Magsasaka programme'. Quezon city: Value Chain Financing of Agriculture. 10 November 2010.

of the Grameen Bank approach. Among the international organizations that supported peer-to-peer learning on the Grameen Bank approach were the Asian and Pacific Development Centre, UNDP, the Grameen Foundation, Microcredit Summit, Oikocredit Southeast Asia, and the Catholic Relief Services.

Financial inclusion in transition economies

Inclusive financing has also been the main direction of reforms in the formal financial sector of transition economies such as Viet Nam and Laos, likewise featuring the role of microfinance institutions. In Viet Nam financial reforms in 1991 accorded the State Bank of Viet Nam supervisory authority over the financial sector.⁹³ The State Bank of Viet Nam took this occasion to revamp cooperative finance, a result of which was the formation of the People's Credit Fund. This is a replication of the Grameen Bank model which became widely known in the 1980s through the UNDP-funded Grameen Bank replication programme of the Asian and Pacific Development Centre (APDC), of which Viet Nam and Laos were member countries.

Although vested with supervisory control over financial institutions, the State Bank of Viet Nam abstained from undue interference and from using the People's Credit Fund as channels for government loan funds. The State Bank of Viet Nam designed the People's Credit Funds as a network comprising local people credit funds as primary societies, a central fund, and an Association of the local funds. It also prepared the regulatory framework and enforced prudential standards for the People's Credit Fund.⁹⁴ Being self-financed and self-managed, the local people's credit fund is cooperative in nature but not in name. In developing the local fund, the State Bank of Viet Nam received technical assistance from Développement International Desjardins since 1993, GTZ since 1999, and financial assistance by the ADB since 1996.⁹⁵ The People's Credit Fund, with its reliance on savings and responsible finance supervised by the central bank, has been an engine of growth and resilience in times of crisis.

In Laos, the Village Bank programme emerged from NGO-initiated South-South and triangular cooperation between Laos and Thailand,⁹⁶ which subse-

⁹³ Seibel, Hans Dieter & Tam, Nguyen Thac (2010a). The People's Credit Funds of Viet Nam: A Prudentially Regulated Credit Cooperative Movement. Published in: Enterprise Development & Microfinance (ISSN 1755-1978), vol. 21, no. 2, June 2010, pp. 137–153.

⁹⁴ Ibid.

⁹⁵ Ibid.

⁹⁶ Phamuang, Khanthone (2013). 'Towards Social Solidarity Economy in Laos: The Village Bank model'. Quezon city: 5th RIPESS International Meeting of Social Solidarity Economy, 15–18 October 2013.

quently received financial and technical assistance from BMZ/GTZ, the ADB, the Savings Bank Foundation for International Cooperation, the ILO, and the Stone Family.⁹⁷

Social performance of microfinance

Microfinance policy makers, development partners, and advocates have come to grips with the observation that as MFIs grow bigger and older, they tend to drift away from their social mission. In an attempt to address this issue, the Consultative Group to Assist the Poor, the Argidius Foundation of Switzerland and the US-based Ford Foundation jointly set up the Social Performance Task Force (SPTF) to define ‘social performance’ and address questions about measuring and managing social performance. In 2012 a social performance rating for 878 microfinance institutions (MFIs) in all geographic regions of the world was conducted over a period of 11 years (2000–2010) by research fellows of the University of Greenwich with funding support from the Leverhulme Trust.⁹⁸

The study addressed the issue of social mission drift of microfinance institutions (MFIs) and in particular investigated whether or not the age, assets, regulation status, loans, and regulation affected the social performance of microfinance institutions (MFIs). The results of the study can be summarized as follows.

- Overall, the paper provides evidence that older MFIs as well as regulated ones tend to perform less socially as compared to younger and non-regulated MFIs. In addition, the results indicated that MFIs with higher ratios of loans per loan officer and assets per loan officer tend to have higher social performance.
- Younger and unregulated MFIs usually adopt the ‘classic’ microfinance formula for financial sustainability: offer smaller loans and at the same time optimize the loan portfolio per loan officer and devote a greater proportion of their assets to lending. Since unregulated MFIs are not covered by Central Bank regulations on reserve requirements, they can deploy a greater proportion of their assets to active assets, most especially loans. As a result, younger and unregulated MFIs tend to attain higher levels of outreach among poor households.
- As MFIs grow older, the tendency of expanding outreach increases. At the same time the cost per borrower becomes more expensive. This could

⁹⁷ Hans Dieter Seibel, (2010). ‘Village Banks (Village Savings and Credit Groups) in Vientiane Capital, Laos’ –Roadmap Scenarios for a Sustainable Future. Bonn: BMZ.

⁹⁸ Ana Marr and Sefa Awaworyi. (2012). ‘Microfinance social performance: A global empirical study’. Accessed at <http://www.usc.es/economet/journals1/aeid/aeid1224.pdf>.

possibly explain why older MFIs tend to show lower levels of social performance. Likewise, older MFIs are more likely to be regulated, and regulation tends to be associated with negative social performance. Regulation comes with added obligations (e.g. lower ratios of uncollateralized loans to total portfolio, reserve requirements, etc.) and costs of operations, which could prompt MFIs to seek out bigger loans.

What the study did not consider, however, was the possibility of the MFIs' shifting focus from individual lending (small loans to individual borrowers) to financing of value chains of small producers (bulk financing of solidarity-based community enterprises of cooperatives guaranteed by individual members). As shown in this study, large MFIs have the capability of serving as social investor and integrator of solidarity-based community enterprise supply chains.

Building solidarity in and between communities in conflict-affected territories

A top development priority in developing countries of South Asia is the empowerment of people, particularly women, in fragile environments. People living in fragile situations caused by conflict, natural disaster, or socio-political crisis are estimated to number around 1.5 billion worldwide. Fragile situations prolong poverty, unemployment and instability.⁹⁹

South-South and triangular cooperation in empowering women in conflict-affected territories is illustrated in a project in Sri Lanka supported by a Japanese international NGO, the Pacific Asia Resource Center for Inter-people Cooperation (PARCIC). Established in April 2008, PARCIC first applied its 'inter-people cooperation' programme in Timor-Leste by buying native ground coffee from local farmers based on fair trade standards. Having gained some experience from Timor-Leste, PARCIC replicated its inter-people cooperation programme among fishing communities in war-torn Jaffna, Sri Lanka.¹⁰⁰

PARCIC calls its programme 'inter-people cooperation' because it involves individuals and organizations from Japan who extend assistance to coffee producers of Timor-Leste by pledging to buy their products on the basis of fair trade standards. On the other hand, the aspect of building solidarity partnerships between producers and consumers is characteristic of community-supported agriculture. Most basic of all, a common feature that inter-people cooperation

⁹⁹ da Costa, Helder (2014). 'ILO Solution Forum – fragile to fragile cooperation.' Paper presented at the Global South-South Development Expo 2014, Washington DC., 19 November 2014.

¹⁰⁰ M. Nishimori & K. Pirapakaran (2013). 'Starting social business in Northern Sri Lanka after the civil war – PARCIC's case'. Quezon city: 5th RIPESS International Meeting of Social Solidarity Economy, 15–18 October 2013.

shares with all the other cases reviewed in this study is the formation of solidarity groups.

As noted earlier, people come together and embark on development co-operation in order to address a common socio-economic demand. The more specific the *socio-economic demand*, the greater the precision of partnership focus. On such a basis is the shared interest of would-be partners built. *Shared interest* motivates the emerging partners to engage in constant *dialogue* and further to forge *solidarity* among them in order to undertake collective action meant to address the demand.

Individuals who have a common socio-economic problem also have a *shared interest* in working together and organizing themselves for collective action. Two types of organizations are involved in a collaborative action to deal with the socio-economic problems of communities. In his report to the 5th RIPESS international meeting of SSE, Quiñones (2013) identified these two organizations as follows:

‘The first group of organizations involved in a Social and Solidarity Economy initiative is composed of people working together to advance their socio-economic well-being. This group is typified by cooperatives or pre-cooperative community-based organizations. [...] The second group is composed of non-governmental organizations, charity foundations, other civil society organizations, as well as local government units that possess the means and knowhow of gaining access to resources.’¹⁰¹

Both types of organizations are represented in all the case studies under review. There are the *membership-based organizations* (fair trade producers, cooperatives, clubs, self-help groups, women’s groups and associations, consumer groups) that operate and manage solidarity-based community enterprises as means of mobilizing resources and collective action. Working with the membership-based organizations are the *helping professional organizations* which may be civil society organizations, NGOs, faith-based organizations, private companies, or government agencies that provide financial support and technical know-how in accessing productive resources.

Social dialogue is a key instrument for building partnerships, both at the primary level of the membership-based organization and at the level of an institutional partnership between a membership-based organization and the helping organization(s). Among the cases reviewed, the formation and strengthening of groups and associations at the primary level required periodic meetings

¹⁰¹ Benjamin R. Quiñones, Jr. (2012). ‘State of the art of social solidarity economy in Asia’. Paper presented at the 5th RIPESS International Meeting of Social Solidarity Economy. Univ. of the Philippines, Diliman, Quezon city. October 15–18, 2013.

and dialogue between members. Social capital (in the form of social ties and organizational networks) accumulated in the process of interaction and dialogue between members. Interpersonal trust, a primary ingredient for generating social cohesion, was built up among members as they reviewed organizational policies and activities, formulated plans, pooled small savings to create a home-grown revolving loan fund, disbursed and collected loans, assembled and classified products for sale, and packaged and shipped their products.¹⁰²

Solidarity groups also promote the transformation of individual members from being self-centred to being socially responsible. Transformation to selflessness is reinforced by being part of community life, continuing study among peers, being exposed to ideas, teachings and role models.¹⁰³

Having a clear governance structure for the partnership and well-defined roles and responsibilities of actors and stakeholders are the hallmarks of successful South-South and triangular cooperation initiatives. Partners have to clarify their roles, expected contributions and outcomes in a series of dialogues.¹⁰⁴ A cooperative agreement signed by the parties involved should outline the rights and responsibilities of each stakeholder. Effective communication is crucial in bringing the partners together to develop the collaborative project and ensure long-term benefits for all.¹⁰⁵

Fostering cooperation in strengthening value chains of solidarity-based community enterprises

This review of experiences in Social Solidarity Economy in Asia shows that social enterprises are organized into input suppliers, fair trade and organic producers, consumers and producers of community-supported agriculture, microfinance institutions, and other service providers. There are also professional helping organizations – civil society organizations, faith-based organizations, government agencies, and private companies which provide technical and expert assistance for the institutional capacity building of social enterprises.

