



ICA Digest

Issue 53

December 2006

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Season's Greetings and all the best for 2007 from the ICA



Special bumper holiday issue!

This month we feature special reports on:

- Global 300 launch
- Micro insurance
- *Cooperatives Europe*
- New co-operative publications
- Co-operatives and climate change

From the editor's desk



Garry Cronan
Editor

Welcome to the fifty third edition of the ICA *Digest*.

For many this time of year marks the start of the Christmas/New Year holiday period. I would like to take this opportunity to wish our readers all the very best for 2007.

This month we focus on the issue of climate change. How are co-operatives responding? The example of the UK co-operative movement's embrace of the *Carbon Challenge* will I am sure provide co-operators throughout the world with a useful model.

We also carry reports on the role of micro-insurance in helping too address poverty reduction.

ICA's regions have been very active over the last couple of months. We report on activi-

ties in the Americas, Asia-Pacific and Europe.

In the case of Europe the recent Regional Assembly was particularly important. Delegates unanimously adopted a new legal and representative structure, *Cooperatives Europe* which will formally become the European part of the ICA.

Membership in the ICA continues to grow - we now have 230 members from 92 countries. The three newest members are listed in this issue.

One of the key recommendations of the ICA's *Governance Working Group* was the need to urgently introduce a more strategic framework and set a clear strategic direction. As we report considerable progress has been made in

this regard. The most recent Board meeting in Trento, Italy further consolidated these gains.

The role and contribution of youth is highlighted in our interview this month with the youth representative on the ICA's Board.

Finally, but not least we report on the very successful launch of the ICA's **Global 300** project in Lyon, France in late October. As is noted elsewhere in this issue the **Global 300** project is in many ways symbolic of the direction of the "new ICA".

As usual we would welcome your comments on or contributions to the *Digest*.

See you in the New Year.

Garry Cronan

Season's greetings from ICA President, Ivano Barberini



Ivano Barberini

2006 was full of important events for the co-operative movement, at all levels. The ICA Regional Assemblies generated very valuable suggestions and decisions for the future of our organization.

On behalf of the ICA Board, I wish to express satisfaction and my warmest thanks to all of you for your active participation.

Working together is the very sense of co-operation. It strengthens the belonging, the ethic of responsibility, and the development of democracy; ultimately, it places the individual at the centre of the co-operative action. These values qualify co-operatives as the best-suited form of enterprise to manage complexity and to meet the problems of our times.

2006 is leaving us a heavy inheritance, many unsolved armed conflicts, potentially worsening, in various parts of the world. Co-operation has always been committed to building the conditions for a stable and lasting peace, through the creation of decent work, the partnership between the North and South, based on principles of equity, solidarity, self-determination and equality.

I am sure that 2007 will continue to see us engaged in pursuing and strengthening this action.

Please accept my best wishes for the coming year. May it be a year of prosperity, peace, and economic and social progress.

Global 300 launch signals new direction for ICA

The last *Digest* came out at the time of the launch of the **Global 300** project. I really think this is something of a watershed in the activities of the ICA.

We are currently analysing our activities and outcomes as related to time spent and it is clear that much of our time is taken up with basic administration normally connected with running a membership organisation. However it is difficult to impress our members with such work however essential it may be and it is clear that members now expect something more material in return for their membership fee. As an old-fashioned co-operative activist, I think organisations should want to be part of the ICA on the basis of solidarity with other

bination of social goals and commercial success and give members the tools to achieve both. I think the 300 project is getting close to that objective.

If *Le Figaro* can devote two pages to the launch of the 300 project we are certainly beginning to make a difference! And that is what happened, along with good coverage from a number of national papers. We have to tackle the issue of profile, which is really what the 300 is all about, from the point of view of those we are trying to impress. In my view that is international organisations such as the World Bank, the WTO, IMF etc and national governments whose views affect the operation of businesses in their countries. Nowhere in the world yet

watch this space as we have only just started!

Cooperatives Europe had a very successful conference in Manchester where there was unanimous support for their initiative in setting up *Cooperatives Europe*, and for them to act as the ICA region for Europe. Although there have been some difficult negotiations I welcome this development which I am sure will go a long way in raising the profile of co-operative enterprise in the European Union. It sits very well with the 300 project which itself is dominated by European co-operatives and both show a new and progressive direction for international co-operation.

DG's report



Iain Macdonald
Director-General

*"The launch of the **Global 300** project is something of a watershed for the ICA .."*

Iain Macdonald



*Iain Macdonald summing up at the **Global 300** Seminar in Lyon, France in late October*

co-operative organisations and to promote the co-operative Commonwealth! However I know that that argument does not go down very well with chief executives whose daily concern is to compete in the marketplace with other businesses that are not concerned with co-operative values and principles. So what we have to do is seek that unique com-

accepts that co-operative enterprise is a successful yet alternative way of doing business - but the 300 project shows quite clearly that co-operative enterprise is equivalent to the tenth economy in the world! We are a major part of the world economy but only when the powers that be accept that, will we be taken seriously. I think we are getting there, so

You can read all of the Director-General's 2006 monthly reports by going to www.ica.coop/directorpage/

2007 General Assembly

ICA Board meeting, Trento Italy, 7-8 December 2006

The main concern for board members before this meeting was anticipating travelling problems due to severe winter conditions in northern

the Co-operative College UK. The board has now completed its initial consideration and has asked the senior staff to put flesh on the bones of their ideas.

The board decided to support the recommendations of the International Accounting Standards Working Group to work with the European Association of Co-operative Banks and the National Co-operative Business Association of the USA to make a joint approach to the International Accounting Standards Board in order to remind them of the different way in which co-operative organisations are financed.



ICA President, Ivano Barberini discussing a point with ICA Vice-President, Europe Pauline Green during a break in the recent Trento Board meeting

Italy! In fact I think most of our colleagues especially those from other continents were a little disappointed that there was no snow to be seen either in the town or even the mountains! Global warming is blamed for such phenomena but as usual our board meeting generated plenty of heat in its own right!

As in Stockholm the meeting began with a strategic planning session led by Jim Rennie from

Early in January therefore the staff will meet with Jim Rennie again to move this forward in developing the scorecard evaluation system. All this is part of improving the governance of ICA which will also include training for board members, new standing orders and a code of best practice. It will be the job of the structure working group chaired by Alban D'Amours to absorb all the information from these initiatives and propose a suitable structure for their implementation.

Radical action has had to be taken with regard to making Africa a sustainable ICA region. In the first place the board agreed that considerable surgery was needed in order to rebuild a more coherent and efficient unit.

Last but not least the board approved the work programme and budget for 2007. This programme seeks to build on progress made in 2006 in raising the profile of international co-operation. Exciting developments are anticipated in progressing the 300 project; building new web sites; furthering the campaign against poverty; reaffirming relationships with the UN and its agencies and continuing the process of decentralisation to regions.

The highlight of 2007 will of course be the General Assembly in Singapore in October whose theme, *Innovation in Co-operative Business*, is sure to attract a large audience.



2007 General Assembly logo unveiled

The logo for the 2007 ICA General Assembly in Singapore has recently been unveiled. It features the rainbow colours of the ICA logo but presents them in a new interesting way.

Preparations and planning for the General Assembly have been increasing over recent weeks, with meetings held in Singapore between the local host organisation, SNCF and the ICA head office staff. We will feature a more detailed report on the General Assembly early in the new year.

Successful launch of Global 300

The **Global 300** ranking was launched at the *Forum for a Responsible Globalisation* in Lyon, France on 25 October 2006.

A **Global 300** media launch was held in the morning and a **Global 300** seminar in the afternoon.

The following people participated in the media launch – Ivano Barberini, ICA President; Hans Dahlberg, **Global 300** Chair; Jean-Louis Bancel, Vice Chair, Crédit Coopératif; Shaun Tarbuck, CEO of

ICMIF; Bruno Lebuhotel, President of SCOP Entreprises Rhône-Alpes and Garry Cronan, Director, **Global 300**.

A part from the speakers mentioned above the following additional speakers also participated in the afternoon seminar, Iain Macdonald, ICA Director-General; Nelson Kuria, CEO of CIC, Kenya and Javier Salaberria, Presi-

dent, CECOPA. Gérard Collomb, the Mayor of Lyon, attended the **Global 300** Seminar and



spoke strongly in support of co-operatives and the social economy.

From left, Garry Cronan, Ivano Barberini, Hans Dahlberg, Jean-Louis Bancel, Bruno Lebuhotel and Shaun Tarbuck

Wide support and promotion of *Global 300* by co-ops

Many ICA members, regions, sectors and others are highlighting the **Global 300** material on their websites and in their publications.

ICA Americas is arranging translation of the ma-

terial into Spanish for circulation in their region.

Government Ministers responsible for co-operatives in their respective countries are also, as was hoped, making use of **Global 300** statistics to highlight the global

importance of co-operatives – Ed Balls in the UK and Lianne Dalziel in New Zealand being two recent examples.

