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NEWS FROM ROEP

☆ European Council

A progress report was made at the European Council meeting hosted by FCCA in Helsinki on 14 March on the implementation of the strategy adopted in December 2002. In follow-up to a meeting between the ICA Europe President and the European Regional Director of ILO, it was agreed to hold joint workshops on the practical implementation of ILO Recommendation 193. The first workshop, which shall be held in Russia, will contribute to strengthening the negotiating position of co-operatives towards governments in the CIS countries and the Baltic States.

Improving collaboration with CCACE aims at speaking with a single voice to the European Commission, avoiding overlapping activities and a better use of resources. This will for European cohesion was confirmed by the two meetings held between the Presidents of CCACE and ICA Europe.

On the basis of comments received from the 13 European member organisations, the Council agreed a European position to be submitted to the ICA Board Task Force which emphasized the specificities of the European region, the need for more equal re-distribution of resources and disagreement with the introduction of regional membership.

The next meeting of the European Council is scheduled for the afternoon of 1 September in Oslo.

☆ European Executive

The recently established European Executive held its first meeting in Rome on 14 February and was hosted by Confcooperative. The meeting dealt with some urgent membership issues, took note of the latest developments in relation to EU policies affecting co-operatives and agreed on the working methods of the ICA Europe team.

☆ Workshop on the implementation of ILO Recommendation 193

As part of efforts to reinforce co-operation, the ICA and ILO shall be organizing joint workshops on the implementation of Recommendation 193 on the promotion of co-operatives adopted by the ILO in June 2002. The first of these shall focus on CIS countries and involve the Baltic States. It will be held on 29-30 October 2003 in St Petersburg. Centrosoyuz is actively involved in the organisation of the event, which also



has the support of the Interparliamentary Assembly of CIS countries. More information and a programme outline shall be sent directly to the ICA member organisations concerned.

☆ **Legislation**

At the request of members, the Regional Office contacted the Romanian and Moldavian governments asking that any revision of co-operative policy and legislation be in line with the Co-operative Principles reflecting independence and democracy. ICA also met the Minister for Small and Medium Sized Enterprises and Co-operation of Romania to discuss the revision of the co-operative law. ILO Coop Branch has provided financial assistance for the revision process.

The Lithuanian Consumer Co-operative Union also requested technical advice on their new legislation, which was provided by the Chair of the European Legal Experts Group.

☆ **Staff News**

After a year's vacancy, Barbara Coghlan has been appointed as ICA's new European Officer. An Irish-American national, Barbara previously worked with European Associations in Brussels. She joins the team on 1 June. Welcome Barbara!

Ray Collins, an external adviser, has also been taken on for a one year period from 1 May to assist with the implementation of the European strategy in relation to European cohesion.

NEWS FROM MEMBER ORGANISATIONS

☆ **Belgium**

Febecoop has produced a memorandum of key priorities that it would like to see taken up by the new Federal Government following the elections of 18 May. The document presents 8 key proposals aimed at increasing awareness about the specificities of co-operative enterprises and creating a more favourable legislative environment. It notably advocates greater consultation with the co-operative movement in the revision of legislation governing SMEs as well as the integration of the co-operative principles. This would ensure that budding entrepreneurs are better able to benefit from the support measures available and that co-operative enterprises adopt the correct legal personality.

☆ **Denmark**

As part of a drive by the Danish co-operative movement to ensure that their members are better informed, the Federation of Danish Co-operatives has published a guideline containing recommendations and quality requirements regarding information to members. The initiative comes within the scope of a debate on active ownership currently taking place in Danish co-operatives.

A copy of the publication in English can be found on the Federation of Danish Co-operatives' home page at www.danskeandelsselskaber.dk in PDF format under "publikationer".

☆ **France**

In association with the "Office Central de la Coopération à l'École" (OCCE), the Groupement National de la Coopération (GNC) organised the first co-operative week in



schools. This nation-wide initiative, which ran from 19-24 May, also had the backing of the Ministry for Education. Its objectives were threefold: to strengthen pupils' commitment within school co-operatives, to increase co-operation within training programmes and to introduce the co-operative values, principles and activities to the children and their teachers.

Brochures, posters and an educational handbook were distributed to 35.000 primary schools, on the basis of which teachers and students were encouraged to run co-operative activities.