¹⁰² For a detailed description of the elements of South–south and triangular cooperation of the cases reviewed, see Annex 1 and Annex 2.

¹⁰³ Basilio M. Rodriguez, Jr. (2009b). ‘Workers as business partners: The case of San Jose Kitchen Cabinets Manufacturing.’ Kuala Lumpur. Workshop on Small & Medium Enterprises with CSR Agenda. 10–13 March 2009.

¹⁰⁴ Kim, Shomi & Alenga, David. (2013). ‘Public Private Partnerships (PPPs) on capacity development projects for social entrepreneurs: A case study from South Korea’. Quezon city: 5th RPESS International Meeting of Social Solidarity Economy, 15–18 October 2013.

¹⁰⁵ Harper, Graham (2007). ‘Responsible tourism – a S.T.E.P. Toward a Solidarity Economy?’ Quezon City: 1st Asian Solidarity Economy Forum. 17–20 October 2007.

However, the case studies do not show how the independent social enterprises work together with the shared mindset of strengthening value chains. The challenge that needs to be addressed is how to put together individual units of micro social enterprises to arrive at a coherent picture of a sustainable community.

To aid further discussion, a stylized supply chain is shown in the diagram below. The supply chain takes resources from the biosphere, including base metals and non-renewable energy, as inputs for commodity production, and throws out waste into the biosphere from every stage of production to end-user consumption.

Because the supply of energy and base metals is not infinite, a development model oriented towards sustained growth will reach its limits as natural resources are depleted. Stakeholders of the supply chain will therefore have to decide whether to continue with the growth model or make a transition to the triple bottom line model that balances the goals of social development, ecological conservation, and economic sustainability.

The stakeholders may include social enterprises organized as input suppliers, fair trade producers, consumer groups, microfinance institutions, and other service providers. Professional helping organizations may consist of government agencies, private companies, civil society organizations and faith-based organizations. Put differently, the relevant question is: what are the ways by which these various stakeholders can come together and engage in a dialogue on their *common but differentiated responsibilities* of developing their supply chain as an instrument of inclusive and sustainable development?

There are a number of ways in which stakeholders of a supply chain can be brought together for dialogue: developing a shared vision, sharing practical knowledge and experience in developing a supply chain, peer-to-peer learning, and exchange visits between top executives of supply stakeholders, and joint efforts in institutional capability building or replicating supply chain models.

The Asian Solidarity Economy Council (ASEC) can contribute to the conceptualization and implementation of such a dialogue by tapping the knowledge and research capacity of its partner organizations, including academic institutions.

The capabilities of ASEC for organizing dialogue have been strengthened over the years. From 2007 to 2013 ASEC facilitated country-to-country peer cooperation in promoting Social and Solidarity Economy through the Solidarity Economy Learning Journey project partially funded by the Charles Leopold Mayer Foundation for Human Development (FPH). The Canadian International Development Agency (CIDA) also provided funding support during the first two years of the project. The project supported the preparation of a series of case studies in Asian countries and experience sharing and information

dissemination through the Asian Solidarity Economy Forum and post-forum workshops, conferences and roundtable discussions at the country level. In addition to FPH and CIDA, most of the projects featured in the case studies received financial and technical assistance in peer-to-peer learning from Southern regional networks actively engaged in development cooperation in Asia.¹⁰⁶

In the process of country-to-country peer cooperation, a strong dynamic of partnership building emerged. Among participants of the solidarity economy learning journey, there was great interest in the case studies because they addressed common socio-economic problems and they provided solutions that were adaptable, replicable and sustainable. Box 10 summarizes the outcomes of the country-to-country peer cooperation facilitated by ASEC.

Box 10. Outcomes of South-South and triangular cooperation on Social and Solidarity Economy in Asia

The formation of the Asian Solidarity Economy Council and its national focal points brought to a new level country-to-country peer cooperation on Social and Solidarity Economy in Asia. The outcomes of such country-to-country peer cooperation include:

- (1) a compilation of studies on Social and Solidarity Economy practices in Asian countries, currently used as references for research, training, roundtable discussions, and exchange visits by the Council's partner organizations, RIPESS, and other international organizations;
- (2) broader knowledge and greater understanding of the concept and practice of Social and Solidarity Economy;
- (3) facilitation of roundtable discussions on Social and Solidarity Economy by ASEC focal points in several Asian countries;
- (4) design of producer-consumer solidarity projects in Indonesia, Malaysia, and the Philippines patterned after the practice of community supported agriculture;
- (5) design of a training course on Social and Solidarity Economy for capacity building of partner organizations.

¹⁰⁶ This includes the Asia Network for Sustainable Agriculture and Bioresources, Appropriate Technology India, Asian Solidarity Economy Council (ASEC), British Council Korea (South Korea), Gifu World Youth (Japan), Homenet Southeast Asia, Indian Social Institute, Non-Timber Forest Products Exchange Programme for South and Southeast Asia, Shanti Volunteer Association (Japan), Southeast Asia Rural Social Leadership Institute (Philippines), Pacific Asia Resource Center (Japan), and Work Together Foundation (South Korea).

With the accumulation of documented cases of Social and Solidarity Economy practices through the biennial Asian Solidarity Economy Forum and various regional workshops and conferences that fostered dialogue and face-to-face encounters between practitioners and advocates, a few organizations have emerged that have played a key role in sustaining country-to-country peer cooperation by providing technical assistance to their counterparts in other countries/territories in the fields of research and advocacy on Social and Solidarity Economy. These are the Coalition of Socially Responsible Small and Medium Enterprises in Asia (Philippines), the Pacific Asia Resource Center (Japan), the Malaysian Network for Community Economy, Bina Swadaya (Indonesia), the Association of Social Enterprises in Indonesia, the Universiti Sam Ratulangi (Indonesia), Jobs Australia, the Common Wealth Network for People Centred Development (India), and the Social Solidarity Economy Network of Nepal.¹⁰⁷

Many of the Social and Solidarity Economy cases reviewed in this paper indicated an active engagement between partners and the universities and colleges in their respective countries. The focal points of the Asian Solidarity Economy Council have also established collaborative ties with universities in their respective countries in promoting the study of Social and Solidarity Economy among their students.

These academic institutions can be harnessed to lend support to a multi-stakeholder dialogue on strengthening the value chains of solidarity-based community enterprises. Access to the knowledge and expertise of researchers and academicians of universities and colleges is an important factor for the success of development-oriented partnerships. Especially when cooperation and solidarity is threatened by the self-interest of partners, the intervention of a scholarly facilitator could be crucial in restoring trust and confidence among the partners. Researchers and academicians are strategic partners of solidarity-based community enterprises in that they deepen individual reflection on people's 'shared interest', and they have broader understanding and techniques of social dialogue and conflict resolution. In turn, they need the cooperation of communities for their action research and 'social laboratory'.

Researchers and academicians can serve as bridges between partners and facilitators of social dialogue, which could trigger the process towards social change. A celebrated case can be cited to validate this point. The plight of poor people moved Economics Professor Muhamad Yunus of Chittagong University

¹⁰⁷ See Annex 3 for a description of the role of these organizations in facilitating peer-to-peer learning in social and solidarity economy.

in Bangladesh and got him involved in their lives.¹⁰⁸ As a result, a new innovation – the Grameen Bank – was born which spurred a global movement to lift millions of people out of poverty all over the world.

A similar story is unfolding in another Asian country around Dr. Peggy Adeline Mekel, an Economics Professor of the Universiti Sam Ratulangi (UNSRAT), who is currently spearheading the outreach expansion of Social and Solidarity Economy in Manado city.¹⁰⁹ As Head of the Department of Management of UNSRAT, Dr. Mekel introduced Social and Solidarity Economy as a special subject to be taught among the undergraduate students of the International Business Administration course and the graduate students of the Management course. She also led the students in undertaking research on Badan Usaha Milik Desa 'Anuta Waya', a village association in Manado City.

To sum up, the knowledge and research capacity on Social and Solidarity Economy of partner organizations in Asia has been enhanced, and this can be tapped for the purpose of energizing a multi-stakeholder dialogue on the strengthening of value chains of solidarity-based community enterprises. From the learning journey that was largely concerned with drawing lessons from existing practices in South-South and triangular cooperation and Social and Solidarity Economy, ASEC partner organizations are today gradually turning their attention to facilitating South-South and triangular cooperation in developing Social and Solidarity Economy as an alternative development model.

Ground work on multi-stakeholder dialogue by partner organizations from the South will pave the way for development organizations from the developed North to fine-tune their investment of additional capital funds and extension of technical assistance for the development of Social and Solidarity Economy.

¹⁰⁸ Denison Jayasooria (2013). 'Developments in Solidarity Economy in Asia: Innovations in policy and practice'. Paper Presented at the International Forum- Rethinking Economy: Social solidarity economy in China and the world, held at the Peking University Campus, Beijing, China, 27–28 April 2013.

¹⁰⁹ Peggy Adeline Mekel, & Ivana The. (2013). 'Thought and action to promote SSE in Indonesia in the context of North Sulawesi Province – Eastern Part of Indonesia'. Paper Presented at the 5th RIPESSS International Meeting of Social Solidarity Economy. Manila, Philippines. 15–18 October 2013.

SSE contributions to local economic and social development

General lessons from the South-South and triangular cooperation experience in Asia

South-South and triangular cooperation can be directed to help strengthen the value chains of solidarity-based community enterprise. Already there are organized groups of people in local communities that collectively operate and manage solidarity-based community enterprises. It is necessary to scale up their operations, and for this they will need financial and technical assistance. Local expertise in production, finance, marketing, customer relationships, policy dialogue and other forms of business development services are available locally among a variety of helping professional organizations (civil society organizations, social enterprises, research and academic institutions, faith-based organizations, and local government agencies), and this expertise can be tapped to extend assistance to solidarity-based community enterprises at a lower cost. By re-orienting South-South and triangular cooperation toward supporting solidarity-based community enterprises, the issue of people's participation and social inclusion of the marginalized can be addressed directly.

Strengthening partnerships between solidarity-based community enterprises and the helping professional organizations is an effective means of creating and multiplying decent jobs. This has been the experience of fair trade organizations, organic producers, and microfinance institutions that have successfully

scaled up their operations. At the primary level, sustainable solidarity-based community enterprises (as exemplified by fair trade producer organizations, organic producers, and microfinance institutions) generate jobs and incomes which enable these enterprises to access better technology, affordable finance, fair markets, and more socially responsible business partners. This triggers job creation among helping professional organizations that could offer business development services to solidarity-based community enterprises at affordable rates. The sustained partnership between these two actors of Social and Solidarity Economy could attract social investors whose investments would create another round of job creation and income generation.