For more information contact Garry Cronan cronan@ica.coop

The Global 300 are equivalent to the 10th economy in the world

Global 300 development is in 2007

Detailed plans for the 2007 **Global 300** programme are currently being completed; however, at this stage our activities will include at the following:

- The annual 2007 “launch of the **Global 300** ranking – it is proposed to time the year’s launch to coincide with International Day of Co-operatives on the first Saturday of July. The 2007 **Global 300** list will be expanded to enable much more detailed financial and other analysis of the top 300 plus analysis of other co-operatives in sectors and countries under-represented in the current **Global 300** format.
- The holding of at least one **Global 300** CEO Forum, probably around June or July – this will be part of a strategy of creating a network of **Global 300** CEO’s.
- The development of a coordinated **Global 300** research programme with interested organisations and individuals.
- Regular analysis (and distribution) of issues and trends affecting the **Global 300** co-operatives to **Global 300** CEO’s and other interested organisation and ICA members
- Establishment of a **Global 300** Data Group to help drive data collection standards and to reach agreements on definitions and greater coordination of data initiatives throughout the world



Visit the website www.global300.coop/

If you want more information or would like to be involved in any of these activities please contact the **Global 300** Director, Garry Cronan cronan@ica.coop

International



Guy Ryder the newly elected ITUC General Secretary

New global trade union formed

The International Trade Union Confederation (ITUC) was founded in Vienna on 1st November, 2006 by trade unions affiliated to the now dissolved International Confederation of Free Trade Unions (ICFTU) and World Confederation of Labour (WCL) joined by a number of other national trade union organisations.

The federation of 307

member unions in 154 countries with 168 million individual members was formed to give workers worldwide a stronger voice in meeting the challenges of globalisation. The newly elected ITUC General Secretary, Guy Ryder, described his organisation as, "The most representative, unified international trade union in the history of our movement".

ICA welcomes this new organisation. It has had strong links with the ICFTU

throughout its history and will continue to work with the new ITUC on issues related to the role of trade unions in promoting co-operatives, in particular in the role of formalising informal workers. Co-operatives and trade unions are the key partners in the International Labour Office programme, "Syndicoop: Organising out of Poverty in the Informal Economy".

Co-ops at UN Forum on the Eradication of Poverty

Working together, building partnerships was the theme of a presentation by Stefania Marcone, Director of International Relations of Legacoop (Italy) and Chair of the ICA Gender Equality Committee, at the UN Inter-



People



Ian Reid has retired as Executive Director

national Forum on the Eradication of Poverty on 15-16 November. Her presentation highlighted the work of co-operatives fighting poverty.

Ms Marcone addressed

more than 300 participants at the Forum held at the United Nations Headquarters in New York. She introduced the ICA, the Global Campaign Against Poverty as well as work of Legacoop (Italy). Ms Marcone highlighted the work of Legacoop in promoting Fair Trade and supporting co-operative development for peace-building, fighting against HIV/AIDS and supporting women's economic empowerment through co-operative development.

She was joined by Ladis Columban Komba, Permanent Secretary of the Ministry of Labour, Employment and Youth Development of Tanzania in advocating the contribution of co-operatives. Mr. Komba noted, "The develop-

ment of co-operative societies that are based on group empowerment of its members should be encouraged as a means of enhancing dialogue, a source of credit facilities in rural areas (SACCOS) and a way of ensuring the availability of important agricultural inputs and access to markets."

The International Labour Office (ILO) reiterated its support for co-operative development during the session titled: "Mainstreaming decent work into poverty reduction strategies". Further information and presentations are found at: www.un.org/esa/socdev/poverty/PovertyForum/docs.html

New leadership for New Zealand co-ops

There has been some recent changes to the leadership of New Zealand Cooperatives Association. Long time NZCA Chairperson Alex Wright and Executive Director Ian Reid have both retired. The new President is Peter Macdougall and the new Executive Director is Ramsey Margolis. The ICA's recent **Global 300** ranking has shown the comparative importance of large co-operatives to the New Zealand economy, a fact noted by the country's co-operative Minister. You can catch up on the latest NZ co-op news by going to www.nzco-ops.org.nz/new/homepage.htm

A new era for European Co-operatives

Co-operatives across Europe move decisively into a new era. *Cooperatives Europe* is now the European region of the International Co-operative Alliance. On 9-11 November, 460 co-operators from 30 countries converged on the home of co-operation – Manchester UK, to unanimously adopt a new structure for the European representative organisation, *Cooperatives Europe*.

Having given its full backing to the creation of a new legal and representative structure for the European region of the ICA, a representative structure for the formation of the EU consultation committee and a new board of directors, the conference set out its key strategic objectives for the next four years. The coming year, 2007 will see a concentration on the strengthening of the repre-

sentation of the co-operative model and its recognition by policy makers. The co-operative enterprise system will be strengthened and the image and the visibility of co-operatives will be promoted whilst increasing the membership of *Cooperatives Europe* across the region."

The positive contribution of the co-operative enterprise model in achieving the goals of economic stability and social cohesion was recognised by the UK's Treasury Minister, Ed Balls and the European Commissioner for Employment, Social Affairs and Equal Opportunities, Vladimir Špidla.

Rainer Schlüter, Director of *Cooperatives Europe*, reported that there are 267,000 co-operative businesses in Europe, with 5.4 million employees and 163 million citizens as members.

"The biggest membership organisation in Europe," he said.

The event was a springboard for a new era based on the strengths and greater visibility of European co-operatives. Best practice models from 26 co-operative organisations were showcased in workshops that covered corporate governance, housing, image building - including the re-branding of the 8th largest co-op in the world, working together trans-nationally and creating European co-operative societies.

Speeches and presentations can be found at www.coopseurope.coop or r.collins@coopseurope.coop

Europe



Photo left to right Etienne Pflimlin, Co-Chair, *Cooperatives Europe*, Pauline Green, Co-Chair *Co-operatives Europe*, the Deputy Mayor of Manchester and Ed Balls

ICFO addresses high fuel oil prices and sustainability issues

ICA sectoral organisation, International Co-operative Fisheries Organisation (ICFO), addressed the issue of high fuel oil prices and its impact on fisheries co-operatives at the annual general meeting in Singapore on 16 November, 2006. A study tour to visit the National Fishermen's Association of Malaysia (NEKMAT) preceded the meeting.

Members of ICFO have repeatedly voiced their concern over environmental issues, resource conservation and sustainability of the fishery co-operatives and this is one area where information can be shared not only among fishery co-

operatives, but also among other co-operative sectors. A report on various initiatives taken by fishery co-operatives around the world is currently being prepared and will be shared among ICFO and ICA members.

The ICFO meeting elected, Ikuhiro Hattori, head of the Comprehensive Fisheries Policy Council, a top fisheries policy drafting committee of the board of directors of JF ZENGYOREN as one of the four vice-chairs. Mr. Hattori joins Dr. Antal Csoma, of the Hungarian Fish Farmers Association, Maurice Benoish, of the Confédération de la Coopération de la Mutualité et



du Crédit Maritimes of France and Park Jong Sik of the National Federation of Fisheries Co-operatives of Korea.

Members also adopted three resolutions calling on support for high fuel oil prices, for the promotion of coastal fisheries and resource management and the promotion of fish consumption.

photo left to right: Maurice Benoish, ICFO Vice-Chair, Ikuhiro Hattori, ICFO Vice-Chair, Shoji Uemura, ICFO Chair, Maria Elena Chavez Hertig, ICA Deputy Director-General, Wibisono Wiyono, ICFO Auditor

Sectors

Sectors

ICAO general meeting plus seminar



Some of the participants at the ICAO seminar

The general meeting of ICA's agriculture sector organisation, ICAO, was held on 9 November in the Mitchell Room, New Century House, Manchester.

Twenty-two representatives from eight ICAO member organisations attended. Four new vice presidents were elected: Hiroshi Tsuchiya, executive director of JA-Zenchu of Japan, Joseph Mukasa from Uganda Cooperative Alliance, Márcio Lopes de

Freitas from OCB of Brazil, and Eugen Tømte, director of Norsk Landbrukssamvirke (Federation of Norwegian Agricultural Co-operatives).

The next ICAO general meeting will be held in Singapore on 17 October, 2007.

ICAO also held a seminar on; "Recent developments in the WTO/DDA negotiations". The suspension of the Doha Development Agenda negotiations, is regarded as a set back for WTO members. How the suspension will influence future agricul-

tural trade trends around the world is uncertain.

The seminar was organised to highlight the recent development of the agricultural negotiations, and to discuss its impact on family farms and agricultural co-operatives.

A case study session looked at how farmers in different countries are coping with the changing agricultural environments.

More information: Jin Kook Kim kim@ica.coop
See www.agricoop.org/

Health general meeting and fundraising seminar

On 9 November, ICA health sector organisation, IHCO, held a board meeting and also a seminar on; "Fundraising for co-



Kathleen Speake of Canadian CCA, IHCO editor Peter Eneström and fundraiser Noam Perski at the Fundraising seminar

operative projects". Representatives at the meeting came from Co-operatives UK, Japanese Health Co-operatives Association (JHCA), Federación Argentina de Entidades Solidarias de Salud (FAESS), Office Des Pharmacies Cooperatives De Belgique (OPHACO), and the Espriu Foundation.

At the meeting, Saludcoop, the leading Columbian healthcare services provider, was made a member of IHCO. Also, the development of a survey on health and social care co-operatives was approved.

The project will update and expand on the report titled; "Cooperative Enterprise in the Health and Social Care Sectors: A Global Survey", published by the United Nations in 1997.

The board agreed to join the project - América Cooperativa y Mutual (Co-operative and Mutual America), sponsored by the STEP (strategies and tools against social exclusion and poverty) programme.

The ILO, Alianza del Mutualismo de América (AMA), and the Americas Association of Co-operative and

Mutual Insurance Societies (AAC/MIS) are also participating in this project, which aims to extend social protection in areas of deficiency, through the experience of the health co-operatives.

