



Social Solidarity Economy (SSE): A safety net for AFTA

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Definitions

- *Social Solidarity Economy (SSE)*: an economy consciously & purposively created by solidarity- and membership-based organizations such as cooperatives.
- *Economy*: a system of production, finance, distribution, and consumption of goods & services in an area or territory.
- *Supply chain/Value chain*: a micro-model of an economic system
- *Supply chain*: a system of organization, people, technology, information and resources involved in transforming raw materials into a finished product/ service and in moving the product/service to the end user.
- *Value chain*: the inter-relationship of added values generated by activities undertaken by various units of the system and which contribute to total product value.

AFTA: Challenges

- ❑ The full effects of capitalist globalization will be felt by ASEAN member nations.
- ❑ Cross-border production networks or global value chains will expand and deepen their grip of local economies.
- ❑ More large retail distribution networks from other ASEAN countries will mushroom in our country.
- ❑ Some local industries will fade away or be taken over by global value chains.

How prepared is your business enterprise to sustain the loyalty and patronage of its domestic market??

To The 99%

I am the Oligarch in my industry.
I dictate the terms of our engagement.
And you cannot do anything about it.

Oppressingly yours,
The 1%

P.S. We control electricity, water, toll roads,
oil, rice, fertilizers, feeds, malls, cellphones,
cement, among others.

If you feel that the present neo-liberal
market capitalist system favors the 1%
to the gross disadvantage of the 99%...

If you believe that it is your patriotic
duty to do something about it, join us in
the **Social Solidarity Economy**
Forum on October 15 to 18, 2013 at
UP Diliman, Quezon City.



SSE

There's a Future in Together.

To register, contact RIPESS Manila Secretariat at 0917-6777632 (Jha Sapinoso)
or email globalforum2013@oneagleswingsphilippines.org.



Partner Organizations:

• APPEND, Inc. • Federation of People's Sustainable Development Cooperative • Foundation for a Sustainable Society, Inc. • Homenet Southeast Asia • Institute for Social Entrepreneurship in Asia
• Interchurch Organization for Development Cooperation (ICCO) • Movement for National Transformation • On Eagle's Wings Development Foundation Philippines, Inc. • Philippine Rural Reconstruction Movement
• Forum on Ethics and Responsibilities • Philippine Social Enterprise Network • The Alliance of Agri-Agencies (AgriCord) • World Fair Trade Organization - Asia
• UP College of Social Work and Community Development • UP Asian Center • UP School of Labor and Industrial Relations

AFTA: Opportunities

In 2015, the economies of the Association of Southeast Asian Nations (ASEAN) will merge as one. Tariffs on goods and services traded among the ten ASEAN member countries will be scrapped, and goods and services will flow freely among the ASEAN member countries.

AFTA covers huge, potential market of some 500 million people which each ASEAN member country can tap for their own products and services.

If you can sell a product at P1 per unit to each person in the AFTA area, you'll have total sales of P500M per year.

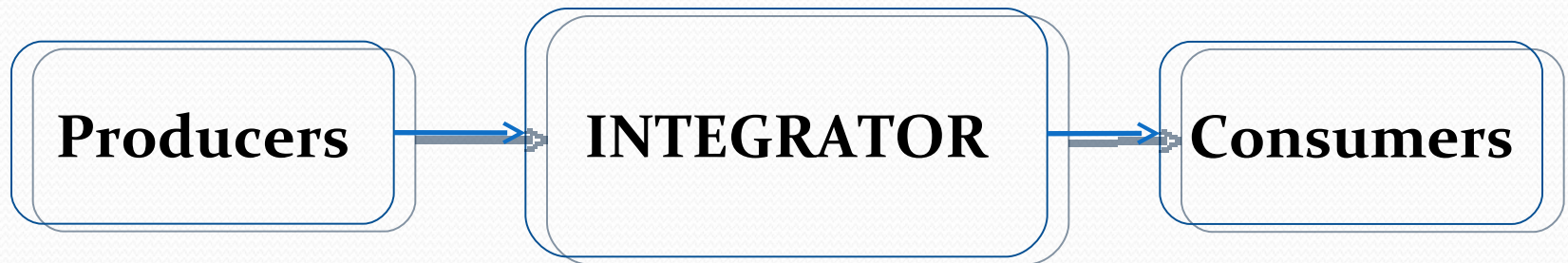
What measures are you taking to tap the AFTA market?



There's a Future in Together.