Government-driven South-South and triangular cooperation can become sustainable and attract investment when it is designed as a sustainable response to the demand of small and medium scale enterprises for financial and technical assistance in cross-border business development. Such were the cases of the Indonesia-Malaysia-Thailand Growth Triangle (IMT-GT) and the Brunei Darussalam-Indonesia-Malaysia-Philippines East Asia Growth Area (BIMP-EAGA), where the private sector has taken the lead in building partnerships among themselves for joint business ventures.

Regional cooperation organizations such as ASEAN, Mercosur and the African Union can develop and carry out South-South and triangular cooperation programmes that support business linkages between solidarity-based community enterprises and the helping professional organizations. This is an effective way of developing local territories, promoting inclusive development, and at the same time contributing to the realization of the post-2015 sustainable development goals.

General lessons from the Social and Solidarity Economy experience in Asia

- a) *Social and Solidarity Economy diversifies the country's economic system:* Whether Social and Solidarity Economy is viewed as a sector of the mainstream economy or as an alternative post-capitalist economic system, evidence from the case studies shows that Social and Solidarity Economy is creating a space for an alternative, 'bottom-up' economic development model to sprout and grow. In the process of transition to this new socio-economic space of Social and Solidarity Economy, the poor and socially marginalized create jobs and employment for themselves through the operation and management of solidarity-based community enterprises, which in turn creates jobs and employment for educated and skilled workers and professionals by offering solidarity-based community enterprises financial, marketing and other technical services. In effect, Social and Solidarity Econ-

omy links the informal to the formal sector in a manner that builds up both sectors. Thus, the development of Social and Solidarity Economy diversifies the economy and opens greater possibilities for creating and nurturing decent work.

- b) *Social and Solidarity Economy promotes a participatory development process that brings together local government, the private sector, civil society, social partners, organizations and local communities:* The key actors of Social and Solidarity Economy are producer organizations, cooperatives, trade unions, business associations which operate and manage solidarity-based community enterprises, on the one hand, and civil society organizations, educational and research institutions, and local government units which offer financial and technical assistance to solidarity-based community enterprises, on the other. These actors work together to undertake development initiatives ‘from the bottom up’. Together they create social capital that, when utilized by other stakeholders for developing and nurturing enterprises, can increase economic productivity and job creation. Enterprises thrive where the social capital endowments of a community are sufficiently large, and a larger socio-economic space becomes available for more enterprises to operate.¹¹⁰
- c) *Social and Solidarity Economy can influence transaction costs that firms face:* Social and Solidarity Economy organizations have the capacity to use norms of reciprocity and trust to overcome a variety of market failures.¹¹¹ Fair trade, community-assisted agriculture, microfinance, and indigenous management of commons (e.g. culture, forests, rivers, eco-tourism) are examples of solidarity-based initiatives that are undertaken by ordinary people in the face of the insurmountable costs of access and market failure. Social and Solidarity Economy organizations have greater resilience in integrating unskilled labour for gainful employment. In many developing and developed countries, there are Social and Solidarity Economy organizations whose activities engage unschooled youth and people with disabilities for decent work.¹¹²
- d) *Social and Solidarity Economy builds the capacity of communities to fight poverty and social exclusion:* Social and Solidarity Economy organizations are designed to overcome collective action problems such as marginalization,

¹¹⁰ Danny Unger.(1998) Building Social Capital in Thailand. Cambridge: Cambridge University

¹¹¹ Edna Bonacich and John Modell. (1980). The Economic Basis of Ethnic Solidarity: Small Business in the Japanese American Community. Berkeley: University of California Press.

¹¹² Marie Myung-Hee Lee. (2011). ‘Supporting social entrepreneurship in underdeveloped and developing Countries – A case study of the Smile Together Project of the Work Together Foundation.’ Kuala Lumpur: 3rd Asian Solidarity Economy Forum 30 Oct–Nov 2, 2011.

social exclusion, and poverty. In communities where Social and Solidarity Economy organizations are few and weak, village people are less capable of extending cooperation beyond the nuclear family.¹¹³

- e) *Social and Solidarity Economy facilitates territorial development*: As indicated by the case studies reviewed, the actions of solidarity-based community enterprises are local-based. This has both advantages and disadvantages. Local-based actions contribute to territorial development. From the macro and global perspectives, however, solidarity-based community enterprises are like 'bonsai' plants that cannot grow beyond their tiny size. They are categorized among the micro and small enterprises that comprise more than 95% of enterprises in developing countries. Some solidarity-based community enterprises have been integrated into Social and Solidarity Economy global supply chains (e.g. fair trade, organic farming, microfinance). But the majority still need to realize that the totality of their actions, when they unite and collaborate with each other to scale up and consolidate their supply chains, will be greater than the sum of their individual actions.
- f) *Harnessing good practices of solidarity-based community enterprises for South-South and triangular cooperation in local economic and social development*: The good practices shown in the cases reviewed in this study can be harnessed to promote South-South and triangular cooperation in local economic and social development in the developing countries of Asia. Towards this end, toolkits and manuals on the good practices of the following cases can be developed to be used in the learning programme proposed below.

Table 3. Good practices of solidarity-based community enterprises to be developed into toolkits/manuals for the Proposed Learning programme

Category	Toolkits/manuals on cases to be developed
1. Fair trade	– Artisans Association of Cambodia – Mahaguthi Craft (Nepal) – PODIE (Sri Lanka)
2. Community supported agriculture	– CEDAC (Cambodia) – Development Wheel (Bangladesh) – Hongkong Organic Resource Center – Seikatsu club (Japan)

¹¹³ Unger, op.cit.

Category	Toolkits/manuals on cases to be developed
3. Financing of value chains	– Bina Swadaya (Indonesia) – ASKI (Philippines) – TSKI (Philippines) – Credit Union Promotion Centre (Malaysia) – Vasundhara Cooperative (India) – Tau Yeu Mai, People's Credit Funds (Viet Nam) – Village banks (Lao PDR)
4. Non-banking & non-formal financial institutions	– Kishan Swaraj Welfare Samity (India) – Badan Usaha Milik Desa (Indonesia) – Chili farmers cooperative (Sabah, Malaysia)
5. Marketing social enterprise (social enterprises that market the products of its members)	– Upland Marketing Foundation Inc. (Philippines) – Panmai (Thailand) – Homenet Pakistan
6. Indigenous management of commons	– Indigenous forest management (Southwest China) – Community forest users groups (Nepal) – Community-based eco-tourism (Cambodia)
7. Workers collective	– Seikatsu Club (Japan)
8. Manufacturing/processing social enterprise (social enterprises that add value to farm/forest products thru processing/manufacturing)	– Meiho Ladies (Japan) – Irodori (Japan) – San Jose Kitchen Cabinets Manufacturing
9. Inter-people cooperation	– PARC Inter-people Cooperation (Japan)
10. Funding of social enterprises	– Work Together Foundation (Republic of Korea) – Social Ventures Competition Asia (Republic of Korea)

Conclusions and the way forward

VI

There is ample evidence in Asia to show that South-South and triangular cooperation and Social and Solidarity Economy are ‘two sides of the same coin’ and that South-South and triangular cooperation has been a driving force in the development of Social and Solidarity Economy. Furthermore, both government-driven (top-down) and people’s organization -driven (bottom-up) South-South and triangular cooperation are flourishing on the ground and are instrumental in broadening South-South cooperation in developing countries.

The ILO can apply its strategic advantage as a unique tripartite institutional arrangement comprising representatives of governments, employers and workers more broadly to create an impact on public policies and programmes by encompassing both ‘top-down’ and ‘bottom-up’ approaches to mainstreaming its Decent Work Agenda.

It is recommended that the Partnerships and Field Support Department of the ILO establish and provide a budget for a cooperation programme with the Asian Solidarity Economy Council serving as a contact base of experts to reinforce the existing Asian networks of field actors who have carried out South-South and triangular cooperation projects to promote the Decent Work Agenda in Asia, with particular emphasis on Social and Solidarity Economy.

More concretely, an ILO South-South and triangular cooperation programme for the development of Social and Solidarity Economy in Asia could be considered, which would be geared towards strengthening institutional and business linkages between helping professional organizations and solidarity-based

community enterprises. As shown in this paper, the partnership between helping professional organizations and solidarity-based community enterprises, and with the financial and technical assistance of partner organizations, is a strong driving force behind the advance of Social and Solidarity Economy in Asia.

The proposed ILO South-South and triangular cooperation for the development of Social and Solidarity Economy in Asia should be an iterative results or goal-oriented learning programme with the following five components.

1. *Participatory documentation workshops.* Most of the case studies included in the review were not in a format that could be used for peer-to-peer or South-South learning. There is a need to document emerging practical knowledge and experiences of South-South and triangular cooperation in SSE that could be scaled up. The proposed programme could introduce a more systematic method of documentation of good practices that would: (a) identify and describe the South-South and triangular cooperation elements, as firmly established by the ILO; (b) examine the technology and approach used (e.g. system of rice intensification of CEDAC in Cambodia, community-supported agriculture, value chain financing of small industries in the Philippines, etc.); (c) clarify the way in which these approaches and technologies have been shared across borders and within each country; and (d) translate the documentation outputs into separate articles or manuals.
2. *Peer-to-peer learning.* The materials produced in the first component can then be used in peer-to-peer learning within the country. These could be used in various roundtable discussions, meetings, conferences and workshops in the country to share stories of good practices in Social and Solidarity Economy.
3. *South-South learning.* In parallel with the ASEAN initiative of evolving economic communities or growth areas (e.g. IMT-GT, BiMP-EAGA, and CLMV – Cambodia-Laos-Myanmar-Viet Nam) as a means of regional integration, the proposed programme could promote Social and Solidarity Economy as legitimate components of ASEAN's people-oriented regional integration and people-to-people connectivity. Experts from within these economic communities can be tapped to assist in the design of South-South and triangular cooperation programmes for the development of Social and Solidarity Economy, or to establish learning and sharing opportunities in the region.

In the context of South-South learning, the proposed programme may incorporate the planned Global Social and Solidarity Finance Summit in 2016, which could be conducted in conjunction with the ILO SSE Academy in 2016. The Asian Development Bank has expressed interest in hosting the

Global Social and Solidarity Finance Summit 2016, and the UN Task Force on SSE has committed to schedule it among its activities.