At the seminar on fundraising for co-operative projects, IHCO editor, Peter Eneström, presented a report on the mobilisation of resources to support international co-operative development (ICA, 1999). Kathleen Speake, Director of CCA for Asia and Eastern Europe spoke on: Financing Co-operative Development: the Canadian Experience and fund-raising consultant, Noam Perski explained The A-B-C of Fund-Raising for NGOs.

More information: direction@fundacionespriu.coop
See www.ica.coop/ihco/index.html

Sectors

ICBA executive committee also meets in Manchester

The International Co-operative banking Association (ICBA) executive committee meeting was held in Manchester on November 9, in conjunction with the *Cooperatives Europe* Regional Assembly.

Jean-Louis Bancel, Executive Vice Chairman of French banking giant, Crédit Coopératif,

was elected new president of ICBA.

During the transfer of secretariat the contact will be Imad Tabet, lobbying and co-operative affairs manager, Crédit Coopératif: imad.tabet@coopanet.coop

Jean-Louis Bancel has a long association with the mutual insurance sector. He was CEO of Fédération Nationale

de la Mutualité Française (FNMF) the apex body of French health mutuals, and general secretary of Groupement des Entreprises Mutuelles d'Assurance (GEMA). Last year he stepped down after five years as chairman of International Co-operative and Mutual Insurance Federation ICMIF.



Jean-Louis Bancel

ICA communications Committee sets course for the future

A meeting of the ICA's Global Communications Committee chaired by Caroline Naett was held in Manchester, UK on 9 September. A number of matters were discussed and decided, they included:

- A decision to establish a Global Co-operative Communicators Association or

Network.

- The ICACC will assist the ICA communications activities at the 2007 General Assembly, plans include more online communications at the GA itself
- The ICACC will assist in the development of the shared pilot global calendar initiative for the whole ICA network
- The ICACC strongly

supports a larger portion of the ICA's budget being allocated to communications activities generally

- The ICACC believes that the ICA should find ways, perhaps through the **Global 300** initiative to help promote dot coop

Contact Garry Cronan cronan@ica.coop



Caroline Naett, Chair of ICACC

Other global sectoral meetings held in Manchester

On 9 November, CECOP, held a board meeting and a social enterprises and worker co-operatives European seminar: "Comparing models of corporate governance and social inclusion."

See www.cecop.coop/article.php?id_article=281 for de-

tails. Please also visit the new CECOP (CICOPA-Europe) website for The European Confederation of Workers' Co-operatives, Social Co-operatives and Social and Participative Enterprises. Co-operative organisations are requested to put a link to the site on their own websites.

Consumer Co-operatives Worldwide is ICA's global consumer sectoral organisation. On 9 November, CCW also held a seminar in Manchester on "Common sourcing of products for European Consumer Societies".

More information, contact CCW's Chair, Bob Burlton: bob.burlton@midcounties.coop



Bob Burlton, Chair of CCW

Housing workshop held in Manchester

On 9 November, the UK Co-operative Forum held a workshop on; "The future of public sector housing: co-operative models making a difference". Delegates learned that co-operative and mutual housing models are little understood by authorities at all levels. The workshop recommended a plan of communication to ensure that their value and benefits are understood and appreciated widely across Europe. More information contact, Helen Seymour helen.seymour@cooperatives-uk.coop

Co-ops and climate change

Report's stark warning on climate change

The recent UK sponsored Stern Review - a report on the economics of global warming - issued a stark warning to the world's leaders: "Tackle climate change head-on by cutting emissions or face economic ruin."



"Our actions over the coming few decades could create risks of major disruption to economic and social activ-

ity...on a scale similar to those associated with the great wars and the economic depression of the first half of the 20th Century", said the report's author, Sir Nicholas Stern, a distinguished development economist and former chief economist at the World Bank.

Sir David King, the UK government's chief scientific adviser said: "All of [Stern's] detailed modelling out to the year 2100 [indicates] that if we don't take global action we are going to see a massive downturn in global econo-

mies."

"If you look at sea level rises alone and the impact that will have on global economies where cities are becoming inundated by flooding ... this will cause the displacement of ... hundreds of millions of people," he said.

UK foreign secretary, Margaret Beckett added, "This is not just an environmental problem. It is a defence problem. It is a problem for those who deal with economics and development, conflict prevention, agriculture, finance, housing, transport, innovation, trade and health."

The report's harsh conclusion is that if we do nothing to stem climate change, there could be a permanent reduction in world per capita consumption of 20%. Even worse, these costs will not be shared evenly. There will be a disproportionate burden on the poorest countries.

But Sir Nicholas argues that tackling the problem may not prove as economically painful as some experts predict. Investment in low-carbon technologies could stimulate the global economy. His central

argument is that spending large sums of money now on measures to reduce carbon emissions will bring dividends on a colossal scale.

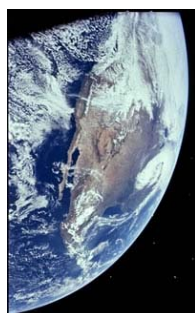
As well as decarbonising the power sector by 60%-70%, there will also have to be an end to deforestation - emissions from deforestation are estimated at more than 18% of global emissions. And there will have to be deep cuts in emissions from transport. The costs of these changes should be around 1% of global GDP by 2050. But the way to look at this 1% is as an investment - because the costs of not taking this action are mind-bogglingly large.

This market-driven response to the problem is one way of tackling global warming.

However there are great impediments. One is that it requires collective, coordinated action by most of the world's governments - and securing the requisite consensus on the way forward will not be simple.

"Tackle climate change head-on by cutting emissions or face economic ruin."

UK Stern Report



What co-ops around the world are doing?

Throughout their long history, co-operatives have always sought to improve quality of life and secure a future for communities, creating a virtuous circle that harnesses the benefits of commercial success for 'more-than-just-profit'.

In 2001 the UK Co-operative Commission

recommended that co-operatives re-affirm their 'co-operative difference'. The Key Social & Co-operative Performance Indicators (KS&CPI) were developed as a practical tool to enable co-operatives to measure their 'co-operative difference'.

As a defining issue of our times climate change is a key area in which co-operatives should be

seen to be taking the lead. Reflecting the importance of climate change KS&CPI Indicator 9 expects all UK co-operatives to report annually their carbon emissions.

The ultimate aim is for co-operatives to demonstrate year on year carbon reductions - acting as a movement to demonstrate business leadership.

UK - The Carbon Challenge

Co-operatives UK is encouraging its members to respond to the Carbon Challenge, a new initiative that aims to assist co-operatives to take action to reduce carbon emissions.

Carbon reductions deliver a range of benefits, with increased competitiveness going hand in hand with social and environmental responsibility.

Co-operatives UK provides practical support, including seminars, a website (<http://www.cooperatives-uk.coop/live/cme1030.htm>) and free consultancy advice.

They have developed a guide to carbon reduction - the *Carbon Challenge Toolkit*. Based on business best practice it sets out a seven step process to achieve carbon reduction. Southern Co-operatives, Leeds Co-operative Society, The Midcounties Co-operative, Highland

Wholefoods, Greencity, Suma, Infinity Foods, Heads Together Productions, Sundance Renewables, Ethos PR and Delta-T Devices have already signed up to reduce their carbon emissions by 20% by 2010, with three of those - Infinity, Suma and Sundance - aiming for 60% reductions.

In 2006, the [Co-operative Bank](#) is campaigning with Friends of the Earth and supporting [The Big Ask](#) a campaign asking all 646 MPs to back a new law making the Government cut UK carbon dioxide emissions every year.

The bank's sister company CIS is about to make history by turning their Manchester skyscraper into Europe's largest vertical solar array. It will be clad with 7,244 solar photovoltaic panels, which will generate 180,000 units of renewable electricity each year - enough energy to make 10 million cups of tea or 7 million pieces of toast.

It is expected that the 400ft high tower of dark blue solar



panels, which will work regardless of the weather, will stand out on the Manchester skyline and may even become an eco-tourist attraction.

Co-ops and climate change

The Carbon Challenge Toolkit sets out a seven step process to achieve carbon reduction

Banding together to harvest green power

On a larger scale, agricultural co-operatives are at the cutting edge of the boom in the biofuel industry, just as they were at the start of the millennium with the new carbon emissions trading schemes. "Clean energy and biofuels are the new cash crops for farmers," says Howard Learner, executive director of the Environmental Law & Policy Centre, a US environmental and economic advocacy group.

In 1995, whilst struggling

on the meagre profits from their Midwestern farms, 220 farmers in Minnesota, South Dakota, and Iowa scraped together \$3million to build one of the first ethanol plants.

Today, that 100% farmer-owned co-operative, Agri-Energy, has doubled capacity. The plant is part of a growing green-energy empire. In 2002, members of the co-op branched into wind energy with MinWind, a partnership that operates 11 wind turbines and produces enough electricity for

3,800 homes. Also in their portfolio of green investments are stakes in biodiesel plants and in another dozen or so ethanol factories.

Around the world, farmers are banding together to reap the benefits of the new green energies. In July 2006 in France, 22 co-ops created a Union of biomass co-ops in Piccardie (see <http://www.actu-environnement.com/ae/>)



Co-ops and climate change

Co-operative solutions – renewable energy

With their ability to bring together stakeholders from across a community - farmers, businesses, households and the public sector - co-operatives are ideally placed to deliver renewable energy projects.



