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NEWS FROM ROEP

☆ **Meeting with Romano Prodi, President of the European Commission**

At the European Co-operative Convention on 13 February in Brussels, ICA was represented by Lars Hillbom, ICA Europe President. Romano Prodi, President of the European Commission attended the final part of the session. Lars Hillbom made a presentation on behalf of co-operatives from candidate countries and provided background information on the ICA and the work of ICA Europe. He underlined the importance of the continued participation of co-operatives from Central and Eastern Europe in the work on the EU documents, the importance of communicating the strong and positive views of the EU on co-operatives to governmental authorities in those countries and the need to include specific co-operative development projects for candidate countries.

Etienne Pflimlin made comments in his capacity as CCACE President, which were followed by a statement by Romano Prodi. The President of the Commission highlighted the advantages co-operatives offer for European competitiveness: "They are competitive businesses operating without subsidies and stakeholders involved in decision-making." He added that they had a key role to play in regional and local development. His speech is available on the ICA Europe web site. Ivano Barberini, ICA President summarized the discussion with Romano Prodi. His conclusion was that the European Commission and the European co-operative movement had sealed a pact for close and fruitful collaboration.

☆ **Regional Assembly, Lisbon**

The Portuguese host organisations are ready to welcome the participants of the next Regional Assembly in October. The meetings will be held in a five-star hotel close to the city centre. In order to attract more participants from the Iberian peninsula we will provide Spanish and Portuguese translation in addition to English, French, Russian and German. Before the Regional Assembly, which will take place on 10 and 11 October, the specialised bodies will have a chance to meet between 7 and 9 October. The European Council will meet on 9 October and the ICA Board on the afternoon of 11 October and 12 October all day. We are also planning to have a Youth Conference and a dot.coop information session.

Conference documentation, including the draft programme, registration forms and hotel information will be sent out in April. The European Council will decide on the main theme of the Assembly at its meeting on 22 March in Prague. An elections committee will also be set up at the same meeting to investigate the eligibility of the candidates to be elected at the Assembly as members of the new European Council.

☆ **Visit of ICA Europe President to Yugoslavia**

At the invitation of the Co-operative Federation of Yugoslavia Lars Hillbom, ICA Europe President



and Gabriella Sozánski, Regional Director attended the Congress of Serbian Agricultural Co-operatives on 15 January in Belgrade. Stig-Håken Lindhé, Managing Director of KF Project Center joined the delegation in order to learn more about the development needs of the co-operative sectors in Yugoslavia. Zoran Djindjic, Prime Minister and Dragan Veselinov, Minister of Agriculture, both attending the Congress, received the ICA delegation. They agreed that the co-operative form of business was the only alternative for the development of Serbian agriculture. The resolution adopted at the Congress requested the government to accept the Co-operative Federation as the main spokesman of farmers. A new law on co-operatives is being drafted and the Co-operative Federation co-ordinating this activity has asked for ICA assistance and expertise.

☆ Co-organising the International Housing Colloquium

The Regional Office has been actively involved in the preparation of the Colloquium “Contribution of the co-operative sector to housing development” organised by the UN Human Settlements Programme, ICA, the UN Economic Commission for Europe and the Turkish host organisations. The Colloquium, which will be held on 27-28 June in Ankara, will focus on the status and contribution of co-operatives to housing development in the transition countries. ICA has suggested several speakers from Western Europe and CEECs. The invitation and programme will be circulated in March to all ICA member organisations involved in housing.

NEWS FROM MEMBER ORGANISATIONS

☆ Czech Republic

The Association of Agricultural Co-operatives and Companies of the Czech Republic has changed its name to the Agricultural Association of the Czech Republic.

The phone and fax numbers remain unchanged. The new e-mail address is:
aacr@zemsvozpraha.cz

☆ France

The GNC has set up a new web site on co-operative law. It includes information on over 90 legal decisions on co-operatives, and is aimed at law professionals, researchers and practitioners. The site can be found at www.cooperatives.org

The section “Cooperatives/Universités” is password protected. For a password, please contact bicourt@cooperatives.org

☆ Hungary

As a consequence of the government forcing co-operatives to distribute their joint indivisible co-operative assets, co-operatives are owned at present by both external and internal shareholders. This affects mainly **agricultural co-operatives**. As last year the Constitutional Court rejected the proposal, which would have obliged co-operatives to buy the shares of all external shareholders, the state has now started to buy the co-operative shares. This will entail a new form of state intervention in co-operative affairs.