4. *Adaptation and replication of good practices.* The proposed programme should provide a means of testing and refining good practices that could be adapted and replicated in other countries. The adaptability and replicability of locally generated technology in other contexts and environments contribute significantly to the sustainability of the good practice and the Social and Solidarity Economy in general.

The proposed programme could incorporate the suggestion of Sahakian and Dunand (2013) for an exchange programme in which the solidarity economy movement in the Philippines and in Asia in general would learn and use the guiding principles of the Social and Solidarity Economy Chamber in Geneva, while the Social and Solidarity Economy movement in Geneva could learn and use the conceptual approach of the Philippines. In both Geneva and the Philippines greater solidarity is needed across supply chains and actors, between Social and Solidarity Economy and sustainable consumption and production (SCP) networks, and between regions in a highly unequal world. The Social and Solidarity Economy movement can benefit from a systems approach embraced by the SCP community. In turn, SCP can benefit from a concept of Social and Solidarity Economy that places people and planet first. Social and Solidarity Economy and SCP communities could benefit from interdisciplinary thinking, which is not always promoted in formal educational systems. The different social forums and Social and Solidarity Economy networks are paving the way for more collaboration between regions, yet a link has yet to be made with environmental forums and SCP networks.

5. *Institutional capacity building.* As demonstrated by the cases reviewed in this paper, the institutional capacity building of partner organizations involved in co-generating the good practice is crucial in perfecting the technology or approach (good practice). In addition, the partner organizations should be equipped and become proficient themselves in the iterative, goal-oriented learning approach of the programme. This will ensure support for the programme and for mainstreaming it into larger ASEAN regional integration initiatives.

ANNEX 1

Linkage between South-South and triangular cooperation (SSTC) and Social and Solidarity Economy (SSE): A shared experience in Asia, Africa, and Latin America (article prepared for the SSE Academy 2015)

The basic elements that constitute South-South and triangular cooperation (SSTC) are the following: (1) emerges out of a socio-economic demand; (2) shared interest; (3) taking initiatives in social, economic, environmental, technical or political realms; (4) manifestation of solidarity; (5) egalitarian partnership based on solidarity, on the sharing of knowledge and experience, and on training and technology transfer; (6) social dialogue; (7) respect for autonomy, peculiarities and priorities of partners at the national level; (8) cross-cutting nature of actions and objectives; (9) cooperation between trade unions and universities; and (10) strengthening of knowledge and research capacity for interventions in policies and organizational development. Attachment 1 shows selected cases in Asia where SSTC was instrumental in developing SSE.

Meanwhile, the development of SSE involves both: (1) the synergy or working together of individual members of SSE organizations (cooperatives, clubs, village associations or other types of membership-based organizations) that operate and manage *solidarity-based community enterprises*, and (2) the partnership between SSE organizations and the *helping professional organizations* (e.g. non-governmental organizations, private shareholding social enterprises, faith-based organizations, local government agencies, etc.). The latter usually provide financial, technical support and professional services to the solidarity-based community enterprises. SSTC strengthens such synergies and partnerships across countries.

Globalizing SSE through SSTC

SSTC has been instrumental in spreading SSE initiatives throughout the world, particularly among developing countries. This phenomenon is especially illustrated in the initiatives of fair trade, community supported agriculture (CSA), financial inclusion through microfinance, and inter-people cooperation in building solidarity in conflict-affected areas. These SSE initiatives are on the rise in Asia and widespread in Latin America as well as in Africa. They have become widely recognized as instruments for people empowerment and poverty alleviation.

Fair trade and CSA practices promote the globalization of SSE by linking solidarity-based community enterprises in developing countries to fair trade and organic buyers in developed countries. In 2011, 54% of the producer organizations certified for Fairtrade were located in Latin America, 31% in Africa and only 15% in Asia. CSA is a local solidarity-based partnership between ‘organic’ farmers and the people they feed that can be found in many parts of the world, including developed countries. There is no fixed way of organizing these partnerships, it is a framework to inspire communities to work together with their local farmers, provide mutual benefits and reconnect people to the land where their food is grown. Each community finds its own methods of distribution, packaging and sets its own prices and payment schedule.

Integration into the global supply chains of fair trade or organic farming helps SSE organizations access vital information, markets, financing and technical support. Integrating SSE enterprises into “triple bottom line” global supply chains is a crucial SSTC strategy as many SSE enterprises are small and localized, and they need some scaling up.

Financial inclusion through microfinance – the delivery of financial services at affordable costs to sections of disadvantaged and low-income segments of society – is an area where SSTC has accomplished far-reaching milestones in supporting SSE in Asia as well as in Latin America and Africa. Financial inclusion is a built-in feature of group formation and social capital formation in SSE. This feature was evident in cases from Cambodia, India, Indonesia, Laos and Vietnam where self-organized groups of people mobilized savings from members to create revolving loan funds that are accessible to members at affordable costs. In Africa, savings-based microfinance is prevalent among ROSCAs (rotating savings & credit associations). In Latin America, microfinance and complementary currencies are vital instruments of financial inclusion in local economies.

In recent years, microfinance institutions (MFIs) – among them NGOs, co-operatives, credit unions, and non-bank financing companies – have diversified their portfolios by extending financial and technical support to the collective

production and marketing activities of organized groups of farmers. MFIs that have scaled up their operations with a clientele outreach in the hundreds of thousands gradually adopted the new role of social investor and integrator of the value chains of solidarity-based community enterprises.

A top development priority in developing countries is the empowerment of people, particularly women, in fragile environments. People living in fragile situations caused by conflicts, natural disasters, and socio-political crisis are estimated to number around 1.5 billion worldwide. Fragile situations prolong poverty, unemployment and instability.¹¹⁴ SSTC geared towards empowering women in conflict-affected territories is illustrated in a project in Sri Lanka supported by the Pacific Asia Resource Centre for Inter-people Cooperation (PARCIC), a Japanese international NGO. PARCIC first applied its “inter-people cooperation” programme in Timor-Leste by buying ground native coffee from local farmers based on fair trade standards. Having gained some experience from Timor-Leste, PARCIC replicated its inter-people cooperation programme among fishing communities in war-torn Jaffna, Sri Lanka, and more recently in Eastern Malaysia.

South-South and Triangular cooperation: the experience of the Asian Solidarity Economy Council in Regional networking for social innovation in SSE

The stakeholders of Social and Solidarity Economy (SSE) are varied. They may include community based social enterprise organized by ordinary people, and service providers (e.g. input suppliers, fair trade buyers, microfinance institutions, training institutes, etc.), or professional helping organizations (e.g. government agencies, private companies, civil society organizations, faith-based organizations, etc.). A relevant question is: in what ways can these various stakeholders come together and engage in a dialogue on their common but differentiated responsibilities of developing their supply chain as an instrument of inclusive and sustainable development?

Social Dialogue as a means of facilitating SSTC

The case of the Asian Solidarity Economy Council (ASEC) can be cited to address the above question. ASEC has been instrumental in bringing together SSE stakeholders from various countries in Asia and other continents for purposes of knowledge and experience sharing. ASEC has contributed to the

¹¹⁴ Da Costa, Helder (2014). “ILO Solution Forum : fragile-to-fragile cooperation.” Paper presented at the Global South-South Development Expo 2014, Washington DC., 19 November 2014.

conceptualization and implementation of an ongoing dialogue on SSE in Asia by tapping the knowledge and research capacity of its partner organizations including academic institutions. It employed several strategies for bringing together SSE stakeholders to a dialogue including: developing a shared vision, sharing practical knowledge and experiences in developing a supply chain, peer-to-peer learning and exchange visits among top executives of supply stakeholders, joint effort in institutional capability building, and replicating supply chain models.

The capabilities of ASEC for organizing dialogues have been strengthened through the years. From 2007 to 2013, ASEC facilitated country-to-country peer cooperation in promoting SSE through the Solidarity Economy Learning Journey project partially funded by the Charles Leopold Mayer Foundation for Human Development (FPH), and to a lesser extent by the Canadian International Development Agency (CIDA). In the process of country-to-country peer cooperation, a strong dynamics in partnership building transpired. Among participants of the solidarity economy learning journey, there was great interest in the case studies because they addressed common socio-economic problems and they provided solutions that were adaptable, replicable and sustainable.

Outcomes of SSTC in SSE

Results of the South-South and triangular cooperation (SSTC) initiated by ASEC and its national focal points are the following: a compilation of studies on SSE practices in Asian countries, currently used as references for research, training, roundtable discussions, and exchange visits by the ASEC partner organizations, RIPESS, and other international organizations. Many of the SSE cases generated by ASEC are featured in the ILO publication “Social and Solidarity Economy in Asia: A South-South and Triangular cooperation Perspective”; broader knowledge and greater understanding of the SSE concept and practice; facilitation of roundtable discussions on SSE by ASEC focal points in several Asian countries; design of producer-consumer solidarity projects in Indonesia, Malaysia, and the Philippines patterned after the practice of community supported agriculture; and design of a training course on SSE for capacity building of partner organizations.

In addition, the ASEC-initiated SSTC resulted in the emergence of a few organizations that played a key role in sustaining country-to-country peer cooperation by providing technical assistance to their counterparts in other countries/territories on SSE research and advocacy. These are the Coalition of Socially Responsible Small and Medium Enterprises in Asia (Philippines), the Pacific Asia Resource Centre (Japan), the Malaysian Network for Com-

munity Economy, Bina Swadaya (Indonesia), the Association of Social Enterprises in Indonesia, the Universiti Sam Ratulangi (Indonesia), Jobs Australia, the Common Wealth Network for People Centred Development (India), and the Social Solidarity Economy Network of Nepal. The focal points of ASEC have also established collaborative ties with universities in their respective countries to promote SSE among the youth and students.

There is ample evidence from the Asian experience to show that: (1) SSTC and SSE are “two sides of the same coin”, and (2) SSTC has been a driving force in the development of SSE. Furthermore, both government-driven (top-down) and people’s organization -driven (bottom-up) SSTC are flourishing on the ground and they are instrumental in broadening development cooperation among developing countries. The partnership between helping professional organizations and solidarity-based community enterprises, and with the financial and technical assistance of partner organizations – is a strong driving force behind the advance of SSE in Asia. The enhanced knowledge and research capacity on SSE of ASEC and its partner organizations in Asia can be tapped for the purpose of energizing a multi-stakeholder dialogue on the strengthening of value chains of solidarity-based community enterprises. From the learning journey that was largely concerned about drawing lessons from existing good practices, ASEC partner organizations today are gradually turning their attention to facilitating SSTC in developing SSE as an alternative development model. Groundworking of the multi-stakeholder dialogue by the partner organizations from the South will pave the way for development organizations from the developed North to fine-tune their interventions of investing additional capital funds and extending technical assistance for the development of SSE.