Members of Australia's first community owned wind farm

The threat of climate change, declining oil and gas reserves, and loss

of energy security requires us to reduce our reliance on fossil fuels. This will have fundamental implications for our energy use. It will require greater energy efficiency and a shift to renewable energy sources such as wind, solar and biofuels.

The UK has committed to cut CO2 emissions by 60%

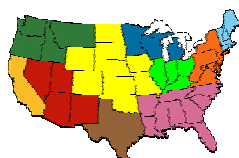
by 2050. But progress has been slow. Evidence from pioneering countries such as Denmark and Germany suggests a different approach - one based on genuine opportunities for democratic control, community engagement and economic participation.

Take, Australia's first community-owned wind farm in Victoria. The Hepburn Regional Energy Association (<http://www.hrea.org.au>) will build and operate a co-operative wind farm producing enough energy to power over 2,000 homes. Community-owned wind farms have been operating overseas for some years and helping communities move towards energy 'independence' on a local and regional scale.

In the Punjab region in India, another initiative shows the power of local action. Panjkoshi, a small village of 6300 people was adopted by

IFFCO Foundation in 2004 for transformation into a 'model village'. The main objective is to ensure a clean environment by putting the natural resources to best use. The Foundation is a public trust, established in 2003 by the Indian Farmers' Fertiliser Co-operative Limited (IFFCO), Asia's largest chemical fertiliser-producing co-operative. The transformation of Panjkoshi includes revamping a bio-gas plant for home gas supply.

Renewable energy generation by its very nature tends to be smaller scale, harnessing local resources. Projects must therefore be located in many more 'backyards' - both urban and rural. Community ownership enables acceptance to be built at a local level, ensuring that projects are directly accountable and harness demand for local action to tackle climate change.



"USA electric co-ops believe encouraging development of new, lower-emission technologies is the right approach to address climate change.."

USA – new technologies

The issues of climate change and greenhouse gas emissions have been hotly debated in recent years, both within the United States and around the world. Some activists have argued that the use of coal and oil must be dramatically reduced while others argue that fossil fuel use is critical to maintaining a strong worldwide economy.

In the US, electric co-operatives have put forward a third way – they believe encouraging development and deployment of new, lower-emission technologies is the right approach to address climate change con-

cerns. The 2005 Energy Policy Act includes provisions designed to spur new, carbon-efficient technologies both in the U.S. and developing countries. The law includes provisions to provide new incentives- called Clean Energy Bonds - to co-operatives and other not-for-profit entities to develop renewable energy projects.

Co-operatives also believe that carbon sequestration through crop, forest and grassland management techniques or geologic sequestration can mitigate CO2 emissions from human activities without imposing costly man-

dates on the economy.

Two years ago, an ICA Member - the National Rural Electric Cooperative Association (NRECA) - signed a memorandum of understanding (MOU) with the U.S. Department of Energy as part of long-term efforts to address climate change.

The agreement established a voluntary public-private partnership called Power Partners between the US government and the US co-operative electric utilities.

Co-op banks back wind farm in Southern Italy

Agrileasing Bank, a leasing enterprise of the Italian network of Co-operative Credit Banks, is the project leader for the implementation of an Aeolian Park (wind farm) in Montemurro, in the Basilicata Region, Southern Italy. The leasing agreement is worth 34,8 million Euros.

Operator, Fri-el Montemurro S.r.l., is a joint-venture between Energie S.p.a Bolzano and Fri-el/Gostner Bolzano, both active in the field of renewable energy for many years.

The park has 36 air-generators. Eight have been in operation since 2004, and the other twenty-eight since Spring 2006. The wind farm will produce around 60 mil-

lion KWh; offsetting around 30,000/35,000t per year in carbon emissions or the same quantity of CO₂ absorbed by 7,000-10,000 hectares of wood.

There are 439 Cooperative Credit Banks operating in Italy, with a network of 3,640 branches (11.2% of the Italian banking system). Co-operative Credit has over 105.2 billion Euros in deposits, 87.2 billion Euros in loans and property of 14.3 billion Euros.

The loans granted by the Italian CCB represent 20.5% of the total granted to handicraft enterprises, 15.4% to family businesses, 8.6% to consumers and 9.8% to non-profit institutions (Third Sector).

Federcasse is the Confcooperative national sectoral federation for co-operative banks.



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7780299)

Co-ops and climate change

Carbon-offsetting - how car insurance can help polar bears

The principles underlying co-operatives ensure that they strive to improve the health and well-being of communities in addition to looking after the needs of members. Around the globe, co-ops are launching initiatives to encourage members to offset their carbon emissions in new and inventive ways.

In the UK, ethically-led co-operative insurer, CIS (www.ecoinsurance.co.uk) offers drivers the opportunity to offset some of the damage their car's CO₂ emissions cause to the environment. CIS is the UK's only insurance provider to have a customer-led Ethical Engagement Policy.

Customers signing up for CIS's policy have 20% of their car's CO₂ emissions offset. The company makes donations to projects that

work to 'neutralise' CO₂ emissions like reforestation, renewable energy sources and developing world educational schemes. A further 10% reduction applies if a customer's car falls into tax band A set by the UK government for cars with low emissions.

In Canada, Desjardins Group (www.desjardins.com), the largest co-operative financial group in Canada, believes climate change has to 'start at the source' with the activities of the organisation itself. This year its annual general meeting adopted a 'zero carbon/zero waste' principle, including recycling, composting and carbon offsetting schemes.

"Not only does this initiative fit in perfectly with our sustainable development policy, but it is another tangible example of the actions that

Desjardins intends to take to carry out its role as a leader in this field, while helping to reach the objectives of the Kyoto Protocol," said president and CEO of Desjardins Group, Mr. Alban D'Amours. Desjardins Group has signed the United Nations' UNEP Statement by Financial Institutions on the Environment and Sustainable Development.

It was also one of the first to sign on with the Canadian Executive Forum on Climate Change.

Desjardins Group in Canada believes climate change has to 'start at the source' with the activities of the organisation itself. This year its annual general meeting adopted a 'zero carbon/zero waste' principle....

Co-ops and climate change

The original eco-warrior - ICA and climate change

ICA has been addressing environmental and sustainability issues throughout its history.

In 1992, it participated in the UN Conference on Environment and Development (Rio Conference) organising a number of events. Shortly after the Rio Conference, ICA adopted the *Co-operative Agenda 21*, which included what co-operatives could and were already doing to promote environmentally sustainable development.

Climate change is a key area in which ICA sectoral organisations are seen to be taking a lead; setting targets and making resolutions that

address the impact of global warming.

Many, like the ICA sectoral organisation for fisheries (ICFO), have repeatedly voiced their concern over environmental issues, resource conservation and sustainability of co-operatives.

At their recent annual general meeting in Singapore, ICFO members shared information on how co-operative movements in various countries were addressing the issue of high fuel oil prices, such as research on new engines for fishery vessels that are more energy efficient and alternative energy sources.

Last month, the International Federation of Agricultural Producers (IFAP), which includes ICA members, dedicated one of their 2007-2008 policy objectives to work on the issue of climate change. (www.ifap.org/en/publications/er_summary-executive-mexico-oct06.html)

“Develop case studies on mitigation and adaptation. Develop recommendations on climate change and bio-energy to be submitted to the UN Commission on Sustainable Development” (IFAP, 2007-2008 Policy priority 3)



ICMIF - Insurance co-ops leading the way

Co-ops and climate change will be one of the issues discussed at the 2007 ICA General Assembly in Singapore

A recent edition of the International Co-operative and Mutual Insurance Federation (ICMIF) quarterly journal *Voice* focused on climate change and the implications for co-operative insurers.

They noted, “the devastating impact of Hurricane Katrina on the US Gulf Coast brought home to the world the awesome power of the weather....there is now little doubt that global warming is leading to climate changes which will affect the way farmers and others people live and work

in the future.

The important questions we - and many others in the insurance industry are posing to scientists and climatologists are not if the climate is changing, but how and when these effects will be felt in different parts of the world. As yet the answers are pretty vague....”

For more information wee ICMIF's website <http://www.icmif.org/>



Do you have a story to tell? If your co-op is helping to improve the environment and tackle the issue of climate change through policy or practices let us know.

Micro-insurance as a development tool

Insurance is now widely recognised as an important tool for poverty alleviation. “A sustainable and affordable micro-insurance scheme can safeguard the poor against the financial effects of sickness, disability and death,” says ICMIF Senior Vice-President, Sabbir Patel.

Speaking at a workshop on “Islamic finance and Co-operatives”, earlier this year Sabbir Patel explained why the co-operative insurer is in a better position to serve the needs of the poor and has a history of providing necessary services.

“The poor have in the past, developed informal insurance mechanisms such as selling assets, exchanging gifts, cash transfers and diversifying crops. Since the 1970s pro-poor micro-finance institutions have been established in the semi-formal sector. The success of these organisations has led to the recognition that poor people can save and want to save.

“While both savings and credit facilities are integral in assisting the poor to overcome unforeseen losses, the benefits are limited to the capacity of individuals to save or make repayments. When bad conditions and their consequences persist for several years, then the use of savings as protection is constrained. In addition, high risks of illnesses, or the death or disability of the breadwinner means outstanding loans become difficult to pay. Death, sickness or accident may force the disposal of productive assets or household consumables, which in turn decreases fu-

ture income and current livelihood.

“For this reason insurance can be an effective mechanism for reducing the vulnerability of the poor as well as safeguarding the productive use of savings and credit facilities.