The overall purpose of such actions is to show that within a competitive economic world, there are businesses which put into practice the values and principles of democracy and solidarity taught in schools. More information is available on the OCCE's site at www.occe.net

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The National Confederation of Mutuality, Co-operation and Agricultural Credit, CNMCCA is one of the four large agricultural co-operative organisations in France with a broad remit. It is regularly consulted by the public authorities and participates in defining the major lines of French agricultural policy. At their recent Congress the main theme chosen was mutualist ethics and corporate governance.

ICA President Ivano Barberini was invited to speak as a panellist for the session "Universality of mutualism". The presence and speech of the Minister for Agriculture at the Congress is a sign of the importance the government attaches to the sector.

☆ Hungary

Significant progress has been achieved in relation to the government's policy on co-operatives. A commissioner in charge of co-operative affairs was appointed in the Prime Minister's Office. The meeting of ICA's President, Ivano Barberini, with the Hungarian Prime Minister last September contributed to this historic development. The person responsible is Mihály Karácsony, a long standing and committed co-operator, chairman of the National Federation of School Co-operatives. At the initiative of the National Co-operative Council, the government has agreed to review co-operative legislation. In the first instance, the confusion caused by the existence of two parallel co-operative laws will be reviewed and new legislation proposed next year.

☆ Italy

Confcooperative has undertaken research into the participation of women in social care co-operatives. According to the results of a questionnaire, it emerged that whilst women are primarily engaged in organisational and relationship activities, they are also well represented in other fields of the worker production sector. One of the most surprising findings of the study is that women who combine work with raising families are present in significant numbers at all levels and in activities with variable time cycles. They however remain at a comparative disadvantage in positions of responsibility.

The research nevertheless gives rise to optimism as its results show that the co-operative environment supports and encourages female work and access to managerial roles. The organisation of work is also more flexible, allowing for greater adaptability in relation to work-life obligations.

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Co-operative initiatives by three groups of young female entrepreneurs were recently rewarded in a competition organized by the Chamber of Commerce of the region of Molise in association with the Confcooperative territorial union. The first project concerns the creation of a fitness centre and related services in a rural environment, the second relates to specific services for the tourism sector, whilst the third foresees the setting up of a co-operative to provide services to enterprises for the promotion of agro-food and handicrafts in the region.

☆ **Poland**

For the first time, credit unions are listed among Poland's largest financial institutions in the prestigious ranking by the national daily paper "Rzeczpospolita". The largest, Stefczyk Credit Union, is ranked 79th among the top 100 financial institutions in 2002. With some 180 thousand members, Stefczyk Credit Union is also the biggest co-operative organisation in Poland. Only 8 commercial banks operate larger networks than the Stefczyk Credit Union.

☆ **Russia**

On 25 April, the Russian Consumer Co-operative societies held their 124th General Assembly in Moscow. Looking at strategies for consumer co-operation, Valentin Ermakov, the Chairman of the Council of Centrosoyuz, spoke on the theme of "widening social work, poverty elimination and lowering unemployment levels".

The last five years have seen a revival in consumer co-operation in Russia, with the development of new management models integrating the co-operative ideology.

The assembly adopted a series of resolutions, including "The strengthening of cohesion of the Russian co-operative movement" and "The social protection of employees of consumer co-operation". Mr. Ermakov's mandate as chairman was also renewed.

For more information contact: interdep@centrosojuz.ru

☆ **United Kingdom**

As of 3 February the Co-operative Union changed its name to Co-operatives UK, which held its annual congress in Manchester on 16-18 May. The Congress brought together over 1000 delegates from across all sectors and attracted visitors from around the world. The event provides co-operatives with the opportunity to review progress and set a road map for the future as well as being a showcase for the latest developments and initiatives in the various sectors.

Co-ops are enjoying something of a renaissance according to Dame Pauline Green, Chief Executive of Co-operatives UK and President of ICA Europe. It is estimated that the co-operative sector currently contributes around £17 billion to the UK economy.

Highlights of Congress included the presentation of the Co-op Movement's performance report, which outlines the trading position of co-operative societies over the last twelve months, the launch of a new magazine for co-operative businesses, and the Blandford Presentation charitable donation. A series of workshops also looked at how co-operative solutions are addressing many of the challenges of the 21st Century, from housing and healthcare to farming and energy provision.



An innovative funding project entitled “The East End Micro Finance Consortium” has been launched in East London. Its aim is to offer finance and group support to enterprising women in the area so as to enable them to set up and run their own businesses. Co-operatives would be eligible under the scheme. The project is one of a number of micro-credit schemes now operating throughout England and Scotland. The idea of women-only projects has taken off in a number of countries, including Bangladesh, France and Poland in recognition of the fact that an increase in a woman’s income generation prospects benefits her entire family.