SSTC typically emerges out of socio-economic demand. The more specific the socio-economic demand is, the greater is the precision of partnership focus. Ordinary people in many developing countries today are organizing SSE initiatives to address their need for access to finance, market, technical knowhow, jobs, and social services. Socio-economic demand is a solid basis on which the shared interest of would-be partners is built.

Shared interest among SSE stakeholders motivates them to engage in constant *social dialogue* and to forge *solidarity* among themselves in order to undertake collective action meant to address the socio-economic demand. SSE addresses *cross-cutting nature of actions and objectives*. Collective actions of SSE stakeholders are aimed at solving their problems arising from *social, economic, environmental, technical or political realms*. Solutions provided by SSE stakeholders are geared toward achieving the cross-cutting objectives (or ‘triple bottom line’) of social development, economic development, and environmental protection. They promote *egalitarian partnership, the sharing of knowledge*

and experiences, and respect for autonomy of partners. These are the very elements that form a solid basis for the '*shared interest*' of partners involved in SSTC. Transfer of knowledge, experience and technology among SSE partners are premised on their shared interest in the common undertaking.

The ILO can put its strategic advantage as a unique tripartite institutional arrangement comprising representatives of governments, employers and workers to a broader application and impact on public policies and programmes by encompassing both 'top-down' and 'bottom-up' approaches to mainstreaming its Decent Work Agenda. A partnership between ILO and ASEC in organizing and conducting an SSE Course in Asia that is geared towards strengthening institutional and business linkages between helping professional organizations and solidarity-based community enterprises will contribute greatly in advancing SSTC in SSE development.

ANNEX 2

Case Studies of Country-to-Country Peer Cooperation in Social and Solidarity Economy in Asia

Country/Case	Description
Indigenous management of the commons (culture, forests, rivers)	
China Indigenous forest management Partners: Ethnic minority groups in South-western China; Ethnic minority groups in Laos, Myanmar, Thailand, and Viet Nam	Indigenous practices of managing commons (i.e. forest resource) in three villages in Southwest China have withstood challenges posed by the country's market-oriented socio-economic reforms due to: (1) social cohesion among indigenous peoples (IP) in forested areas in Southwest China, but also with ethnic minority groups in Laos, Myanmar, Thailand, and Viet Nam; (2) common local customs and religious beliefs among the ethnic minority groups in these countries, as well as by the co-dependence between people & forest which reinforces social cohesion among them; and (3) shared interest in forest productivity (yielding timber & other valuable forest products) and common experiences in forest management. However, relationships between indigenous people and the government have been strained in recent years by public policy reform favouring the parcelling of forest ownership to households which the indigenous people suspect will undermine the sustainability of their forest as an economic resource.

Country/Case	Description
Nepal Community forest user groups (CFUGs) Partners: Federation of Community Forest Users (Nepal); Asia Network for Sustainable Agriculture and Bioresources (Nepal, Pakistan, India); Appropriate Technology India	In 1993 the Nepalese government handed down a total of 1,664,918 has. of forest land (30.08% of country's total forest land) over to communities organized into Community Forest User Groups (CFUGs) for development, conservation & utilization. CFUGs are autonomous, self-governing bodies with their own constitution and bylaws. CFUGs take into consideration the community's demand for forest products to be used in their enterprises, vis-a-vis forest regeneration capacity. With the mandatory 33% representation of women in CFUGs, women concerns are normally heard and acted upon. Community members have <i>shared interest</i> in the forest land resource as a common property. CFUGs are members of the Federation of Community Users of Nepal (FECOFUN), which is affiliated with the Asia Network for Sustainable Agriculture and Bioresources. The latter provides FECOFUN opportunities for information exchange, field visits, and peer-to-peer training on forest management in other Asian countries.
Laos: Community-based eco-tourism Partners: 12 villages of Seuang River Valley (Laos); Luang Prabang Provincial Tourism Authority (Laos); North by North East Travel Services, Co. Ltd. (Thailand);	The Seuang River Community Based Tourism (SRCBT) is a public-private partnership (PPP) aimed at providing alternative livelihoods to tribal people and support for environmental conservation and wildlife protection. Its project design was patterned after the Ban Lorch Akha Hill Tribe Community-Based Tourism Project established by the Population and Community Development Association (PDA) of Thailand. The project partners are Luang Prabang Provincial Tourism Development Association (PDA) of Thailand. The Ltd., and 12 villages of Seuang River Valley (SRV). In the project, NNETS developed an educational group tour for 20 people customized to meet the needs of international schools and universities. About 1,000 people a year visit the Seuang River villages for kayaking, trekking and mountain biking, yet villagers received no benefit. The project was meant to make ecotourism beneficial to tribal people. A cooperative agreement signed by parties involved outlines the rights and responsibilities of each stakeholder. The project provided sustainable alternative to hunting and logging as income sources of tribal communities as well as opportunities for village people to interact with foreign tourists from Asia and other continents.

Country/Case	Description
Indonesia: Badan Usaha Milik Desa (village owned enterprise) Partners: Badan Usaha Milik Desa (Indonesia); Universiti Sam Ratulangi (Indonesia); Universiti Kebangsaan Malaysia; ASEC Philippines	Badan Usaha Milik Desa (BUMDes) and is a village association with most of the households as its members. BUMDes operates a savings and loan facility which accepts deposits from members and provide loans to their enterprises. It also helps market the products of the enterprises financed. BUMDes conducts skills training for start-up entrepreneurs. It also liaises with the local government to facilitate delivery of public services to villagers. In consideration for the financial and marketing services of BUMDes, member-borrowers share 25% of their net profits to BUMDes. More recently, members have mulled the idea of setting up BUMDes wet and dry market centre where members can rent a stall to sell their products. By making a study of BUMDes and sharing the information through the Asian Solidarity Economy Forum, Universiti Sam Ratulangi (UNSRAT) has connected BUMDes to similar solidarity-based community enterprises from other Asian countries.
Malaysia: Credit Union Promotion Centre Partners: Credit Union Promotion Centre (Malaysia); Southeast Asia Rural Social Leadership Institute (Philippines), Indian Social Institute	Credit unions were established in Malaysia in the early 1970s. Three large credit union networks merged to form the Credit Union Promotion Club (CUPC), namely the Workers Credit Coops based in Kuala Lumpur, the People's Credit Coops in Selangor, and the Indigenous Peoples Credit Unions in Perak. Pioneers of CUPC saw credit unions as a means for meeting the material needs of poor people as well as a means of overcoming the poor households' attitude of fatalism. Credit unions function in small group, each undertaking savings mobilization, credit provision, and insurance. CUPC assists credit union members in bulk buying, access to low-cost housing, and access to technical assistance from external aid agencies.. CUPC undertake training, research and documentation, and inter-group exchanges. CUPC has received research and training support from SEARSOLIN (Philippines), Indian Social Institute, Toady Institute (Canada), the Catholic Church in Malaysia and Miserior (German Bishops Conference).

Country/Case	Description
Philippines: Upland Marketing Foundation Inc. (UMFI) Partners: UMFI (Philippines), Philippine Business for Social Progress; Non-Timber Forest Products Exchange Programme for South and Southeast Asia	The original strategy of Upland Marketing Foundation Inc (UMFI) for assisting upland farmers was through skills training and facilitating market linkages. However, this strategy did not work. In Nov. 2000, UMFI shifted to brokering, trading, and marketing of products of solidarity-based community enterprises (SBCEs). UMFI helped the farmers in lowland and coastal areas to scale-up their production. UMFI used social dialogue in cascading the marketing strategy as well as in conflict resolution between producers and buyers. UMFI benefits from the exchange visits and peer-to-peer training workshops organized by the Non-Timber Forest Products Exchange Programme for South and Southeast Asia, of which it is a member.
Thailand: Panmai, home-based women weavers Partners: Panmai (Thailand); Shanti Volunteer Assn (Japan); Homenet Southeast Asia (Philippines)	Panmai is a solidarity-based community enterprise established in 1991 with 272 women weavers as members from 8 villages in Roi-Eed province. Panmai serves as the marketing arm of the women weavers produce traditional hand woven silk and cotton with natural dyes. In the past, women weavers of Roi-Ed province sold their products to traders and had no control over the price of their products. With the formation of Panmai, women weavers had more control of the quality and price of their products. Panmai member-weavers were trained by the Appropriate Technology Association (ATA) in using natural dyes for their products. At present, they share technical innovations and unique design among themselves. As member of Homenet Thailand, which in turn is affiliated with Homenet Southeast Asia, Panmai has participated in several occasions in information exchange, experience sharing, and peer-to-peer training programmes organized by Homenet Southeast Asia.
Kenya: Bahari Widows (Rift Valley Province), and Vakhana Vatecho (Nairobi); 2 case studies Partners: ROSCAs in Kenya; African Rural and Agricultural Credit Association	The study reviews two Rotating Savings and Credit Associations (ROSCAs) in Kenya: the Bahari Widows group in the Rift Valley Province, 15 members, all women; and Vakhana Vatecho group in Nairobi, 18 members related to each other by blood. Bahari mobilizes savings from members who are widows to finance their farming activities and for running a nursery school. Vakhana aims to ensure social interaction among family members and to finance school fees and settling of debts. ROSCAs are popular in Kenya and all over Africa. Among the organizations promoting the development of ROSCAs in Africa is the African Rural and Agricultural Credit Association (AFRACA) which facilitates information dissemination, experience sharing and peer-to-peer learning among its members in Africa.