The National Federation of Agricultural Co-operators and Producers, MOSZ and the Hungarian Farmers' Association put in its claim with the Constitutional Court against a new anti-democratic government regulation. According to the regulation only those family farms which possess a recommendation letter from the National Federation of Farmers' Circles are entitled to **financial support**. This is a new sign of distributing public money in the interest of achieving certain political aims.

☆ Poland

The National Association of Co-operative Savings and **Credit Unions** (NACSCU) and the National Supervision Union of **Consumer Co-operatives** (SPOLEM) - both ICA members - signed an agreement on co-operation in January. The agreement provides for direct co-operation between credit unions and consumer co-operatives at local and regional level, recognizes the common goals sought by NACSCU and SPOLEM as co-operative organisations, in order to strengthen their market position, encourage development and provide increased benefits for members.

The first credit union of post-war Poland was established in Gdansk in 1992. To mark the 10th anniversary of the **Polish credit union movement**, celebrations will be held throughout the year. In November 2001 the Polish movement counted 663 credit union outlets serving over 512 000 members. Total assets amounted to almost USD 435 million while deposits reached USD 380 million.

☆ Russia

On 10-11 December 2001, Centrosoyuz held a **meeting on financial and economic services**. One of the key points made at the meeting chaired by Valentin Ermakov, Chairman of the Council and Galina Kisseleva, Chairperson of the Board was that today workers in the financial and economic service sectors not only need to be highly skilled and competent but need to change their thinking and managerial style, introduce new kinds of activities and widen the spectrum of services available.

On 10 January 2002, Centrosoyuz of Russian Federation held a radio meeting where **prospects of the consumer co-operative movement** were discussed. Taking part were members of the Centrosoyuz Council and Board, trade unions, co-operative organisations of all levels, academics from co-operative universities, as well as representatives of the government and the media. Valentin Ermakov, Chairman of the Council introduced the meeting with his report. Focus was laid on discussing how to improve and widen the activities of consumer shops.

☆ Spain

The Spanish Council of State has amended Spanish law to allow co-operatives to operate as electricity utilities, closing a legal loophole that had previously excluded co-operatives from doing so. From 2003 consumers will be able to choose to purchase their electricity from co-operatives. Until now, co-operatives have had to create separate companies for their energy utilities.

☆ United Kingdom

Graham Melmoth, former ICA President and retiring Chief Executive Officer of the Co-operative Group, the world's largest consumer co-operative, **was knighted** in the Queen's New Year's Honours List. Although the award was officially granted for "services to the retail industry", Sir



Graham thinks that the knighthood is a recognition of the progress made in recent years by the Co-operative Movement in re-establishing itself as a significant force in the UK social and business economy. ICA Europe pays tribute to its earlier President. Congratulations Sir Graham !

The **133rd Annual Co-operative Congress** will be held in Belfast, Northern Ireland on 26-27 May. Sir Graham Melmoth will preside. Agenda items include a second set of proposals on the recommendations of the Co-operative Commission – with particular emphasis on membership and education – and the results of the working group seeking to redesign the Union’s structure to facilitate the full integration of the worker co-ops and create a shared culture for the merged organisation.

Further information is available from Rita Butler, tel + 44 161 246 2908 or e-mail rbutler.coopunion@co-op.co.uk

The UK **Co-operative College** is looking forward to 2002 as another milestone in its development. “New programme areas include an accredited programme for housing co-ops as well as training support for the new Football Supporters’ Trusts. The Commission Report placed co-operative identity at the centre of the co-operative movements’ future. Co-operative education, training and development are a vital component of making that identity work for us and these elements will form the core of the College’s work” – said College Principal, Mervyn Wilson.

From 8 to 14 April, the UK Co-operative College is hosting its first “**Improving your English through co-operation**” course. Currently, there are four applicants. The College would like to recruit a minimum of seven for the first pilot programme. For further information please contact Jenny de Villiers at jenny@co-op.ac.uk

New legislation including key priorities for the co-op movement had second readings in the Parliament. Two Co-operative Members proposed draft new laws for consideration by the Parliament. One is the Employee Share Schemes Bill by Mark Lazarowicz and the other one the Industrial and Provident Societies Bill by Gareth Thomas, chair of the Co-op Party. The latter proposes to protect co-operatives and mutuals against carpet-bagging by extending the voting threshold required for demutualisation to 75 per cent, with a minimum 50 per cent member turnout.