“Limited protection can be provided to the poor on a sustainable basis using co-operatives...The benefits of the co-operative structure are greatest at the local level where strong community relationships, good user networks, member involvement and democratic processes encourage greater trust and tap into policyholders’ know-how, loyalty and ideas. As members are owners of the scheme they have a greater incentive to make the scheme work and to prevent fraudulent behaviour.

There are still a number of challenges facing the provision of micro-insurance including technical expertise, reinsurance coverage and regulatory restrictions; these are all areas which ICMIF are currently investigating. The Federation’s development function aims to help popularly based organisations – co-operatives, agricultural bodies, professional associations, trade unions, credit unions and other microfinance institutions – to set up their own insurance programmes and to provide technical assistance to new and developing member insurers.

ICMIF is taking part in a global study of insurance for the low-income market. The project, being managed by the Social Finance Program of the International Labour Organization (ILO), is financed jointly by aid agencies DFID (UK),

GTZ (Germany) and SIDA (Sweden). It calls for a number of case studies of micro-insurance operations to identify good and bad practices. Four of these studies are contracted to ICMIF.

Co-operative Insurance Company of Kenya (CIC Kenya www.cic.co.ke) is the market leader in Group Life and micro-insurance in Kenya. Currently it insures over a million co-operative members and over 250,000 clients of micro-finance institutions.

“Micro-insurance is highly under developed because commercial insurers consider the low income groups unviable sources of insurance business due to high transaction costs, lack of infrastructure and a perception that the poor are prone to high moral hazard, fraud and adverse selection,” explains Nelson Kuria, Managing Director and CEO of CIC Kenya.

“The successful strategic partnerships with co-operatives and microfinance institutions in the development of low cost insurance products for their clients is assisting in demystifying insurance as a preserve of the rich.”

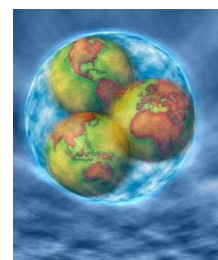
“This is a demonstration that the co-operative model can deliver insurance services effectively to the low income groups and that co-operatives and mutual insurers are in a better position to identify the needs of customers due to their closer links through Credit Unions, Agricultural and Consumer co-operatives,” he said.

Development



Sabbir Patel

“..More information on Takaful (Islamic) micro-insurance can be found on www.icmif.org/takaful or contact Sabbir@icmif.org



Membership

La Segunda of Argentina

La Segunda Cooperativa Limitada Seguros Generales (La Segunda) of Argentina became ICA's 228th member on 16 October 2006.

La Segunda is a national level insurance co-operative group that is linked to the agricultural co-operative movement of Argentina. Its membership includes both co-operative societies (170) and individual members (1,070,821) and it employs 515 people throughout the country. For the period July 2005 to March 2006, La Segunda was responsible for over 2% of the national insurance market. See www.lasecunda.com.ar for further information.

IPACOOOP of Panama

The Instituto Panameño Autónomo Cooperativo (IPACOOOP) of Panama became ICA's 229th member and 7th associate member on 23 October 2006.

IPACOOOP is an autonomous statutory body set up by the Government of Panama that promotes co-operatives, regulates, finances and provides technical assistance and co-operative training. It is funded by subsidies from the central government plus a contribution from co-operatives of 5% of their surplus. IPACOOOP employs 290 people.

IPACOOOP has provided statistical information indicating that the Panamanian co-operative movement in 2004 was composed of 362 active co-ops with over 193,954 members (105,776 men and 88,178 women).

IPACOOOP of Panama

The Mutuelle pour la Promotion de l'Épargne et du Crédit d'Investissement (MUPECI) of Cameroon became ICA's 230th member on 25 October, 2006. This is our first member from the Cameroon.

MUPECI is a savings and credit co-operative. It provides financial services (savings and investment facilities, agricultural, productive and consumer loans) and training to its members. MUPECI has 133 member societies representing over 1,564 individual members (1,130 men and 434 women). It has a six branch offices in central, coastal and western Cameroon, and 19 staff.

Russia celebrates

Centrosoyoz of Russia is celebrating the 175th anniversary of Russian co-operation on 11-12 December, 2006.

The jubilee celebration will include a national conference on "Russian Co-operation: Social sector in the national economy" on 11 December and a gala meeting on 12 December in the State Kremlin Palace in Moscow.

Membership levy review is part of Restructuring Committee brief

Part of the mandate given to the new Restructuring Committee, (see separate article in this issue) is to examine and make recommendations on membership strategy and subscription formulas.

There has been considerable discussion over recent years on both who should be members of the ICA and also on making the subscription formulas itself simpler and more transparent.

ICA Membership is now at 230 member organisations

(223 Members and 7 Associate Members) from 92 countries



Galina Kiseleva

Member news

ICA links Brazilian co-op leaders with WHO

One of the services provided to ICA members is facilitating links with international organisations including agencies of the UN.

Recently, ICA facilitated a meeting between leaders from the leading medical and orthodontist co-operatives in Brazil and the World Health Organisation (WHO). The 10 November briefing was coupled with a visit to ICA to learn more about the organisation and the world co-operative movement.

In the Brazilian co-operative group were fifteen leaders from the member organisations of the Organisation of Brazilian Co-operatives (OCB), accompanied by ICA board member, Américo Utumi. Participants included representatives of the National Confederation of Medical Cooperatives (UNIMED), one of the largest health enterprises in Bra-

zil (bringing together 378 health co-operatives who the co-operative model of enterprise was being used



provide services to more than 13.3m patients and 70,000 enterprises) and leaders of the Union of Orthodontists Co-operatives (UNIODONTO), a fast growing co-operative union of over 170 dentists and 20,000 dental surgeons serving over 1 million users.

Maria Elena Chavez Hertig provided a briefing on the ICA, its recent activities, as well as an overview of how

around the world. At the WHO, co-operative leaders were briefed on the WHO's reference services on world health and the initiative on 'e-health' as well as global health and human resources for health.

The meeting was held at the end of the WHO World Health Assembly, and the group learned the results of the election of the new DG, Dr Margaret Chan of China.

Other recent visitors to ICA Head Office

Over the last couple of months a number of different ICA members and other co-operative organisations and individuals have visited the ICA head Office in Geneva. They have included:

- Representatives Vishwas Satgar and Dr Michelle Williams from the South African *Co-operative and Policy Alternative Center (COPAC)*
- A delegation from the Japanese co-operative insurance movement
- Martin Trajcev from SFARM, Macedonia

The ICA welcomes member visits to its Head Office. Such occasions provide an opportunity to present detailed presentations on the ICA work and to hear the issues of concern to our members.



Above, the Japanese co-op delegation, below the COPAC representatives with the ICA's Dr Kim



Research

ICA 2006 Research Conference – a success

The IT revolution, the continuing process of economic globalisation, and changes in the national and international balance of powers are altering the daily lives of ordinary people. These changes have created new social expectations and led to new forms of voluntary action.

how the co-operative movement contributes to meeting these challenges at the 22nd ICA Global Research Conference successfully held in Dourdan, France on 19-22 October.

Papers from the conference can be found at: (www.entreprises.coop/UPLOAD/rubrique/pages/162/162_rubrique.php).



Jean-François Draperi one of the research conference organisers

Canada will play host to at least 2 major co-operative research conferences in 2007

Eighty participants from around the world discussed

Co-operative innovation in the spotlight – 2007 international research conference

The ICA 2007 Research Conference will be hosted at the Centre for the Study of Co-operatives in Saskatoon, Canada from 28 May to 1 June, 2007.

How do co-operatives innovate? Why do they innovate and what stands in the way of the successes being celebrated?

the Association of Co-operative Educators - will explore the sector's contribution to developing and shaping the larger social economy.

Co-ops: influencing the social economy

The social economy is gaining increasing attention worldwide and co-operatives are a central component.

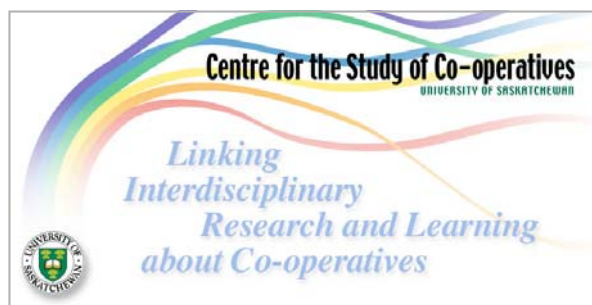
The co-operative model allows people and communities to design, own, and control organisations that function as both enterprises and associations, and with this dual character to serve their members in diverse and sustainable ways.

Co-operatives have an impressive record of technological, commercial, social, and organisational innovation. These achievements frequently go unrecognised outside of the co-operative sector, and their importance is not always acknowledged even within it.

This conference will be held in conjunction with the 2007 Congress of the Humanities and Social Sciences. It is hosted by The Centre for the Study of Co-operatives, University of Saskatchewan. Updated information and details are posted on the conference website www.usaskstudies.coop/social_economy/Congress2007

Case studies and papers from all disciplines are welcomed. Possible topics include an examination of how co-ops are integral to the social economy; the social economy as an example of social innovation; how to help co-ops innovate; the co-operative difference; case-studies of innovation in co-operatives; and getting the word out - celebrating that innovation.

Deadline for submission of abstracts is 1 February 2007. Visit the conference website, for instructions on how to submit papers.