Country/Case		Description
Alternative job creation		
Japan Irodori Co. Ltd. (leaf business) Partners: Irodori Co. Ltd (Japan); Pacific Asia Resource Centre (Japan); leaf collectors in Asia; Asia 3r		On 25 Feb 1981, a heavy winter breeze fell on Kamikatsu, Tokushima Prefecture. Orange trees, the main source of income for the villagers, all died. The people looked for alternative ways to earn a living. Irodori leaf transformed the direction of their lives, especially the elderly women because it is they who founded the business. Green maple leaves were everywhere and common in Kamikatsu, but they were rare and valuable to people elsewhere. The elderly women press the leaves, brand it Irodori (i.e. colourful stuff), and sell them. At first only 4 elderly women got into the business. This increased to 195, with average age at 68 years. Production of leaves was done in individual farms, but marketing was done collectively. Starting with a few product items, the Irodori business has grown to 320 product items with 195 suppliers and several leaf collectors in Asia as customers. The Irodori business has visibly improved the quality of living of the elderly and contributed as well to environmental conservation as women in the Kamikatsu village campaigned for zero waste management. The Irodori Co. Ltd has been featured in several exchange visits and peer-to-peer learning programmes for Asian countries organized through the Asian and Pacific Economic Cooperation as well as by the Pacific Asia Resource Centre.
Japan: Meiho no tomato ketchup Partners: Meiho Ladies Corp. (Japan); Pacific Asia Resource Centre (Japan); Gifu World Youth		The <i>Meiho Ladies Corporation</i> is a community enterprise established, owned, and managed exclusively by women in response to the decline of agriculture due to industrialization and agricultural liberalization policies. The 1997 financial meltdown resulted in the loss of jobs of male Japanese farmers, but at the same time it prompted rural women to set up new enterprises. More than 6,000 new companies were being set up by rural women every year. Meiho Ladies Corp. was one of them. Meiho Ladies provide employment to local growers, suppliers, workers, and renters. Since its founding in 1992, the company has been generating modest profits, after providing generously for the salaries of its workers. It has attracted customer patronage from personnel of government agencies private companies, and the local households. Its business outreach has extended to large cities such as Goni, Takayama, Tokyo, and Osaka. Meiho Ladies Corp. has been featured in several exchange visits and peer-to-peer learning programmes for Asian countries organized by the government as well as by the Gifu World Youth.

Country/Case	Description
Other socio-economic needs	
Japan: Seikatsu Club of Atsugi City Partners: Seikatsu Club; Negros Council for Peace and People's Development (Philippines); Japanese Consumers Cooperative Union (which is a member of International Cooperative Alliance)	The Seikatsu Club Consumers' Cooperative (SCCC) is a Japanese food cooperative and the first pioneer cooperative that opened the door of welfare enterprises for aged people and children. Its goals are to provide wholesome food to its members, and to establish direct relationship between producers and consumers and between people and their environment. SCCC imports bananas with Alter Trade Japan directly from the producers in Negros Islands, Philippines bypassing conventional distribution channels. The basic organizational unit of the SCCC has been the <i>han</i> ('small group' – which generally consisted of 5 to 10 neighbouring households). But recently most committees of autonomous local organizations at the local government level in capital areas consists of young members. The Atsugi Committee was formed by young city immigrants and older workers in response to adjustment problems such as child and elderly care. This initiative attracted the support of city workers and professionals who joined the local autonomous organization of Seikatsu club and formed workers collectives to give solutions to other social problems of the city. The Forum Associa, formed by SCCC Kanagawa in 2003, provides opportunities for such autonomous local organization like the Atsugi Commons to join events for information exchange and workshop among different Commons. SCCC is member of the Japanese Consumers Cooperative Union, which in turn is a member of the International Cooperative Alliance.
Malaysia: Fertigation system in Pitas, Sabah Partners: Yayasan Sejahtera (Malaysia), Kuwait Finance House, Khazanah Nasional Bhd., Lembaga Tabung Haji, Malaysian government	The Kuala Lumpur-based NGO Yayasan Sejahtera introduced to 26 poor farm households in Pitas, Sabah a complete fertigation system costing RM4,000 and distributed 500 high-yield chili plants per farm household to be planted in front of the home yard. Pitas is the poorest district in Sabah, which is the poorest state in Malaysia. The fertigation technique was introduced to enable traditional chili farmers of Pitas to generate more income from increased productivity. After gaining knowledge and skills in growing chili kulai, the 26 poor families formed their own cooperative in May 2012. They then helped each other in producing, harvesting, and marketing chili. The coop adopted a policy enjoining residents who would like to avail of the fertigation system to register first as coop member. In addition to farm productivity, the fertigation project also contributed to an improvement in social cohesion in the families of farmers and the members of Pitas community at large

Country/Case	Description
Pakistan: Home-based women kite producers Partners: Homenet Pakistan, Homenet South Asia (with members in Bangladesh, India, Nepal, and Sri Lanka)	Kite flying is a favourite pastime in Pakistan especially during the Basant festival that celebrates the advent of spring season. In Lahore and Jhang, kite production by home-based women workers used to be a vibrant business until it was banned by the local governments in view of fatal accidents associated with kite flying. In defence of their livelihood, home-based women kite producers organized themselves into unions with the help of Homenet Pakistan. They went into ‘underground’ production and sold the kites in other cities and/or in countries where there are overseas Pakistani workers like India, United Arab Emirates, U.S., and U.K. Homenet Pakistan provides technical support and loans to individual producers thru their respective unions. Thru Homenet Pakistan and the Lahore College University, women kite producers have learned from trade unions about labour rights, labour entitlements, legal protection, and collective bargaining. As a member of Homenet South Asia home-based women workers in Pakistan are able to join exchange visits and peer-to-peer learning together with their counterparts from Bangladesh, India, Nepal, and Sri Lanka.
Philippines: San Jose Kitchen Cabinets Manufacturing Partners: Profit sharing companies movement	The case of the furniture manufacturing enterprise illustrates how a typical Filipino Christian struggles within the frames of neoliberal capitalism to align business practice with his Christian faith. The furniture manufacturer realized that social justice, consistent with his ideals and Christian values, should be expressed first and foremost through the sharing of the business's profits with its workers. The social entrepreneur believes in the equal sharing (50:50) of the fruits of the union between capital and labour -- after satisfying the 'basic needs' of both capital and labour, which were collectively defined by the social entrepreneur and his workers through constant dialogue. The company has set a 'solidarity pay' scale: the salary of highest paid employee shall be no more than 10 times that of the lowest paid worker. The social entrepreneur eventually established a movement of business owners and managers who discovered or willing to discover the advantages and benefits of the principle-based profit sharing system.

Country/Case	Description
Republic of Korea: Smile Together Project Partners: Work Together Foundation (Republic of Korea); Camp Asia (Philippines); Jesuit Service Cambodia; Avan Korea (Laos); Lotus World (Cambodia)	Work Together Foundation (WTF) is a non-profit organization in Republic of Korea that operates the Smile Together Project to support community-based social enterprises (CBSEs) working with poor households, especially the children of those households, and whose business models do not exploit local labour nor harm the environment. It raises funds from Republic of Korean private companies thru a TV campaign. WTF tries to balance the demands for results of fund contributors and the long-term gestation of projects aimed at alleviating poverty. WTF also tries to maintain the support of its pro-bono experts who provide technical assistance. Through the Smile Together Project, WTF funds projects in Cambodia, Laos, and the Philippines. WTF also organizes the Asian Social Entrepreneurs Summit (ASES) which facilitates information exchange and peer-to-peer experience sharing among social enterprises in Asia.
Republic of Korea: Social Ventures Competition Asia (SVCA) Partners: British Council Korea, Diageo Korea, Social Enterprise Network, and Asian companies joining the SVCA	The 'Social Venture Competition Asia' (SVCA) is a collaborative project of a private British company, Diageo Korea; an international NGO, the British Council Korea (BCK); and a local NGO, Social Enterprise Network (SEN). SVCA provides exposure and peer-to-peer learning opportunities to participating companies. In the case of the project sponsors, promoting social entrepreneurship is a priority development goal of BCK; it suits the Corporate Social Responsibility agenda of Diageo Korea and SEN's mission of enhancing the capacity of social entrepreneurs. SVCA came out of a series of dialogues among BCK, Diageo Korea, and SEN. SVCA provided the partners an opportunity to work together in enhancing the capacity of young social entrepreneurs to develop their business models. However, discrepancies between the social development goal (enhancing capacity of social entrepreneurs) and private business goal (raising the company's brand value and reputation) may cause the public-private partnership to stall

Country/Case	Description
Mainstreaming Financial Inclusion: Experiences in Transition Economies Laos: Village Bank Partners: Lao Women's Union, FIAM (Thailand), CODI (Thailand), ECCDA (Laos), Homenet Laos, KOICA (Republic of Korea)	The Village Bank was initiated under the Small Rural Development Project in 1997 by Lao Women's Union with help from two NGOs from Thailand – the Foundation for Integrated Agricultural Management, and the Community Organization Development Institute. Training of women bank operators was initially conducted by the NGOs from Thailand. Further training in business and financial management, leadership development, study visits, as well as technical assistance in production and marketing was provided by a local NGO, the Environment Conservations and Community Development Association (ECCDA) and Homenet Laos with funding from the Citizens for Decent Housing and Korean International Cooperation Agency (KOICA) of Republic of Korea. Other international donor agencies that extended support to village banks were the Asian Development Bank, the BMZ and GTZ, the Savings Bank Foundation for International Cooperation of Germany, and the International Labour Organization (ILO). ILO and the Stone Family Foundation provided technical assistance to 139 village banks in 4 provinces, and seed capital to 80 village banks
Inter-People cooperation for building solidarity of communities in a conflict-affected territory. PARCIC brings together people from conflict-affected territories like Timor-Leste and Sri Lanka in direct contact with individual donors and ethical buyers from Japan. Japan: Inter-people cooperation in economic recovery of communities Partners: PARCIC (Japan), fishing villages in Jaffna, Sri Lanka; anonymous individual donors from Japan	Due to the 26 years of war and the December 2004 tsunami, many households in Northern Sri Lanka had lost family members and as a result women became breadwinners. The Pacific Asia Resource Centre Inter-people Cooperation (PARCIC) started its community development project in October 2010 in 4 fishing villages of Jaffna with the aim of empowering women. At that stage, people struggled for their survival and they were busy rebuilding their own lives. The men were preoccupied with housing construction and repair. The women who became widows were straddled by the twin burden of caring for the children and elderly and generating income for the household., PARCIC adopted a two-pronged assistance programme: providing fishermen with emergency financial assistance to boost their fishing activities, and helping the women set up a dry fish processing and marketing centre and a recycled sari retail shop operating on fair trade principles. The projects helped the men's fishing activity to gradually recover, while the women of the community had the opportunity to organize themselves and work together. The projects brought about the recovery of community solidarity little by little.