The **Co-op Party** has replaced its “Commonweal” magazine with a new bi-annual publication, “New Mutualism”. Editor Tim Pearce said: “With 29 Labour/Co-op Members of Parliament and 8,500 members, the Co-op Party has an increasingly valid contribution to make to political debate in the UK, and it is coming to be recognised as a generator of practical policies for centre-left government.”

The **Co-operative Bank**, has launched the first deposit bond (“Guaranteed Stock Market Bond”) to offer the possibility of investing in the most socially responsible of the UK’s leading companies, without the risk of capital losses normally associated with the stock market.

The Co-operative Bank is embarking on its biggest **ethical consultation** exercise ever, in order to discover what its two million-plus customers think about various ethical issues facing society at the beginning of the 21st century. When the ethical policy of the Bank was launched ten years ago, it held just over £1 billion in deposits. Currently, over GBP 4 billion of customers’ money is used ethically.



EUROPEAN COMMISSION

☆ **"Co-operatives in Enterprise Europe"**

This Consultation Paper prepared by the Commission (and originally intended to be a White Paper on co-operatives) is now available at <http://europa.eu.int/comm/enterprise/consultations/list.htm> for open consultation. Please note that the deadline for consultation had been prolonged until 5 April 2002. A number of ICA member organisations have already sent their comments to the Commission. Further comments were made on the paper at the European Co-operative Convention from sectoral associations. A synthesis of inputs from some candidate countries' co-operative organisations was also presented at the meeting. The Commission's intention is to follow up the consultation by producing a Communication. This document may be ready for internal consultation within the Commission in June for official publication in the autumn.

☆ **European Co-operative Statute (ECS)**

Two more working group meetings are planned in the EU Council of Ministers for 15 March and 19 April to discuss the new draft version of the European Co-operative Statute. The Commission hopes to have the ECS adopted during the Spanish EU Presidency. The points still under negotiation concern: §15, §60, §65, §67 and §79. Concerning §15 the crucial issue is the non-user member. Germany is blocking this and the UK has reservations about the text as a whole.

☆ **Enterprise Policy Group**

The two chambers of this high-level advisory group which brings together top national officials responsible for small business and enterprise policy on one hand and top executives from a wide range of business interests on the other had its first joint meeting in February. Jean-François Hoffelt, General Secretary of Febecoop (Belgium) and member of the ICA European Council is one of the two co-operative representatives in the Group, which contributes to the preparations for the Barcelona European Council. The meeting gave the Group the opportunity to assess the key obstacles facing business and progress made so far, and to focus on getting the most from the internal market and tackling sustainable development issues.

For more information log on at:

http://europa.eu.int/comm/enterprise/enterprise_policy/epg/index.htm

☆ **Enlargement: access to finance**

EU candidate countries are making steady progress towards meeting EU enterprise policy goals. But access to finance is still a problem, especially for SMEs, says the European Commission's latest "Candidate Countries Best Report" issued 11 January. Enterprise policy is a relatively recent priority for most candidate countries, which are now completing the transition from the planned economy to open markets. The report looks at about 200 entrepreneurship and competitiveness-promoting measures taken by the candidate countries' authorities.

☆ **Support to SMEs in EU border regions**

The European Commission participated in the presentation of a pilot project to support SME businesses in EU-candidate countries' border regions wishing to meet the challenges and exploit the opportunities of enlargement. The European Commission has made co-financing of EUR 10 million available. The project foresees support measures in three areas:



- ?? information, in particular on market potential and business opportunities through a web site and information workshops;
- ?? managerial skills and business development, e.g. through workshops on strategic management and international co-operation;
- ?? cross-border co-operation networks, such as multi-regional SME co-operation groups.

☆ **“Consumers in Europe – Facts and figures”**

Eurostat and the DG of the European Commission for Health and Consumer Protection launched a new publication “Consumers in Europe”. It presents a comprehensive collection of the most important data available on consumer issues in the EU. The data mainly covers the EU Member States but some also refers to the candidate countries.

☆ **e-Europe Action Plan**

The European Commission published a Communication assessing the implementation of the e-Europe Action Plan approved at the EU Council of Ministers meeting in Feira in June 2000. The Commission welcomes the arrival of the Internet in EU households, which increased from 18% in March 2000 to 38% in December 2001. There are however disparities between Northern and Southern Europe as this penetration is under the EU average in Greece, Portugal, Spain, Italy, France and Belgium. The Commission also welcomes the fact that 80% of the schools in the EU are connected to Internet since late 2001.

