

Recommendations by SEWA Cooperative Federation on inclusion of youth in cooperatives

Submitted for Y20 2023 engagement group policy recommendations to ICA-AP

Cooperatives have been a vehicle for enabling workforce participation of informal women workers, in the experience of the Self-Employed Women's Association (SEWA) Cooperative Federation. With the World Bank estimating women's labour force participation at 19 per cent for India in 2021, it is imperative to take policy measures that facilitate the entry of women into the workforce, particularly younger women.

Through cooperatives, young women have the means not just to participate in the labour market, but also to become decision-makers in their own enterprises. At SEWA Cooperative Federation, we find a need to promote cooperatives through awareness-building activities among groups of young women, as well as to build an enabling environment for these cooperatives to grow and scale, particularly in non-traditional sectors of work.

The growth of the digital economy presents an opportunity for the cooperative model to enter into new forms and sectors of work, including the service and care economy, which are dominant sectors for women workers, including young women.

This recommendation note outlines specific actions that SEWA Cooperative Federation envisions will build, support and scale cooperatives of informal women workers, particularly younger women, and enable a robust local and national Indian economy. These actions include those around visibility, awareness of the cooperative model; enabling ease of business through simpler mechanisms for compliance to regulation, as well as enterprise-building through investments and market opportunities; and supporting a larger ecosystem of cooperatives and their federations, from the specific lens of inclusion of young women.

Towards awareness-building and visibility of cooperatives among young women, we recommend:

- Recognition of cooperatives as essential economic entities by including cooperative models in all startup and other enterprise-related activities. This includes increasing visibility through investments in capital, market, and technology support.
- Focussed awareness-building programmes and campaigns on the cooperative model, including through school and university education curriculums. This includes exposure visits and internship or fellowship programmes for young students, linking them with women's cooperatives.
- Increased research on the impact of cooperatives, in order to demonstrate their effectiveness in enabling women's labour force participation.

- Promoting and incubating cooperatives in new, non-traditional sectors of work, particularly in the digital economy. Young women have increasingly moved away from traditional sectors, such as agriculture, and innovative cooperatives can provide these women a more equitable way to enter the labour market.

Towards enabling ease of business, including through simpler compliance to regulation mechanisms and marketplace linkages, we recommend:

- Ease of registration and compliance requirements, and investments in support systems, like Federations, that can help them through these processes.
- Investments into women's cooperatives through capital support for assets and working capital, with low rates of interest and waivers for collateral requirements wherever possible.
- Tax waivers and financial support services for women's cooperatives when they are in the initial phases of their operation, so that they are able to break even sooner
- Easing compliance requirements for export and providing special support-services to women's cooperatives so they can access global markets and engage in international trade.

Towards creating a larger enabling environment for women-owned, women-run cooperatives, we recommend:

- Access to support services such as capacity-building, market linkages, research, through cooperative federations, such as SEWA Cooperative Federation. Federations can enable these cooperatives to avail of government services, which they may be entitled to, with more ease
- Universal social protection, including childcare, healthcare and insurance, to enable young women to enter the workforce with more ease, including working through their own cooperatives. SEWA Cooperative Federation's own cooperatives have also demonstrated how these public provisions can sustainably reach the last-mile, through women-owned, women-run cooperatives. For example, VimoSEWA has been able to reach many women from low-income communities through insurance.
- Investments in public infrastructure and gender-inclusive urban planning has a direct impact on women's mobility, especially for young women, who are able to access better opportunities for upskilling, business, and employment. Women's cooperatives in transportation and urban development can be an innovative way of increasing their labour force participation and increasing their stake in the planning processes.