

## ICA & CICOPA JOINT STATEMENT ON DECENT WORK IN THE PLATFORM ECONOMY FOR THE 113TH ILO'S INTERNATIONAL LABOUR CONFERENCE

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The platform economy emerged in the 1990s and has since grown rapidly. It is characterized by digital platforms that facilitate interactions between different groups, acting as intermediaries. These platforms are diverse, encompassing various business models and operating sectors, from global to local scales. They serve as connectors for supply and demand across multiple domains, including goods, services, and labour. However, while the platform economy has brought innovation in the provision of goods and service, its emergence in a legislative “grey zone” has generated many challenges, including poor working conditions, concerns for the use of workers’ data, algorithmic management of workers and contractual obligations. Judiciaries around the world have tried replying to matters related to mis/classification of gig workers, and would certainly benefit from a binding international legal standard that would clearly provide for the rights of workers, as that, and not as anything that limits that status.

Platform cooperatives, that are directly owned and managed by their members and that use websites and/or mobile apps to sell goods and/or services, have emerged as a powerful response to the challenges posed by the platform economy. In particular, digital labour cooperative platforms have appeared in order to overcome social disruption linked to digital platforms, provide better work conditions to platform workers and to put technology at the services of the community. These cooperatives are owned and governed democratically by their workers and/or users, ensuring that the value generated is shared equitably among all stakeholders. Unlike traditional capitalistic platforms, which prioritize shareholder profits, **platform cooperatives emphasize ethical commitments such as social justice, workers’ rights, sustainable consumption practices and support to their community.** They fulfil their obligations toward the workers with providing them the right status accompanied with adequate protection, being them employees or self-employed. By combining the cooperative principles with digital platforms, these cooperatives offer a viable alternative that leads to a more democratic and fairer digital space, ultimately fostering a more inclusive and just platform economy.



**International Year  
of Cooperatives**

Cooperatives Build  
a Better World

In 2023, CICOPA, ICA's Sectoral Organisation on Industrial and Service Cooperatives, conducted [a survey](#) with members on the challenges cooperatives face when competing within the platform economy. The result of the survey underscores **the urgent need for strong regulatory intervention to level the playing field** among actors operating in the platform economy. The most pressing issue highlighted by cooperatives worldwide is the existing monopoly/oligopoly and unfair competition from large capitalistic platforms, and, crucially, the lack of appropriate legal framework for digital labour platforms.

These platforms often compete dishonestly by misclassifying workers and applying bogus self-employment, avoiding taxes and other employers' obligations, and using discriminatory algorithms. This creates an uneven landscape where cooperative platforms, which prioritize ethical practices, higher work and social standards, struggle to compete. The lack of specific legislation encourages this problem, allowing capitalistic platforms to operate with impunity and undermine the efforts of good-faith actors such as platform cooperatives.

The platform cooperative business model offers **a sustainable, human centred alternative to traditional capitalistic digital platforms** that allow for workers to benefit from the advantages of the platform economy while keeping a democratic oversight on the organisation of work, algorithmic management, access and ownership of their data. The ILO Promotion of Cooperatives Recommendation (No. 193) ensures that governments are aware and adopt policies that combat pseudo cooperatives that violate workers' rights, by ensuring that labour legislation is applied in all enterprises. This further strengthens the case for cooperatives as a viable and legally sound mechanism to organise platform work where the platform serves the workers in equal stead as the business and the customers.

To allow this business model to thrive in a level playing field with traditional platform models, we call on governments to adopt the following measures:

- **A robust legal framework for platform work:** The ILC must establish a strong legal framework for regulating platform work through a Convention accompanied by a Recommendation. This framework is essential to ensuring fair competition and a level playing field in the platform economy.
- **Clear rules to support platform workers' rights:** The ILC must establish clear conditions to allow for the right classification of platform workers, guarantee adequate social protection and right to all types of workers, ensure more transparency in algorithmic management and including the human oversight principle for algorithmic decisions affecting workers.
- **Recognizing the benefits of platform cooperatives:** we call the ILC to acknowledge the value of this model as a driver of decent work conditions for platform workers in this UN International Year of Cooperatives, perhaps the only business model recognised in this way,

which evidences the commitment of the international community to promote and advance the cooperative-enterprise, including in the platform economy.

- **Data ownership and portability, a pillar of a fair platform economy:** Workers must have the right to access and retain the data they generate. The ILC must ensure that workers not only have full access to their data but can also take it with them when leaving a platform. Limited access to data remains a significant barrier to the emergence of new actors in the platform economy. Enabling data portability fosters entrepreneurship by allowing workers to collectively consolidate their data, facilitating the launch and growth of new platform initiatives.

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#### Examples of platform cooperatives from around the globe:

- [Robin Food](#): Based in Florence, Italy, Robin Food is a food delivery platform cooperative. Its founders are former riders for large food delivery companies who, having witnessed the challenges of working for these companies, were looking for a business model that is fairer. Robin Food's mission is to provide an ethical and sustainable solution to food delivery, where the worker-members have employment contracts and are guaranteed a salary.
- [Patio](#): Originally from Argentina, today Patio is a global community of over 80 tech cooperatives from over 20 countries. Patio aims to democratise the tech sector and provide socially responsible solutions. From full-stack development to machine learning, a variety of services can be requested online. The requests are then shared with Patio's entire community, which allows them to build the teams with the exact skills needed for the project.
- [Up & Go](#): The Up & Go platform cooperative was created by worker cooperatives in the cleaning sector in New York City, USA. Connecting worker-owners and customers, house-cleaning services can be ordered via the Up & Go app. The cooperative model guarantees to the house cleaners, many of whom are immigrants, decent work conditions and wages.
- [The Drivers Cooperative](#): Created by drivers in New-York City, The Drivers Cooperative is a platform cooperative that rivals the likes of Uber and Lyft while offering to their worker-members better pay rates, access to credit unions and better loans, and a share of the profits made by the cooperative.
- [Self-Employed Women's Association Federation](#) (SEWA): SEWA is a movement that is a blend of a cooperative and a trade-union based in India. It has been supporting women to access the formal economy for over 50 years. They have established their digital platform, [SEWA Bazaar](#), as a mean to provide to women micro-entrepreneurs a collective platform to sell their products online.
- [Stocksy United](#): is a worker-owned cooperative stock photography platform. Contributing artists receive 50-75% royalties and voting rights, making them owners of the platform.

Unlike corporate gig platforms, Stocksy operates democratically to ensure fair pay and member governance. Although its curated model limits scalability, Stocksy proves that cooperatives can thrive in the gig economy by prioritizing equity over exploitation.

- [Resonate Cooperative](#): is a musician-owned streaming platform. Artists govern the service collectively and earn fairer royalties through a "stream-to-own" model. Unlike corporate streaming giants, Resonate distributes profits democratically among its member-owners and prioritizes equitable pay and transparency. This cooperative model provides a sustainable, artist-centric alternative to exploitative practices in the music industry.



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