☆ **Consultations on e-business policies**

The European Commission launched a consultation process on its web site in order to examine and compare national and regional policies for promoting electronic commerce amongst small and medium-sized enterprises (SMEs). All e-economy stakeholders are invited to give their opinion until 31 March 2002 by filling in a questionnaire. The address of the consultation site is: <http://europa.eu.int/comm/enterprise/consultations/list.htm>

☆ **The CAP and candidate countries**

The candidate countries did not welcome the proposals of the European Commission for the transposition of the Common Agricultural Policy (CAP) in their countries. Commission officials explained the proposals. They referred to the disparities existing between the farming sector in Member States and in candidate countries, where farms are smaller and the average income is EUR 350 per month compared to EUR 1200 in Spain for example. Given these disparities, the Commission proposes direct payments depending solely on surface and not on production in the candidate countries, as well as, the boost of rural development aids.

A substantial part of the rural development aid is planned to support early retirement, agri-environmental measures, training, processing and marketing etc., as the Commission's aim is to achieve economic viability and respect of EU standards in the farming sector of the candidate countries.



☆ SME Charter Implementation

The European Commission has recently published its second annual report on the implementation of the June 2000 Feira Charter on small- and medium-sized enterprises (SMEs). This report indicates that achievements vary from one country to another, and that there is scope for further development. The Commission's recommendations refer to the following, among others: Education: Priority should be given to life-long learning, particularly in information and communication technology (ICT). E-commerce is clearly a key priority in all countries. More client-oriented services, providing coherent services aimed at helping enterprises build their own managerial capacity, should be developed; and better representation of SMEs and small business interests at European and national level.

NEWS FROM SPECIALISED BODIES AND SECTORS

☆ CCACE

ICA Europe was represented at the two **recent meetings** of CCACE member organisations, held on 22 January and 22 February in Brussels. The first meeting discussed the programme of the European Co-operative Convention, 13 February and the Consultation Paper of the European Commission "Co-operatives in Enterprise Europe", while the second one focused on the new draft of the European Co-operative Statute (ECS).

The European Co-operative Convention was held on 13 February in Brussels. It was entitled "**The Union's Policy for the Co-operative Enterprises**" and divided into three sessions: 1. Co-operative organisations' situation in the different European countries and the European Union Policy for Co-operative enterprises, 2. A Union policy for the European co-operative sector, and 3. Meeting with Romano Prodi, the President of the European Commission. Co-operative representatives from EU and candidate countries attended the meeting.

☆ Consumers

The consumer co-operatives of Spain, Italy and Portugal have launched a joint web site with the financial support of the European Commission's DG Sanco. The site is available in Spanish, Italian, Portuguese and English and gives consumer information about EU policies, legislation and publications, as well as links to the national consumer co-operatives' web sites. It provides a forum for co-operatives to exchange their views on issues related to fair trade, the environment, social responsibility and food security.

This site can be found at:
<http://www.infocoopconsumer.org>

☆ Research

On 9-12 May, the ICA International Research Conference will take place in Thessaloniki, Greece. This is the first time that it is held in South-Eastern Europe. The title will be "Local Society and Global Economy: the Role of Co-operatives". The sub themes were chosen to reflect some of the region's specific problems, and take advantage of its unique potential in the area of agricultural co-operatives and local development, credit unions, co-operatives, social capital and local welfare and others. Some 30 papers have been submitted so far. Researchers from CEECs and developing countries can apply for scholarships. Please contact yohan.stryjan@sh.se



☆ **Workers**

The CICOPA World Conference will be held in Prague, Czech Republic, on 26 October 2002. For more information please contact CICOPA President Marian Rybar at president@szvd.sk

NEWS FROM ICA

☆ **Members' solidarity**

ICA members have shown their strong support to the organisation with early payment of their subscription fees, in compliance with the Resolution on the Financial Stability of ICA adopted at the General Assembly in Seoul. As of mid-February, over CHF 2 million, representing 80% of the budgeted subscription income for 2002, have been paid. The European region leads in early payment with 64% of members paying in 2001, totalling CHF 1 317 000.

Thank you, European member organisations!