NEWS FROM THE SECTORS

☆ **Housing**

Over 200 participants from across Europe took part in the second Baltic Housing Conference which was held in Tallinn on 4-5 April under the auspices of UN-HABITAT. In his opening speech, the President of ICA Housing, Jens Heiser, recalled that housing co-operatives are a very stable economic and social factor in many European countries. One of ICA Housing’s central objectives is thus to ensure that efficient and well co-ordinated housing management can be established in Central and Eastern European countries.

The need for a strong housing co-operative movement was also the underlying message of speakers from the United Kingdom, Austria, Norway, Poland, Czech Republic, Germany, Russia, Latvia and Lithuania. Presentations on best practice notably featured the highly successful Norwegian movement, which has obtained a leading market position.

☆ **Credit Unions**

Representatives of the British, Irish, Lithuanian and Polish credit union movements met to discuss a common strategy to address the impact of European Union (EU) legislation on credit unions and their members.

The World Council of Credit Unions (WOCCU) is acting as facilitator for this common platform which seeks to defend the interests of more than 6 million credit union members with US\$ 9 billion in savings.

Commenting the event, WOCCU’s President and CEO, Arthur Arnold, stated that “there is no doubt about the urgent need for influencing EU legislation protecting the interests of credit unions and their members. EU legislation is gradually overriding national legislation and therefore potentially influences the future of credit unions in the EU”.

Current initiatives in the pipeline include proposal for Directives in the areas of consumer credit, money laundering, accounting standards and capital requirements.

☆ **Consumers**

Euro coop has launched a campaign opposing attempts by the European Commission to introduce a new restrictive definition of a “European consumer organisation”. Under the proposals currently being discussed in the European Parliament and Council of Ministers, Euro coop would lose its recognition as a consumer body. A level playing field must be maintained between co-operatives and other forms of consumer organisations Euro coop’s Secretary General, Dónal Walsche, insists in a position paper presented to key European decision makers. For more information contact dwalshe@eurocoop.org



NEWS FROM ICA

☆ **General Assembly**

The revised agenda and schedule for the ICA General Assembly to be held in Oslo 31 August-6 September are on the web at www.icaoslo.coop

The background papers will be circulated to all registered participants in July. An interesting programme of meetings has been put together prior to the General Assembly as well as visits to co-operatives and a social programme. If you have not yet registered please do so quickly.

Amongst the events, we draw your attention in particular to the Youth Seminar, which will include a one day plenary meeting on 1 September with presentations from young participants as well as other invited speakers. A steering group, made up of young co-operators who have volunteered to take part in the planning, representatives of ICA and the Norwegian hosts, shall draft a programme for the seminar entitled "Through co-operatives another world is possible". Arrangements have been made for a further day of brainstorming and group meetings which will be developed and moderated by the young delegates themselves. All meetings including the General Assembly as well as sectoral visits (2 Sept.) are open to the youth free of charge. They need only to register for the meetings of interest.

EUROPEAN COMMISSION AND PARLIAMENT

☆ **European Co-operative Statute**

Following the European Parliament (EP) vote in Plenary on 14 May, the Employment Council reached political agreement on the draft Regulation on a Statute for a European Co-operative Society and the accompanying draft Directive on the involvement of employees. The adoption of the two initiatives had been considerably delayed due to wrangling over the proposals' legal basis. Ministers agreed to incorporate some of the amendments proposed by the EP (although not the change in legal basis) and the texts should shortly be formally adopted at a forthcoming Council meeting.

The aim of the Statute is to provide co-operatives with an efficient structure for their pan-European operations. Once in force, it will allow co-operatives to operate throughout the European Union with a single legal personality and set of rules.

☆ **"The co-operative contribution to the European Economy"**

A draft working paper entitled "The Co-operative Contribution to the European Economy" is being circulated within the European Commission services for comment. The paper is based on consultations held with the co-operative sectors in 2002. In it, the Commission recognises the importance of the co-operative form of enterprise both in promoting entrepreneurship and in achieving the Community's economic, social, development and environmental goals and examines their further potential in contributing to EU competitiveness. A series of recommendations for action by the Commission, the Member States and the co-operative movement are included.