The ICA 2007 international research conference will examine co-operative innovation and different ways to generate and communicate innovations crucial to the sustainability of the co-operative sector.

The event - a joint venture of the ICA Committee on Co-operative Research, the Canadian Association for Studies in Co-operation, and

1st First International CIRIEC Research Conference on the Social Economy

Research

The Canadian Social Economy Hub, CIRIEC International (Centre of Research and Information on the Public, Social and Cooperative Economy) and CIRIEC Canada are jointly organising the first international research conference on the social economy in Victoria, BC, Canada.

The world is undergoing rapid and extensive changes associated with globalisation, conflicting ideas about the roles of the State and



Canadian Social Economy Hub
Centre canadien d'économie sociale

coordinating research to build the social economy / recherche coordonnée pour établir l'économie sociale

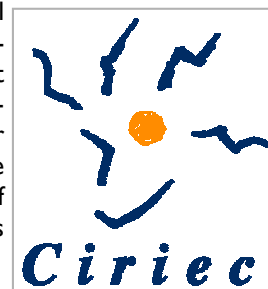
the reconfiguration of communities. The social economy contains several approaches that could be of use to communities, social entrepreneurs, policy makers and researchers. The goal of the conference is to highlight the role of the social economy in building and strengthening communities

Following the main confer-

ence, a series of forums will be held on the social economy in local settings (municipalities, First Nations lands, and communities) on October 25, 2007. The deadline for the submission of abstracts for papers is 31 December, 2006.

See the conference website for details on how to submit papers:

For details see www.socialeconomynetwork.ca/hub/index.php?page_id=124



Agribusiness down-under

The 9th Annual Agribusiness Co-operative Leadership and Governance Forum was held in Sydney on the 18-19 November 2006.

The Forum is co-ordinated by Dr Lawrence Dooley, the Food and Agribusiness Programs Director, from the Faculty of Business and Economics. This year it was run in association with the Australian State Co-operative Federations and the New Zealand Co-operatives Association.

The Forum was attended by 50 co-operators from Australia and New Zealand. The keynote speaker was Dr Fabio Chaddad who is a recognised authority on structural change in co-operatives that have adapted to competitive challenges.

Dr Chaddad presented a wide-

ranging discussion of co-operative structures with a focus on ownership rights and explored the ever changing nature of co-operatives as they adapt to their environment using a topology analysis that arose from his research.

The presentation was complemented by a case study on Cooxupé, a Brazilian co-operative which is the largest coffee marketing and exporting co-operative in the world, www.cooxupesantos.com.br/company.htm

Other sessions at the Forum covered member communications, governance reviews, the CEO-Board relationship and the challenge of chairmanship.

There was a common view that the strategic advantage for a co-op is their membership, and that it has the ability unlike private investment companies, to gain an



The keynote speakers at the Agribusiness Forum

intimate knowing of their members needs, serve them well and create a deep and meaningful relationship.

The Forum was preceded by the launch of a new book by Dr Gary Lewis entitled "The Democracy Principle" see page 20.

Asia-Pacific

Code of Governance for co-operatives in Singapore

Co-operatives in Singapore now have a new *Code of Governance* to help them serve their members better. Dr Vivian Balakrishnan, Singapore's Minister for Community Development, Youth and Sports, launched this Code



Seah Kian Peng and Zulkifli Mohammed with the photo is the Guest-of-Honour, Dr Vivian Balakrishnan, Singapore's Minister for Community Development, Youth and Sports

for all co-operatives at the *Annual Co-operative Leaders' Conference* on November 11, 2006 organised by the Singapore National Co-

operative Federation (SNCF).

The *Code of Governance* is a response to the changing co-operative landscape. Today, members and other co-op stakeholders have higher expectations of co-op accountability and governance. At the same time, many co-ops have expanded and the peer accountability of closely affiliated members is no longer applicable.

An inter-agency review committee was formed to study the changes needed to raise the governance standards of the co-operative movement. The *Code of Governance* was one of the key recommendations of the committee. The introduction of the *Code of Governance* is a significant step in efforts to bring about a

more effective self-regulation within the co-op movement.

The Code is modelled after the Code of Corporate Governance for Companies as well as the Guide to Best Practices for Institutions of Public Character and is meant to complement the existing Co-operative legislations. It encompasses six key areas, namely:-

Board Matters
Conflict of Interest Policy
Human Resource Policy
Accountability and Audit
Capital, Assets and Funds
Corporate Communications:
Communications with members and stakeholders

To enable co-operatives to assess their level of compliance with the code of governance, SNCF has formulated a self-assessment checklist. Contact zulkifli@sncf.org.sg

Philippines - Regional conference on gender integration in co-operatives: 10 years before and after, Tagaytay City

More than 130 women and men representing co-operative organisations from across Asia and the Pacific came together in Tagaytay City on 6-8 No-

co-operatives" gave speakers from ILO, FAO, ICA GEC and the Co-operative Development Board of the Philippines, the opportunity to discuss how the efforts of co-ops in poverty reduction are strengthened by involving women, and by helping them in their empowerment and development.

Four new strategies were agreed:

- To inventory and share expertise and resources such as manuals and tools
- Set a target of at least 30% participation of women in leadership and decision making at all levels in co-ops within ten years.
- Make enterprise development for women a strategy for poverty reduction
- Develop monitoring and evaluation tools as indicators.



Participants at the regional conference

vember 2006 for a regional conference on *Gender Integration in Co-operatives*.

The theme of the conference: "Empowerment and development of women in

The conference adopted a declaration based on new strategies and a platform of action that improves and expands on initiatives adopted at the Tagaytay-97 conference.

The conference agreed on the need to improve the promotion of transformative leadership that is development oriented, issue focused and gender sensitive.

International Co-operative Trade Fair, Tehran, Iran

Asia-Pacific

The International Co-operative Trade Fair organised by ICA-AP (27-29 October 2006) and hosted by the Iran Central Chamber of Co-operatives (ICC) brought together visitors from Canada, India, Indonesia, Malaysia, Philippines, Sri Lanka, Iraq and across Iran, for two-days of trade networking in Tehran, Iran.

Honorable Co-operative Minister of the Islamic Republic of Iran, inaugurated the fair

ICA-AP, who gave case studies of the Iranian and Indian co-operative move-



A symposium was held in conjunction with the trade fair on: Ways and means for effective trade networking among co-operatives.

200 trade stalls exhibiting agriculture products, handicrafts, textiles, fashion lines, construction materials, minerals, and tourism services were set-up by the co-operative movements of Indonesia, Iraq, Malaysia, Philippines, Sri Lanka and Iran.

Mohammad Nazemi, the

and symposium on 27 October. Ministers and government representatives of the I.R. of Iran, Sri Lanka and Comores, joined 300 guests at this event.

Rajiv Mehta, Director ICA-AP, chaired the symposium. Mr. M.R. Ramezani, Secretary-General ICC, and Shil Kwan Lee, Regional Director ICA-AP, welcomed participants.

Dr Hojjat Dy, Minister of Co-operatives I.R. of Iran, and Mr. Rajiv Mehta, Director

ments respectively, discussed: "Trade networking, local to global - strength of co-operatives".

All presentations can be downloaded from ICA-AP website - www.icaroop.coop

An offer put forward by the leader of the Indonesian delegation, Ms Ibbar Masri, from DEKOPIN, to host the next international co-operative trade fair and symposium in Bali, Indonesia in July 2007, was accepted.

First co-operative hospital recognised - Hanoi, Vietnam

The first ever co-operative hospital in Viet Nam, Tu Luc Co-operative Hospital, has already saved a number of lives in Thanh Hoa Province.

The founder of the hospital and its chairman, Nguyen Van De invested more than VND10 billion (US\$625,000) two years ago to establish the hospital, which he hopes will become a model for other new hospitals.

In its first nine months of operation, the hospital has

treated over 65,000 patients and carried out 341 free eye operations for children. The hospital has established a reputation that it is free of negative phenomena such as bribery. As a result, patients feel they can trust hospital staff.

De has a background in co-operatives. With other members of his agricultural commune, De established the Tu Luc Transport Co-operative in 1996. The co-op now has 107 members and earned VND26 billion in turnover in 2005.

Local authorities have recognised De's achievements in co-operative business, and he received the Thanh Giong Award on October 13, along with other businessmen from across the country.

From Viet Nam News, November 07, 2006

Americas

Seminar on the formation of share capital in co-operatives and the role of members



Carlos Palacino

“...The co-operative structure is weakest when there is a crisis and the co-operative requires immediate capitalisation...”

“..This achievement has been reached thanks to the joint effort of ...the governments of Spain, Costa Rica and Mexico .

A seminar on the formation of share capital in co-operatives and the role of members was organised by the Cooperative Confederation of the Argentine Republic (COOPERAR) and ICA-Américas.

In his welcoming address, Juan Carlos Fissore said, COOPERAR, jointly with CONINAGRO, had an active commitment to the American ‘cooperativismo’. Carlos Palacino, President of ICA-Américas, recognised the ongoing role of COOPERAR in organising co-operative events of international importance.

Speaking about the formation of capital in co-operatives, Palacino said, “I think that this is one of the difficult subjects for co-operative organisations”. The co-operative structure is weakest when there is a

crisis and the co-operative requires immediate capitalisation, a task is that is practically impossible, he said. Rubén Emilio Zeida (COOPERAR), Minor Sandoval (COOPEMEX - Costa Rica) and Imperial Ramon (Caja Popular Mexicana-Mexico) gave presentations at the seminar.