☆ **Dot.coop domain takes off**

Officially launched on 30 January, dot.coop, the new top level Internet domain for co-operatives. There have been over 5000 registrations to date. The launch was accompanied by excellent press coverage from around the world, and strong support from ICA member organisations. ICA has activated <http://www.ica.coop>, and to date a number of ICA members are using their dot.coop domain names.

The following European members' sites are active:

- ?? Crédit Coopératif, France – credit-cooperatif.coop
- ?? Crédit Mutuel, France – creditmutuel.coop
- ?? Confederación Española de Cooperativas de Trabajo Asociado (COCETA), Spain – coceta.coop
- ?? Co-operative Union, United Kingdom – coopunion.coop
- ?? Co-operative Insurance Society, United Kingdom – cis.coop
- ?? Plunkett Foundation, United Kingdom – plunkett.coop

The strongest early interest in dot.coop has come from co-operatives in North America with over 70% of the initial registrations. Co-operatives in the European Union have registered a further 25% of the total. ICA members are registering an average of 5 domain names per organisation.

See dot.coop launch press releases and supporting statements from the United Nations and European Union at <http://www.ica.coop/dotcoop.html>

☆ **Staff news**

In compliance with the Resolution on the Financial Stability of ICA adopted by the General Assembly in Seoul in October 2001 certain changes took place at staff level. Gabriella Sozanski will share her responsibilities between ICA Europe and members services; Pascale Blyth will continue to assist ICA Europe but in addition to it she will be in charge of the web site. Finally and unfortunately the Regional Office had to discontinue its contract with Crédit Mutuel concerning Luc Balourdet's secondment to ROEP. ICA Europe owes special thanks to Luc for his contribution.



Karl-Johan Fogelström has resigned from his post as ICA Director-General as of 31 March. The recruitment process for a new DG has started. Thank you Kalle for the chance of working with you, however short our time has been.

Jo Si-Hyung, Agricultural Co-operative Advisor on secondment to ICA from NACF, South Korea since 1999, has returned home to Korea. From March he will be succeeded by Choi Chan-Ho. Thanks Jo, for everything, and welcome Choi Chan-Ho!

NEWS FROM THE UN AND OTHER INTERNATIONAL ORGANISATIONS

☆ **UN Resolution on co-operatives in social development**

As result of ICA's persistent lobbying activities through COPAC and directly with the UN and governments, the UN Resolution on Co-operatives in Social Development was adopted at the UN General Assembly session on 19 November 2001. The guidelines should assist governments in setting up enabling policies for co-operative development and growth. The UN and ICA have begun planning the implementation of the guidelines. This will probably include a circular to governments drawing their attention to the guidelines and asking them to take them into account when revising co-operative policy. The text is available on COPAC's web site at <http://www.copacgva.org/>

☆ **International Labour Office**

Co-operative response to crisis and reconstruction is the main focus of the new ILO study entitled "The role of Co-operatives and other Self-Help Organisations in Crisis Resolution and Socio-Economic Recovery". More information is available from Mark Levin at levin@ilo.org

"Transition to Co-operative Entrepreneurship" is the title of a joint publication of the ILO's Co-operative Branch and the Netherlands Institute for Co-operative Entrepreneurship. The book includes eight case studies from CEE (including Armenia, Poland and Russia) and developing countries. More information is available from Anne-Brit Nippierd at nippierd@ilo.org

PEOPLE

Silvester Adamca retired from his position as President of the Slovak Union of Consumer Co-operatives at the end of last year. On 1 January he was succeeded by Adrián Durcek, former President of the Bratislava Consumer Co-operative Society.

Marcus H. Bergström, Chairman of the Board of the Finn Co-op Pellervo, the Finnish agricultural co-operative organisation, and a farmer himself, was elected the new President of COGECA.

Mr. George Katamadze, Chairman of the Georgian National Alliance of Consumer Co-operatives has died recently. ICA has expressed its sincere sympathy to the Board of the organisation and the family of the deceased.



HOW TO CONTRIBUTE

All member organisations are requested to send us any relevant information they want to share with other members.

Please send correspondence to ICA Europe at the address below.
Deadline for receiving contributions for the next issue is 15 May 2002.

HOW TO CONTACT US

For more details on any of the topics mentioned in the Bulletin please write to:

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PLEASE NOTE:

- ?? The new address of the ICA Europe web site www.ica.coop/europe
- ?? From 31 March, remember to add a 0 before the 22 city code for Geneva (see above)