ANNEX 3

Case Studies of South-South and Triangular Cooperation in Social and Solidarity Economy in Asia

Country/Case	Description
Globalizing Social and Solidarity Economy through fair trade. As members of WFTO-Asia, Artisans Association of Cambodia, Mahaguthi Craft, and People's Organization for Development of Imports and Exports participate in exchange visits, conferences, and peer-to-peer training programmes among fair trade organizations in Asia	
Cambodia: Home-based women workers in fair trade Partners: Artisans Association of Cambodia, World Rehabilitation Fund, Homenet Cambodia, Homenet Southeast Asia, World Fair Trade Organization-Asia	The Artisans Association of Cambodia (AAC) was established to alleviate the challenges faced by home-based women workers and to respond to the demand of fair trade buyers abroad. As a member of WFTO, the association provides home-based women workers technical assistance and access to markets for their handicrafts. Through Homenet Cambodia, a member of Homenet Southeast Asia, AAC participates in exchange visits and peer-to-peer training programmes among home-based women workers in Asia. The association currently works with close to 600 home-based workers organized by HomeNet Cambodia as a membership-based organization in 4 major cities: Phnom Penh, Siem Reap, Battambang, and Poi Pet. The association's access to fair trade buyers in developed countries has ensured home-based women workers access to export market. The association as assembler of local products, Homenet Cambodia as organizer of home-based women workers, and WFTO as a link to fair trade buyers in developed countries, respect each other's autonomous but interrelated functions.

Country/Case	Description
Nepal: Mahaguthi Craft Partners: Mahaguthi Craft (Nepal), World Fair Trade Organization-Asia, Oxfam, SERRV Intl	Mahaguthi Craft with a Conscience, a member of Fair Trade Group Nepal, responded to an upsurge in demand for Nepalese handicrafts of foreign tourists and buyers from developed countries in the late 70s that has led to a revival in handicrafts production in Nepal. Established in 1964 to provide training to low-income women and rural crafts producers, Mahaguthi expanded its operations to respond to the growing market demand for Nepali handcrafted products. Mahaguthi started with 3 looms and 5 workers. Today, it has 42 staffs and 70 in-house producers working every day and with several external producer groups in 15 districts of Nepal. Mahaguthi is now one of the leading fair trade organizations in Nepal. Mahaguthi provides business development services (training, product design, finance, company registration) to in-house and external producer groups and markets their products to partner fair trade buyers in developed countries. Alternative trading organizations and fair trade shops (Intermon, Oxfam UK, SERRV Intl, Ctm Altromercato, Nepali Bazaro, Oxfam Australia, etc) have been the buying partners of Mahaguthi over the last 20 years..
Sri Lanka: Organic farming by Parakum Farmers Association Partners: PODIE (Sri Lanka), WFTO -Asia, fair trade buyers from New Zealand	People's Organization for Development of Imports and Exports (PODIE) is a fair trade organization established in 1979 with the help of Catholic Church of Negombo, Sri Lanka. It is a member organization of WFTO-Asia. PODIE collaborated with the Parakum Farmers Association in 1990 with the aim of transforming local farmers' chemical-dependent agricultural practices into organic farming. PODIE educated the farmers about the pollution of ground water by chemical pesticides they used in their farms, and at the same time PODIE assured the market for their organic produce. As a result, farmers were convinced to shift to organic farming. Among others, this case shows that ordinary people do respond to environmental protection concerns when the measures to address them also ensure their socio-economic welfare.

Country/Case	Description
Community Supported Agriculture (CSA) – A Network of Human Relationships. Through such international organizations as WFTO-Asia, IFOAM Asia, Traidcraft Exchange, & Asian Farmers Association for Sustainable Rural Development, organizations undertaking organic farming/community supported agriculture participate in exchange visits, conferences and relevant peer-to-peer training programmes in Asia.	
Bangladesh: Sustainable Livelihoods for Poor Producers (SLIPP) Partners: Development Wheel (Bangladesh), European Commission, Traidcraft Exchange, WFTO-Asia (Thailand), People Tree (Japan)	SLIPP was implemented by Development Wheel (DEW), a non-profit development organization founded in 1996 to promote self-help poverty alleviation initiatives of the poorest households in Bangladesh. Among its partners providing technical and marketing assistance in fair trade are the World Fair Trade Organization-Asia, currently based in Thailand, and the People Tree of Japan. SLIPP was co-funded by European Commission (EU) and Traidcraft Exchange from April 2007 to March 2012. It was aimed at reducing poverty among poor and marginalized farmers in northeast Bangladesh (Mymensingh and Netrokona districts). The main outputs of the project include: promotion of a business-enabling environment, strengthening the capacity of business development service (BDS) providers, development of grass root producer associations, and development of affordable BDS provisions. Thus, the project helped to promote employment and income opportunities for poor and disadvantaged communities by contributing to a business-enabling environment including a policy framework for sustainable growth and by capacity building of BDS providers so that they can provide appropriate services to their farmer clients.
Cambodia: System of Rice Intensification & Organic rice Partners: CEDAC (Cambodia), Rickmers (Germany), Lotus Food (U.S.), Asian Farmers Association for Sustainable Rural Development	The CEDAC (Cambodian Centre for Study and Agricultural Development) and the Federation of Organic Producer Groups (FOPG) are engaged in a strategic partnership to promote the production and consumption of organic rice. The symbiotic relationship between FOPG and CEDAC is obvious: FOPG members produce organic rice but they need CEDAC's rice production intensification technology and market outlets. CEDAC has developed the System of Rice Intensification (SRI) to improve rice yields. CEDAC has also established the 'NAP' stores to market organic rice locally and abroad. In more recent years, CEDAC's SRI and NAP stores have gained government support owing to the growth of export demand for organic rice from Cambodia. CEDAC is a member of the Asian Farmers Association for Sustainable Rural Development which conducts training and exchange visits on organic farming and community assisted agriculture. The foreign partners of CEDAC comprise of the rice importing companies Rickmers of Germany and Lotus Food of the US and the organic rice certification agency, BCS Okograntie.

Country/Case	Description
Hong Kong: The Sharing Economy in Hong Kong Partners Hong Kong Organic Resource Centre (HKORC), IFOAM-Asia; AgriPro Asia Expo (APA)	In Hong Kong, CSA brings about new forms of solidarity and cooperation between producers and consumers in metropolitan centres. A network of human relationships replaces the traditional system of employers and employees, while traditional forms of solidarity among members of local communities are veering towards a capitalist focus (Ming 2013). As Hong Kong became highly urbanized, solidarity of people in communities based on shared interest and common values had given way to individualistic market-oriented exchange. Fair trade products are being retailed through super-markets and multinational chains. CSA, on the other hand, promotes the sharing of economic risks and benefits among producers and consumers, and upholds their rights and responsibilities. Production is not based on increasing profits but on needs of people and land. Face-to-face encounters between producers and consumers helps build a close-knit community.
Mainstreaming Financial Inclusion: The case of Self-Help Group – Bank Linkage Programme. Participants of the programme had opportunities to join exchange visits, conferences, and peer-to-peer training courses in Asia organized by the Asia Pacific Rural and Agricultural Credit Association (APRACA)	
Indonesia: Margi Rejeki self-help group (2007), and Self-help group-bank linkage programme (2010) (2 case studies) Partners: Bina Swadaya (Indonesia), APRACA (Thailand), Bank Rakyat Indonesia, Bank Indonesia, BMZ AND GTZ (Germany)	Bina Swadaya was established in 1954 as a farmers' association engaged in organizing KSM. In 1967, the farmer association was transformed into Bina Swadaya with 3,000 KSM (comprising 100,000 families) as social base. Bank Indonesia tapped Bina Swadaya to implement nation-wide the SHG-Bank Linkage programme. Government line agencies also tapped Bina Swadaya to help organize KSMs: Ministry of Agriculture (60,000 KSM, 1.2 Million households); National Family Planning Board (650,000 KSM; 13.5M households). With the weekly meeting as a regular activity of KSM, social dialogue plays a major role in the KSM's organization development. The KSM accumulates social capital in the process of interaction and dialogue among members. Inter-personal trust is built up among members as they pool small savings to create a home-grown revolving loan fund. A KSM has 20-30 individual members, each of whom come from marginalized small farm household.

Country/Case	Description
India: Self-help group-bank linkage programme Partners: Vasundhara Cooperative (India), DHRUVA, NABARD (India), APRACA (Thailand), BMZ AND GTZ (Germany)	Vasundhara Cooperative contributes to the evolution of solidarity economy in a 'Gandhian way', which favours participatory democracy, and production by the masses rather than mass-production by profit-oriented company (International Resources for Fairer Trade, 2007). With membership base of 2,290 Vasundhara served 172 tribal villages and helped them convert wastelands into productive lands, thus rehabilitating the economies of 13,663 tribal families. Vasundhara's solidarity-based programme benefited its own members and marginalized groups. Apart from NABARD, other organizations that provided support to Vasundhara includes the BAIF Development Research Foundation which facilitated Vasundhara's formation, and the Dharampur Utthan Vahini (DHRUVA), an NGO linked to BAIF which provided technical & management support to Vasundhara. In turn, DHRUVA obtained technical and funding support from NABARD.
India: Self-help group-bank linkage programme Partners: Kishan Swaraj Welfare Samity (India), NABARD (India), APRACA (Thailand), BMZ AND GTZ (Germany)	Kishan Swaraj Welfare Samity (KSWs) is an association of mostly women and a few men registered under India's Societies Act, to generate financial resources in support of the members' microenterprises. From initial number of 30, KSWs membership grew to 66. Savings mobilization has been a priority activity of members which led to the creation of the association's revolving fund in a local bank. This enabled KSWs to borrow from the bank twice the revolving fund amount under the NABARD SHG-Bank Linkage programme. Loans from the revolving fund were meant for the financing of individual enterprises of members. When members saw good prospects for organic farming, they set up a separate Community Fund to finance organic farming as a solidarity project of all KSWs members. Self-employed members of KSWs are non-formal workers and not covered by labour union laws. But bonding themselves under the Societies Act has given them recognition and capability to transact with banks and government agencies.