Several conclusions were drawn from the discussions. Delegates heard that co-operative enterprises needed surplus capital for long-term financial viability and to cope with the normal vicissitudes of the economy. The membership must be fully involved in the development of the co-operative activities and those of its leaders, through better communication and integration between all members, so that they have a sense of commitment to the longer-term goals and aspirations of the co-

operative business.

The growing demand for new services and the need to add value to the activities developed by co-operative entities requires them to attract contributions of capital in similar conditions to ones offered by the market. This demands the development of financial tools, though still in keeping with the principles of co-operation, which ensure profitability and security to recover capital, in similar conditions to other options that are offered in the capital marketplace.

The variable character of the capital is one of the main characteristics of co-operatives, but for the development of certain types of investment projects this can generate a weak point at the time of strategic decision-making.

Uruguay - Heads of State recognise the role of co-operatives and organisations in the social economy Latin American Summit - November 3-5

The role of co-operatives and organisations in the social economy was formally recognised at the conclusion of the last Latin America Summit held in Montevideo, November 3-5.

Paragraph 36 declares: “We recognise the fundamental role, in the integral development of our na-

tions, of the co-operatives and other organisations of the social economy, whose principles of productivity, competitiveness, complementariness, solidarity and, primarily, social responsibility, strengthen the participatory character of our democracies, impel the generation of jobs, support the fight against poverty and encourage the integration

and social cohesion - in particular, of women, young people, adults and those with disabilities - generating conditions of development.”

This achievement has been reached thanks to the joint effort of RIBES, particularly of the governments of Spain, Costa Rica and Mexico with the official support of the ICA-Americas board.

Visit the ICA Americas website www.aciamericas.coop/spip/ for all the latest news on the wide range of activities being carried out in this region

Review of *The Democracy Principle* by David Griffiths

The *Democracy Principle: Farmer Co-operatives in Twentieth Century Australia* is an impressive achievement by Australia's co-operative historian Gary Lewis.

Lewis has largely self-funded the book and it "has been written independently of tertiary institutional support." Periodic employment and consultancy for the author enabled work on the book to proceed.

While the support of the few is generously acknowledged, *The Democracy Principle* has also been written despite the co-operative movement. Lewis observes: "Repeated requests made to the co-operative sector for information to assist the study yielded very few contributions, a clue to general apathy and a low priority given to education."

In the Foreword the Director General of the International Co-operative Alliance, Iain Macdonald, laments that Australia's co-operatives seem "to have been overcome by the empty promises of demutualisation which offers nothing except bigger salaries for the CEOs."

Macdonald hopes that the book "will help encourage Australia back towards its natural home - an ethically sound and commercially successful co-operative economy."

Gary Lewis argues that there are various reasons for the establishment and development of co-operatives but that the democracy principle is truly the co-operative difference. He argues that the democ-

racy principle is the idea held by Australian farmers that it is possible in a capitalist society to democratically own and control a business on a one-member-one-vote basis.

There are a number of recurring themes throughout *The Democracy Principle*:

- Divisiveness between and within co-operative sectors.
- Continuing inability and unwillingness to work together on common objectives.
- The long-term absence of nationally uniform or federal co-operatives' legislation.
- The absence of a federal farmer co-operatives extension service.
- The absence of a co-operative bank.
- An intermittent national co-operative voice e.g. Co-operative Federation of Australia and the Australian Association of Co-operatives.
- A failure to invest in co-operative education and, therefore, maintain a co-operative consciousness.
- The suppression of the democracy principle.
- The roles of managers and boards in either protecting or undermining the democracy principle.

The book includes a case study of the Dairy Farmers Group, a co-operative on the path to demutualisation. Ranked at 242 on the ICA's Global 300 this co-op's brief case history encapsulates the recurring themes identified by Lewis. In the words of the ICA's Iain Macdonald, will Dairy Farmers Group proceed with demutualisation and be overcome by empty promises or will it go back to its natural

home - an ethically sound and commercially successful co-operative?

This is an important history for several reasons. First, there are very few general co-operative histories published about Australia's co-operative movement and

Gary Lewis has uniquely placed on the public record a history of farmer co-operative experiences in Australia - making accessible a history and experience that would otherwise not be accessible.

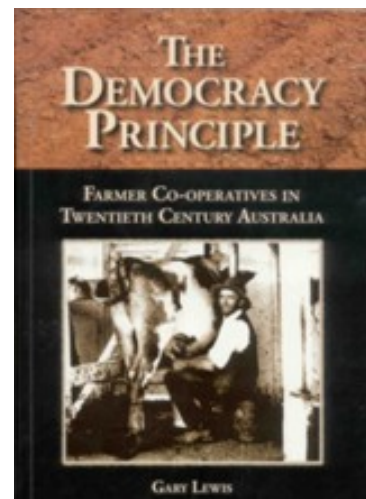
Third, it is not just a history of facts. Unlike most published histories of individual co-operatives in Australia that are a recitation of dates, Lewis draws on these facts to provide an explanation for events and developments but it is an explanation that does not interfere with the facts. Finally, Lewis significantly adds to our knowledge of how co-operatives have developed in Australia and, in particular, the large farmer co-operatives and the impact and the external and internal threat of demutualisation on these co-operatives.

The Democracy Principle is a must read for co-operators. While the focus is farmer co-operatives, the experiences and lessons are applicable to all co-operatives. Order details [here](#)

Publications



Gary Lewis



Feature interview

The youth representative on the ICA Board, Juan Carlos Mejia Cuartas speaks out

Inspired by a background of “sharing and collectivity”, Juan Carlos Mejia Cuartas has been living the co-operative identity since he was a small boy. In this month’s feature interview, the ICA youth delegate on the ICA Board, describes his work with young co-operators around the world.

Digest: *How did you become involved in the co-operative movement?*

JCM: I was born in Bogotá, Colombia but raised in Medellín, a provincial city. I come from a large family and grew up with aunts, uncles, grandparents and cousins. Sharing and collectivity has always been a constant in my life from my very roots. My mother especially, is an inspiration for me. She has always been involved in communitarian work, not only through her work as a school teacher, but because of her relationships with her colleagues and all the movements she participated in, to which I was constantly taken.

I got involved with co-ops when I was just a kid and my co-op ran recreational programmes for the members' children. We lived the co-operative identity through these camping holidays, workshops, courses and other activities aimed at making us better citizen.

The activities continued when we were older. I was

part of a group that supported some promotional activities in the co-op and later, some of us got involved in a leadership training programme.

I've always had this passion to interact with people from different cultures, both in my own country and abroad. Before I was born, my mother had travelled around South America and I remember asking her to tell me about all the wonderful places she'd been. This interest led me to undertake a degree in International Business, which was more or less a new career area at that time, at the EAFIT University in Medellín.

Towards the end of my degree I got back to working with co-ops again. I was involved in a research project helping a group of peasant women develop a business. The project was very ambitious and well designed from the business and technological perspective, but it taught me that projects like this are not sustainable in the longer term, if the social fabric is too weak to support other kinds of initiatives. The business did not succeed, but the project gave me many important insights into co-operative work.

After graduating I was hired by my old co-op as a special projects co-ordinator working with youth. This was a new role. Together with other co-operative leaders and with the institutional support of some local and national co-ops, we combined efforts to form the Colombian Youth Network.

This has been a process where we've learned by doing - sometimes right, sometimes wrong, but always gaining from experience.

As time goes on, I believe we have become more assertive in the type of projects we run. We have stayed committed and kept working to strengthen the co-operative movement through youth involvement.

Digest: *What does your current work in the co-operative movement involve?*

JCM: At the moment I'm working at the Universidad de Antioquia in Medellín, Colombia. I decided that if I really wanted to contribute to the co-operative movement, it had to be done from a neutral space and somewhere I could have contact with young people, and I think there could not be a better environment for this than the university.

I am part of a programme that intends to form new academies for the generational transition. Something I've learned is that there can't be networks without base work. It's necessary to identify the relationships that constitute the network and if they don't exist, they have to be built in the first place.

So, with the objective of designing a model aimed at getting more young people involved in co-ops, I am working with other young



Juan Carlos Mejia Cuartas

“My mother especially, is an inspiration for me. She has always been involved in communitarian work....”

Juan Carlos Mejia Cuartas

Juan Carlos Mejia Cuartas interview...continued

Feature Interview

co-operative leaders and academics, on identifying the experiences of young people in Colombian co-operatives. We expect to have it ready by January 2008.

come together in order to build a common vision that helps the ICA move ahead. I'm also a communication channel between the people involved in the group identified as 'ICA Youth' and

There is a lot to be done, but the lack of resources - money, people and time, are huge limitations. Europe is a region yet to be developed as well as Africa.



We are also going to start research on pilot co-operatives, to identify key factors in the formation of co-operatives for young people. But it is a long process, which will take about five years to consolidate.

We strongly believe that systematised experiences contribute to the development of the co-operative form, not only for their sustainability but for the promotion of co-ops as an alternative structure for business development with social inclusion.

Digest: *What does your position as ICA Youth Representative on the Board involve?*

JCM: As a Board member I try to contribute to all the discussions, even the ones that are not directly related to youth. I think that although a person represents one specific group or interest, all those views have to

those ICA Board members and staff. This is done through Board meetings and regional and international events like Global Forum, where I was invited to speak about co-operatives as a way to empower youth.