ICA has been feeding into the consultation process, along with other associations. The initiative is a constructive step towards overcoming a range of obstacles faced by co-operatives and promoting exchange of experience and best practice. ICA Europe



particularly welcomes the emphasis placed on dialogue with the co-operative movement as well as on Central and Eastern European countries.

The document is expected to be adopted as the first official Communication of the Commission on co-operatives and will serve as a very useful lobby tool for co-operatives vis a vis their governments.

☆ **New definition for micro, small and medium-sized enterprises**

The European Commission has adopted a new definition of micro, small and medium-sized enterprises. The revision comes about as part of the EU's efforts to promote entrepreneurship.

Whilst the different staff thresholds are maintained (micro: <10, small: <50 and medium: <250), there is for the first time a precise financial threshold for micro-enterprises. This should facilitate regional and national authorities support schemes for this enterprise category. Social economy activities and craft business are also recognised as enterprises.

The Recommendation notably aims to promote professional training and a work-life balance. Students in professional training are thus not counted in the staff ceilings, nor are parental or maternity leave periods so as not to penalise enterprises that promote work-life balance.

Presenting the Recommendation, Commissioner Liikanen remarked that "a proper definition of which enterprises are SMEs should make it easier to identify their needs and develop efficient policies to compensate for the specific problems linked to their small size".

More information:

http://europa.eu.int/comm/enterprise/enterprise_policy/sme_definition/index_en.htm

☆ **Enlargement**

The European Commission and European Parliament have given their approval to the enlargement of the EU to the 10 accession countries (Cyprus, the Czech Republic, Estonia, Hungary, Latvia, Lithuania, Malta, Poland, the Slovak Republic and Slovenia). This paved the way for the signing of the Accession Treaties at a special meeting in Athens in April. These now have to be ratified by the national parliaments to enter into effect. The new countries are however set to join the Community by 1 May 2004.

INTERNATIONAL NEWS

☆ **United Nations Economic Commission for Europe**

ICA was invited for the first time to speak on an expert panel at a United Nations Economic Commission (UN ECE) meeting on 20-21 March. ICA Director General, Iain Macdonald, took the opportunity to address government and industry officials on the theme "Business in a democratic way: Co-operative values, ethics and globalisation". This important achievement follows intense lobbying by ICA Europe and signals growing recognition of ICA's political influence with European and international bodies.

UN ECE press release: http://www.unece.org/press/pr2003/03ireedd_p05e.htm



☆ UN Habitat

The report of the Ankara Colloquium of 27-28 June 2002 jointly organised by UN-Habitat, UN ECE and ICA on the "Contribution of the co-operative sector to housing development" has been published. A limited number of copies are available from the ICA Head Office. It can also be found in electronic form at:
http://www.unhabitat.org/programmes/housingpolicy/publications_cooperative.asp

☆ International Accounting Standards (IAS)

Provisions in the proposed changes to the International Accounting Standards Regulations could impact negatively on co-operatives. Under the proposals, co-operative share capital would be considered as a debt and not as own stock. This would seriously affect balance sheets. Co-operatives UK, the European Association of Co-operative Banks (GEBC) and insurance co-operatives are opposing the measure. GEBC organised a Round Table in Brussels on 20 May. Amongst the follow up actions, it was agreed to look into setting up a working group to take the issue further.

PEOPLE

- ☆ After 10 years with the Groupement National de la Coopération (GNC), Michèle Tixador has decided to retire. She steps down as Secretary General on 31 August and will be succeeded by Caroline Naëtt. GNC has also appointed a new member of staff, Rémi Laurent. Annick Dalleau continues on as secretary. A happy retirement to Mrs Tixador, whose organisation of the 1998 Regional Assembly in Paris was very much appreciated by ICA Europe, and all the best to the new team !
- ☆ Kazimieras Juozas Klimasauskas becomes the new chairman of the Board of the Lithuanian Union of Consumer Co-operative Societies following elections on 17 April. Mr Klimasauskas was formerly Minister for Trade & Industry in the Lithuanian Government. Our congratulations to the new President and thanks to the outgoing chair, Petras Simanskas, for his co-operation with ICA.
- ☆ Euro Coop elected Giuseppe Fabretti of the ANCC (Italy) as its new President on 19 May and Anne Santamäki of the FCCA (Finland) and Ignasi Faura of Hispacoop (Spain) as Vice Presidents.

HOW TO CONTRIBUTE

All member organisations are kindly 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 August.*

HOW TO CONTACT US

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

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