Country/Case	Description
Philippines: Farmers Integrated Development Assistance programme Partners: Taytay Sa Kauswagan (Philippines), Grameen Foundation (Bangladesh), Oikocredit Southeast Asia, Microcredit Summit	Mainstreaming financial inclusion: microfinance institutions as social investor & integrator of solidarity-based community enterprise supply chains. Microfinance institutions in Asia have opportunities to participate in exchange visits, conferences/summits, workshops and peer-to-peer training programmes in Asia organized by the Grameen Foundation, Oikocredit Southeast Asia, and the Microcredit Summit, among others. Taytay Sa Kauswagan (TSKI) adopted the Grameen Banking Approach in 1992 which enabled it to expand its outreach. In 2008, it launched the FIDAP (Farmers Integrated Development Assistance programme) which provides production and marketing loans to rice farmers who are organized into a cooperative. FIDAP adopts the quedan system under which the farmers' paddy produce is not sold immediately after harvest but stored in the FIDAP warehouse. The 'paddy deposit' serves as security for the marketing loan, the proceeds from which allow the farmer to refrain from selling their produce at harvest time when paddy prices are low. Coop members collectively develop the coop's rice production and marketing plan which takes into account the socio-economic benefits of farmers as well as the conservation of the local environment to maintain farm diversity and productivity. TSKI respects the coop's autonomy in planning and implementation of the quedan system, and in recruiting new members to benefit from FIDAP. Coop members maintain the right to withdraw their paddy deposit and dispose of it when needed. ASKI was also a Grameen Bank Approach replicator. In 2006, it launched the Ala-lay sa Magsasaka programme (Assistance to Farmers programme) to provide farmers not only financing but also technical and marketing assistance. The study deals with one of the programme clients, the Kala-sag Farmer Producers Cooperative. The cooperative operates a solidarity-based community enterprise which collectively produces and markets onions. The cooperative entered into a marketing agreement with Jollibee Foods Corporation, a private food chain company, with support from the government's National Livelihood Development Corporation and the Catholic Relief Services. The programme facilitates the solidarity links between the cooperative and the private company by providing value chain financing and facilitating technical services from the National Livelihood Development Corporation and the Catholic Relief Services. The cooperative's collective production and marketing plan takes into consideration both the socio-economic benefits of its members as well as the conservation of local environment

Country/Case	Description
Mainstreaming financial inclusion: Experiences in transition economies	
Viet Nam: Tao Yeu Mai (TYM) Fund & People's Credit Fund, (2 case studies) Partners: Viet Nam Women's Union, CARD (Philippines), BMZ AND GTZ (Germany), SSBF (Sweden)	The TYM Fund is an example of a People's Credit Fund which is managed and operated by women. Established in 1992 by the Viet Nam Women's Union, the aim of TYM Fund was to help implement the Government's poverty alleviation programme by providing poor households, especially the women of those households, access to credit funds at affordable costs. The TYM Fund is an adaptation of the Grameen banking model to the context of Viet Nam with technical assistance from CARD Philippines. It taps on the social cohesion of the clientele group for efficient loan disbursement and collection. The TYM Fund benefited from South-South and triangular cooperation with the financial and technical support from northern donors such as the Swedish Savings Banks Foundation, and the BMZ/GTZ of Germany. Being affiliated with the World Bank's Micro-finance Information Exchange (MIX), TYM keeps itself updated on its financial sustainability and social responsibility towards communities and the environment.

ANNEX 4

ASEC Partner Organizations

Country/Organization	Description
Philippines Coalition of Socially Responsible Small & Medium Enterprises in Asia (CSRSME Asia) Host of first Asian Solidarity Economy Forum, 2007	The Coalition of Socially Responsible Small and Medium Enterprises in Asia (CSRSME Asia) is recognized as the organization that initiated the regional level dialogue on Social and Solidarity Economy in Asia by organizing the first Asian Solidarity Economy Forum in Quezon City, Metro Manila on 17-20 October 2007. Attended by close to 700 participants from 26 countries, the forum launched the Solidarity Economy Learning Journey. Having compiled a good number of case studies into a book entitled 'Sowing the Seeds of Solidarity Economy in Asia', the continental forum in the Philippines spawned roundtable discussions, workshops, and networking among practitioners and advocates in several Asian countries. In 2013, the CSRSME Asia was re-registered with the Securities and Exchange Commission as the Asian Solidarity Economy Council. ASEC extended technical assistance in organizing the Asian Solidarity Economy Forum in Tokyo (2009), in Kuala Lumpur (2011), and in Manado, Indonesia (2012), and also in organizing the 5th RIPESS international meeting in Manila (2013). Assistance provided to the host organizations of these forums consisted of the design of the forum programme, identification and invitation of resource speakers from Asia and other continents, mobilizing RIPESS network members to attend the forum, organizing a pre-conference campaign a few months prior to the forum itself, and conducting workshops and seminars for prospective participating organizations in the respective countries. Having been active in fostering information exchange among SSE practitioners and advocates in Asia, the Philippines was designated to establish the permanent secretariat of ASEC.

Country/Organization	Description
Japan Pacific Asia Resource Center (PARC) Host of the 2nd Asian Solidarity Economy Forum, 2009	The Pacific Asia Resource Center (PARC) is another champion of Social and Solidarity Economy in Japan and in Asia. It conducted the 2nd Asian Solidarity Economy Forum in Tokyo, Japan with over 500 participants from 19 countries. The forum gave PARC the opportunity to open new opportunities for the fair trade and technical assistance activities of its international development cooperation arm, the PARC Inter-people Cooperation (PARCIC) in Timor-Leste and in Sri Lanka. PARC broadened the arena for Social and Solidarity Economy networking in Asia by linking the Asian Solidarity Economy Council with the Work Together Foundation of Republic of Korea. In 2010, PARC organized a workshop on Social and Solidarity Economy in Seoul, Republic of Korea at the Asian Social Enterprise Summit hosted and organized by Work Together Foundation, and attended by 300 participants from 15 countries. Having established close ties with Social and Solidarity Economy practitioners and advocates in East Asia, PARC accepted during the ASEF 2011 in Kuala Lumpur the responsibility of coordinating the promotion of Social and Solidarity Economy in East Asia covering the countries of China (including Hong Kong and Taiwan), Japan, and Republic of Korea.
Malaysia Malaysian Network for Community Economy (MNCE) Host of the 3rd Asian Solidarity Economy Forum, 2011	Another pillar of Social and Solidarity Economy in Asia is the Malaysian Network for Community Economy (MNCE) . Partner organizations of MNCE host in March 2009 ASEC workshop on social finance for social enterprises with 60 participants from 12 countries. This gave the impetus for the partner organizations to conduct their own learning journey, and in 2011, they formalized the establishment of MNCE with the Centre of Social Entrepreneurship of the Binary University serving as secretariat. On October 28-November 2, 2011, MNCE hosted and organized the 3rd Asian Solidarity Economy Forum in Kuala Lumpur with 350 participants from 25 countries. Incidentally, the secretariat of ASEF Kuala Lumpur 2011 was headed by a PhD student of Binary University from Kenya, whose PhD thesis on the rotating savings and credit associations (ROSCAs) in Kenya was included among the case studies presented at the forum. The case studies from this forum were synthesized in a book entitled 'Developments in Solidarity in Asia: Innovations in Policy and Practice'.

Country/Organization	Description
Malaysia Malaysian Network for Community Economy (MNCE) Host of the 3rd Asian Solidarity Economy Forum, 2011	With a Malaysian Indian at its helm, the Malaysian Network for Community Economy since 2011 has extended technical assistance to Common Wealth for People Centred Development (COMMACT) in organizing the learning journey on Social and Solidarity Economy in India, Nepal and Sri Lanka. The Malaysian Network for Community Economy has also organized side events on Social and Solidarity Economy during the ASEAN Leadership Summit organized annually by the Asian Strategy and Leadership Institute. In view of these initiatives, the Asian Solidarity Economy Council /RIPESS Asia gave the Malaysian Network for Community Economy the responsibility of liaising with these two regional bodies.
Indonesia Universiti Sam Ratulangi, Bina Swadaya, and the Association of Social Enterprises in Indonesia Hosts of the 4th Asian Solidarity Economy Forum, 2013	Bina Swadaya, the Universiti Sam Ratulangi, and the Association of Social Enterprises in Indonesia are among the founding members of ASEC. In June 2013, they formed the 'ASEC Indonesia' with civil society organizations as members. They have supported the Asian Solidarity Economy Forums in the Philippines, Japan, and Malaysia by sending a sizeable delegation to each forum. Being based in Jakarta, Bina Swadaya has arranged meetings of ASEC with the ASEAN Secretariat in Jakarta. Subsequently, ASEC Indonesia was given the responsibility of liaising with the ASEAN Secretariat.
Australia, India, and Nepal Jobs Australia, COMMACT India, & COMMACT Nepal Facilitators of SSE dialogue in South Asia	Jobs Australia, a member of the intercontinental Board of RIPESS, provides support to the learning journey of the affiliate organizations of COMMACT India, COMMACT Nepal, and COMMACT Malaysia . Owing to these institutional tie ups, ASEC has reached an understanding with Jobs Australia for the latter to help in coordinating and supporting the promotion of Social and Solidarity Economy in South Asia covering the countries of Bangladesh, Bhutan, India, Nepal, Pakistan and Sri Lanka.

Country/Organization	Description
Indonesia ASEC SSE Network in North Sulawesi, Indonesia	An important outcome of ASEF Manado 2013 was the formation of an SSE network in Manado consisting of the following key institutions (Mekel & The, 2013): (1) UNSRAT, Management Department where SSE is one of the subjects taught to Master of Management students, and UNSRAT IBA Course where SSE is taught to undergraduate students; (2) Intelektual Muda (ILMU) Sulawesi Utara (Young Scholar Community), an association of UNSRAT scholars who are studying at UNSRAT or who have graduated and become professionals or entrepreneurs. Members of ILMU occasionally contribute articles or reports about SSE in the newspaper <i>Tribun Manado</i>; (3) Bank Indonesia in Manado, the central bank branch in Manado, promotes financial inclusion by enjoining local banks to give small loans to micro and small enterprises without traditional collateral and only with the guarantee of a church leader. ASEC Indonesia provides training to client entrepreneurs; (4) Pemuda GMIM (Christian GMIM Youth Movement), a youth organization with almost 200,000 members from North Sulawesi. ASEC Indonesia conducts workshops on SSE for Pemuda GMIM members; (5) KNPI SULUT (National Committee of Indonesian Youth in North Sulawesi). KNPI Sulut supports the ASEC Indonesia's promotion of SSE among their members; and, 6) Dinas Koperasi dan UMKM Provinsi Sulawesi Utara (Department of Cooperatives, Micro Small & Medium Enterprises, North Sulawesi Province). ASEC Indonesia conducts training for the client entrepreneurs of this local government department.

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Social and Solidarity Economy (SSE) and South-South Cooperation are closely linked through the key principle of “solidarity”. In this publication we can detect some real examples of SSE linked to peer-to-peer cooperation in Asia.

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