Networking is another important facet of my role. I need to identify the experiences of co-operators all over the world, which means learning a little of what they do and what they need, and then connecting them with other similar or complementary experiences so they can interact and grow. It has been a very satisfying role.

So far, I have contributed to making connections between Nigeria and the USA, linking Indonesia with Japan and networking among Argentinean co-operative youth organisations. I'm also working on a project with Mexican youth.

Digest: *What are the main challenges for the co-operative movement globally?*

JCM: From my point of view I can identify three main challenges. The first one is **visibility**. Co-operatives need people to be aware not only that they exist, but the public needs to have an understanding of what they really are – what do they stand for, how are they structured and how do they benefit their members?

The second challenge is **coherence**. Co-operatives need to act according to the co-operative philosophy, to remain committed to these core values even if they approach them in very individual ways.

Thirdly, the co-operative movement needs **articulation**. Co-ops need to

At the recent ICA Regional Americas Youth Conference in Lima, Peru.

From my point of view I can identify three main challenges:

- *Visibility*
- *Coherence*
- *Articulation*

Juan Carlos Mejia Cuartas

Feature interview

Juan Carlos Mejia Cuartas interview...continued

talk more among themselves and learn how to work together, instead of repeating efforts. I call this synergising in order to increase their impact.



Juan Carlos Mejia Cuartas with Jo Bibby-Scullion, the ICA's first youth representative in the ICA Board, at the 2005 ICA General Assembly in Colombia

"..Managers who have invested in youth have experienced an increase in their membership and the volume of their business.."

Digest: *In your opinion, what does the co-operative movement need to do to engage more young people?*

JCM: First of all, co-ops need to understand that working with young people goes far beyond the social obligations of co-ops. This is a strategic move in order to strengthen the existence not only of the co-operative enterprise but the co-operative identity. Managers who have invested in youth have experienced an increase in their membership and the volume of their business, not to mention the loyalty and commitment of members to the co-op.

Managers and boards need to set guidelines for youth work that is concrete and not just paying lip service to the notion. This work has to be well intentioned,

with clear objectives and policies on how it should be done.

One last thing is that managers and boards have to be in touch with youth. By this I mean that besides setting the path and designating staff and resources to help accomplishing the objective, they have to interact with young people so that they can learn from them and visa-versa.

Digest: *Why should it matter to the co-op movement that young people are involved?*

JCM: The Sustainability. Long-term vision. Future marketing!! You name it. Co-operatives may remain as enterprises, but I'm not so sure about the sustainability of the nature of the business. By definition, members of a co-operative are both owners and customers. Imagine a scenario where co-operative members come to vote to decide on the future of their co-op and they do not know the implications of the decisions they are making, just because they have never been involved in the co-op.

Also, if members do not understand and identify with what co-operatives offer that is different to other businesses they will shop, borrow money, work for, and build up any other kind of enterprise that satisfies their basic needs.

Digest: *Finally, can you give some examples of youth co-operative work you have seen or been involved in?*

JCM: I've seen some very interesting examples, both in my own country and abroad. From my own experience the university co-operatives in

Canada and Japan are amazing examples of inclusion, innovation, representation of interests and the profitability of co-operative business oriented to youth.

I also have to mention the Co-operative Youth Network in Argentina, composed of farmers' sons and daughters who gather to solve problems related to agriculture in their region. The network has managed to integrate with similar experiences in Uruguay and Paraguay.

In Colombia there are many interesting examples in different fields: Youth groups, youth networks, and school programmes that teach young people about the co-operative philosophy so that they develop values like discipline, foresight, self-commitment, democracy and leadership.

Dr. Ian Macpherson and his team, gathered many interesting examples of the youth experience of co-ops from all over the world. "Youth Reinventing the Co-operatives" was launched in English at the last GA in Cartagena. A Spanish version was launched at the last co-operative researchers meeting in Rosario, Argentina.

In India there is a co-operative of delivery boys, which is a very interesting entrepreneurial exercise. Also in the Philippines they hold writing contests related to co-operatives, which enhances the development of co-operative thinking. I'm sure there are many other examples that haven't been identified yet and are waiting to be discovered!

Ibnoe Soedjono - a trusted mentor, faithful friend and guardian of the co-operative ideal in Indonesia

Obituary

Ibnoe Soedjono, well known Indonesian co-operator, passed away on 1 November 2006.

Robby Tulus, former ICA Asia-Pacific Regional Director and long time friend of Ibnoe Soedjono reflects on his contribution to co-operatives.

A trusted friend and mentor

"I first met Pak Ibnoe in his office in December 1968; he was then the Director General of Co-operatives under the Ministry of Transmigration, Manpower and Co-operatives.

Far from the usual bureaucratic tendency of many officials of his stature, Pak Ibnoe did not display any stiff formalities when asked about our intent to promote credit unions in Indonesia. Instead, he debated the merits and substance of why we wanted a credit union as compared to Savings and Loan Co-operatives which were then already well established in Indonesia.

Interestingly, Pak Ibnoe did not address the issue based purely on legal grounds or policy considerations, but instead checked out the reasons and merits of organising credit unions in Indonesia first and foremost. He finally gave us his blessings to go ahead but with an unyielding caveat: "I will give you a 5 year incubation period to prove that credit unions can exist and help the poor communities

in Indonesia". It was indeed an honest challenge.

A true believer in the genuine co-operative principles and practice, Pak Ibnoe gave us the immediate impression that he is more of a "Co-operator" than being just a "Co-operative Official". He lived a very simple life throughout, despite his prominent status in various government ministries in Indonesia subsequent to his co-operative tenure.

In spite of all these high level positions he remained true to his co-operative ideals to practice honesty, accountability and transparency all the way through. To prove his point, he established the Institute of Co-operative Studies and Development of Indonesia (popularly known as LSP2I) without any external funding, during a period when the co-operative movement in Indonesia was drawn into a crisis of leadership and indeed a crisis of its very existence in the midst 1990s.

When the Tsunami hit Aceh on 26th December 2004, Pak Ibnoe sat with me on 28th December in Jakarta to seriously discuss what co-operatives can do to help the Earthquake and Tsunami victims. Our discussions led to my writing an essay which was published by the ICA Digest nr. 33 on 10th January

2005.

Since then there was no turning back for Pak Ibnoe who dedicated his time and efforts to helping in anyway he could the Tsunami and Earthquake victims in Aceh and Nias. He displayed a remarkable stamina, flying back and forth to Aceh and Nias, and visiting the project sites in spite of his age which was approaching 80 years. We covered a number of project sites all over Aceh Besar and Pidie together with Jan-Eirik Imbsen and Hanafiah earlier this year.

Pak Ibnoe is survived by his only granddaughter – Saskia – after his beloved wife and son preceded his demise. We bid farewell to Pak Ibnoe: our thinker, educator, motivator and practitioner that has kept



Ibnoe Soedjono with Jan-Eirik Imbsen, M. Hanafiah and Robby Tulus in Aceh earlier this year

the co-operative ideals solid and steadfast and the co-operative spirit alive and well in Indonesia. Let us hope the younger generation will build upon this rich heritage."

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[Click here for further
2006 ICA and related
events.....\)](#)

Copies of the ICA
Digest are archived
on the ICA's web-
site www.ica.coop

Calendar of ICA events and related co-operative activities

2007

- 8-9 Feb** International Co-operative Housing Conference on the theme - Disasters and Calamities : The role of Co-operatives, Kuala Lumpur, Malaysia
See www.nchfindia.net
- 22-24 May** International Health Co-operative Organisation ([IHCO](http://www.ihco.org)) Board meeting, Stockholm, Sweden.
Contact: direccion@fundacionespriu.coop
- 28 May - 1 June** ICA Research meeting, Saskatoon, Canada. Congress of the Humanities and Social Sciences.
See www.usaskstudies.coop Call for papers (pdf)
- 29 July - 1 Aug** World Credit Union Conference, Calgary (Canada). More information on: <http://www.woccu.org/calgary07>
- 24-29 Sept** [ICMIF](http://www.icmif.org) World Congress, Brussels, Belgium. Contact: Shaun Tarbuck, shaun@ICMIF.org
- 13-19 Oct** ICA General Assembly, Singapore. See www.icasingapore.coop/
- 22-24 Oct** 1st World CIRIEC research conference on the Social Economy, Victoria, British Columbia.

Final greetings for 2006 from Iain Macdonald



2006 seemed to me to be largely about internal matters such as decentralisation and restructuring. Of course these are very important issues which will reflect on how we carry out our actual activities in the future but I have always felt that the co-operative movement has a tendency to concentrate too much on bureaucracy and perhaps not enough on activity! So I am pleased to see that our global and regional plans for next year emphasise services to members and increased activities - I think our Board also welcome that!

2006 also saw the long-awaited beginning of our strategic planning process which will take us forward to 2010 and this will be discussed at our General Assembly in Singapore next October. That event, whose theme is *Innovation in Co-operative Business*, is already looking very exciting and much of our work next year will concentrate on making that a success.

Perhaps the global event of 2006 was the launch of our 300 project in Lyon, France. We have received very good media coverage of this and in my view it is only just beginning. Much more work will be carried out in 2007 refining and elaborating on our initial work, so our estimates of being the 10th economy of the world may be too modest! To me this work is over due, proving once and for all that co-operative enterprise is a huge part of the world economy, something we already knew but seems to have been forgotten by some international organisations and national governments. Well, no longer!

Best wishes for a peaceful and co-operative 2007!

Iain Macdonald