SSE

Cooperative-owned & managed SSE as a safety net for AFTA



Linkage Model	INTEGRATOR
Model 1	Cooperative
Model 2	Social enterprise
Model 3	Civil society organization
Model 4	Government agency
Model 5	For-profit private company

Cooperative-owned & managed SSE as a safety net for AFTA: 9 Variations of Model 1

Producer	Consumer
Coop	Coop
Coop	Private company
Coop	Social enterprise
Coop	Civil society orgn
Coop	Government agency
Private company	Coop
Social enterprise	Coop
Civil society orgn	Coop
Government agency	Coop



**ASSEMBLER/W
HOLESALER**



RETAILER

→ **CONSUMER**



COOPERATIVE: Rice Production



INPUTS





Case 2: RICE SUPPLY CHAIN - Farm Integration Development Approach (FIDA)



Marketing

**Community Base
Social
Preparation**

Training



Production



**Production
loan**

Linkages

**Product
Development**

**Skills
Development**

Warehousing



Processing

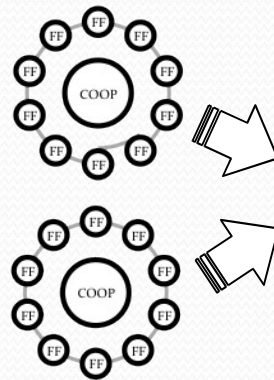


Case 3: The Dairy Farm Supply Chain

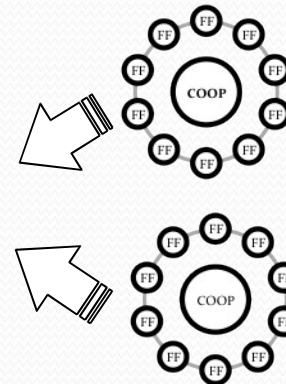


Market

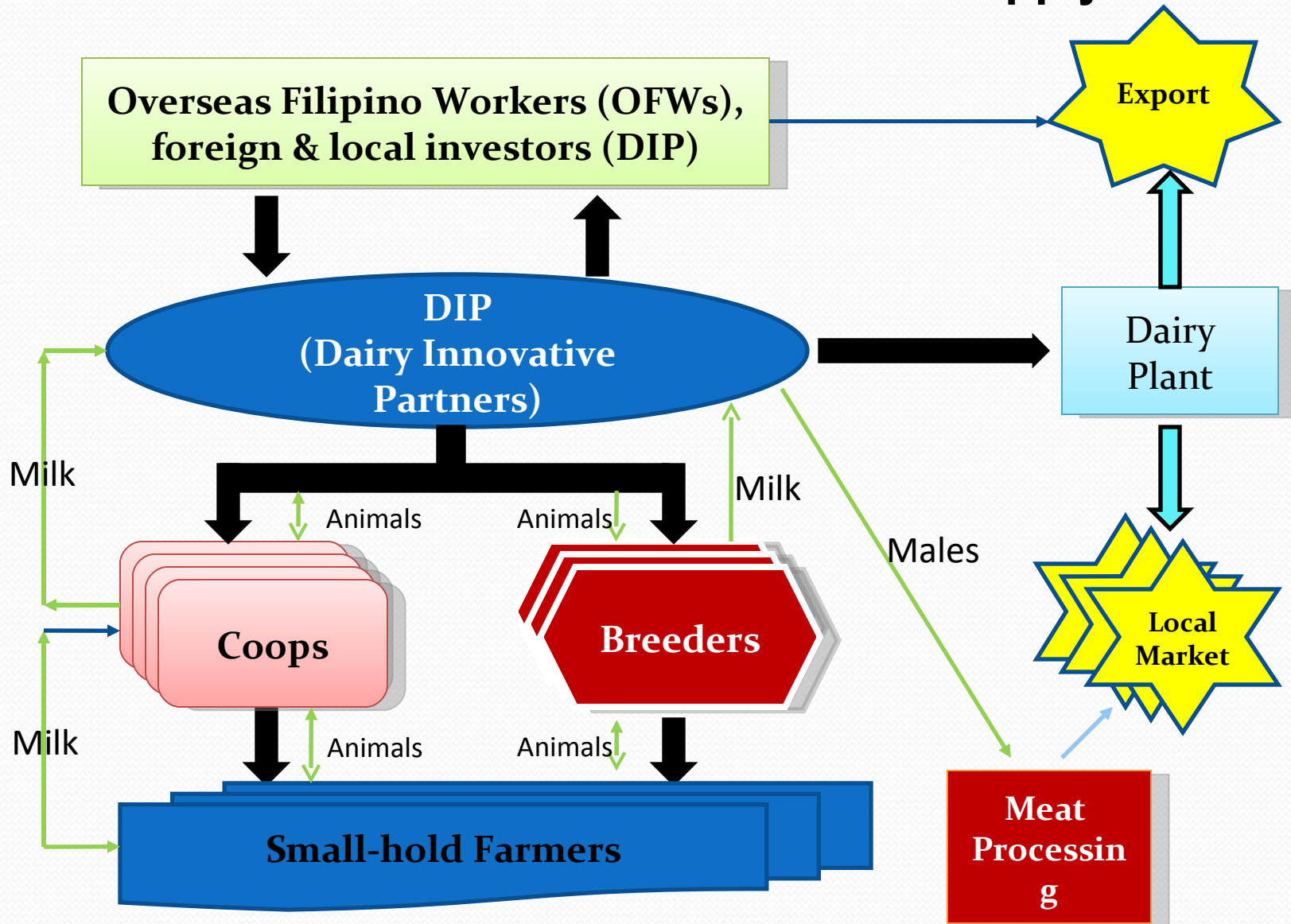
Milk Feeding



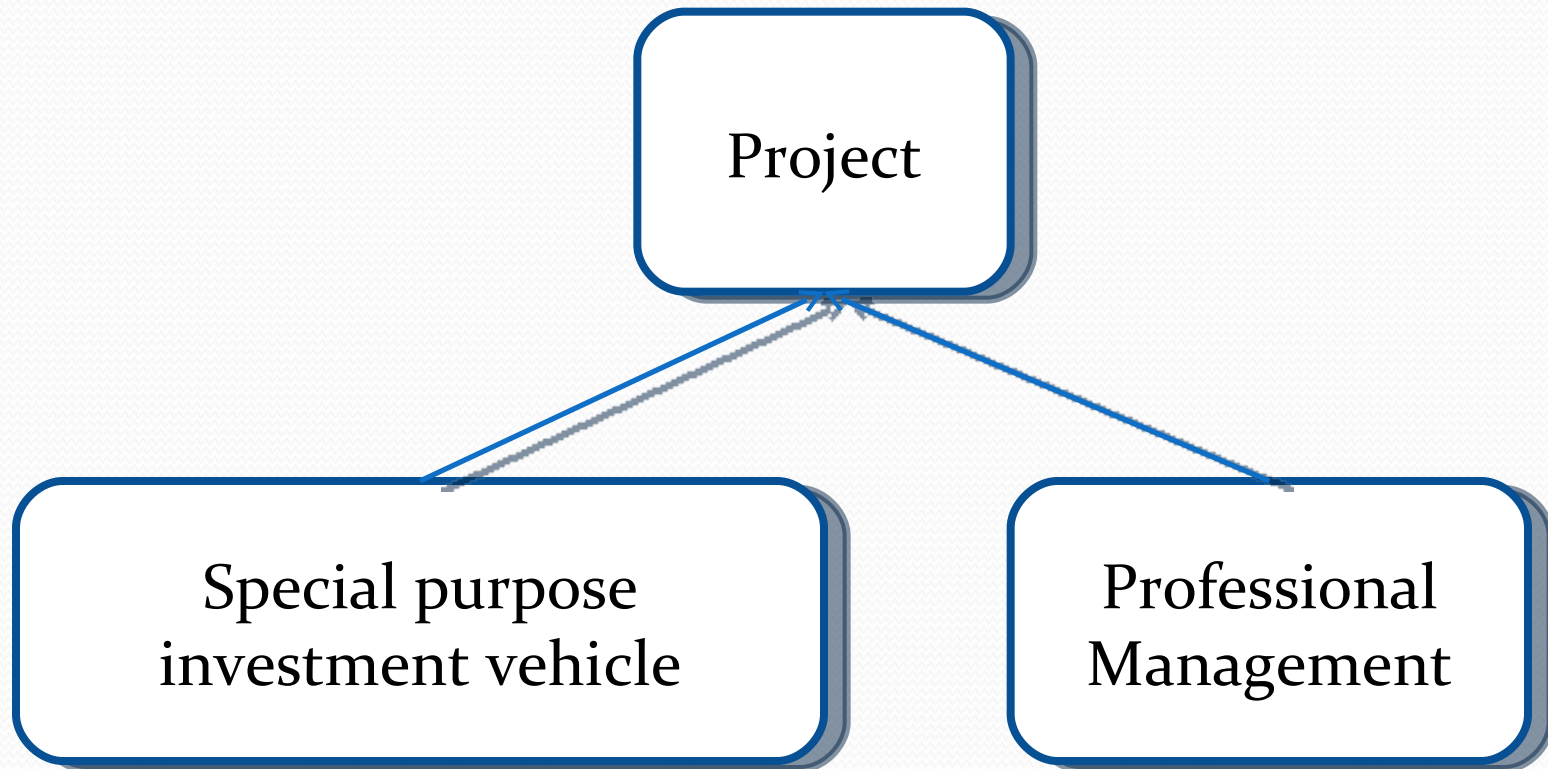
Milk Processing Plant



Solidarity from local to international levels & across various stakeholders & economic functions in the supply chain



HOW TO POOL RESOURCES OF COOPS TO FINANCE COOP-OWNED & MANAGED SUPPLY CHAINS



BENEFITS OF THE COOP-OWNED & MANAGED SUPPLY CHAIN

1. *Wealth creation for the people*: Coops create, own, and manage their own 'coop economy' which is a genuine alternative to capitalist (private for profit) economy in terms of wealth creation for the ordinary people.
2. *Wealth redistribution*: Coop-owned & managed supply chains ensure that economic and financial benefits (value added) generated by the supply chain are redistributed back to the members and their communities.
3. *Resilience & sustainability of local economies*: Comprising the "third leg" of the national economy (the first two "legs" are State economy and private for profit economy), coop-owned & managed supply chains enhance the resilience & sustainability of local economies.

4. Macro-economic planning & management: Coop-owned and managed supply chains provide coops a concrete platform & experience in formulating, implementing, and evaluating macro-economic policies.

5. AFTA engagement: Coop-owned and managed supply chains enable coops to tap business opportunities that the integrated AFTA market may provide.



For greater exposure to SSE supply chain
development, join the:

ASEC/RIPESS-Asia
CEO Social Enterprise Investment Forum
October 10-11, 2014
Quezon City