



ICA Digest 65

Issue 65

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Inside this issue:

- Editor's desk 2
- International Women's Day (cont'd) 2
- D-G's Report 3
- ICA Statement to G-20 3
- Feature Co-operatives and the financial crisis 4
- ICA Strategic plan 6
- UN news 7
- ICA Africa 8
- ICA Asia-Pacific 9
- ICA Americas 10
- Cooperatives Europe 10
- Co-operative Centenary 11
- Co-op Awards 12
- Member news 13
- Co-op people 15
- Calendar 16

International Day of Co-operatives Driving global recovery through co-operatives

This year's International Day theme focuses on recovery rather than crisis. It highlights the role of co-operatives in both promoting economic growth and, ethical values - values that have been severely challenged in the financial and food crisis. It underlines that co-operatives can effectively contribute to global economic recovery through co-operative values and principles which guide their operations. International Day of Co-operatives will be celebrated worldwide on 4 July 2009.

Our feature story looks at how co-operatives, in various sectors, are performing right now. Some are reporting higher results than the same period last year, while others are feeling the impact of downturn of the economy. However, it is important to remember that

co-operatives measure their success by their ability to serve their members' needs, which means that success is measured economically, socially and/or culturally. In assessing the performance of co-operative enterprise, it is also important to recognise the many ways co-operatives return financial value and social equity to members and communities. While profit margins might slump, co-operatives have the ability

to retain their workforce, or continue to provide an essential service at affordable prices—ways that they can help communities withstand the worse aspects of the global downturn.

Co-operatives are not tools to address crisis, but a sustainable form of enterprise that outlives crisis and drives recovery.

Turn to page 4 for more.



International Women's Day, 8 March 2009 Co-operators united to end violence against women and girls



This year's ICA statement for International Women's Day, marked on March 8 each year, called on all ICA member organisations and co-operators to mobilise and use their socio-economic strength to contribute to the global

struggle against all forms of violence against women and girls.

A joint statement issued by ICA president, Ivano Barberini, and chair of the ICA Gender Equality Committee, Stefania Marcone, notes that

co-operatives can start making a difference simply by removing all obstacles that prevent or limit the direct membership and active participation of women in all types of co-operatives.

By promoting gender equality, co-operatives can make a serious impact on improving the lives of women and girls.

Turn to page 2 to read more on the ICA statement.

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Maria-Elena Chavez Hertig, ICA deputy director-general

From the Editor's desk

The economic and food crises continue to be the major concerns for all. We focus this issue on a follow-up report on how co-operatives are being impacted.

The feature article makes the point that so far, co-operatives that have remained faithful to their principles are weathering the storm. Some are showing that global crisis is truly a co-operative opportunity. However, we need more information from our members on their situation, their response to crisis, their successes as well as their failures so that we can learn

from innovation and our mistakes. ICA at the global, regional and sectoral levels is addressing the crisis at various meetings and seminars as you will discover here.

Co-operative visibility is also increasing, thus allowing us to rediscover something that all co-operators know — the co-operative advantage to doing business. New co-operatives are being formed, while large co-operatives like Eroski reported here, are moving towards a “co-operativisation” of their subsidiaries for ideological reasons and the competitive edge that they will realise. Co-operatives are finding them-

selves among the winners in terms of recognised brands (UNIMED), superior services (Desjardins) and simply being good employers (Raiffiesen in Switzerland, REI of the US featuring on the Fortune 500 best employers list for the 11th consecutive year). They are also on the international agenda and are being sought for partnerships to address the crisis.

We have tried to collect some experiences here. We hope these are useful. Comments are welcome!

Latest news

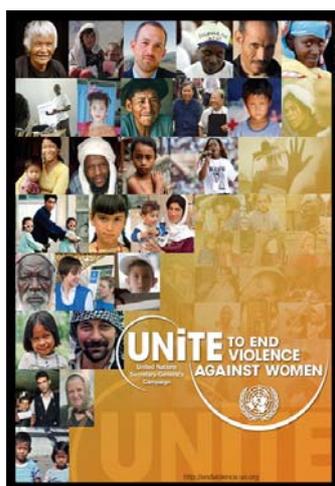
continued from page 1

“Let us aim high and be leaders of change in our societies.”

ICA statement, issued for IWD 8 March 2009

International Women's Day

This year, to mark International Women's Day (IWD), the United Nations focused attention again on the global pandemic of violence against women and girls, under the theme, “Women and men: United to end violence against women and girls”.



Violence against women is truly a global phenomenon. World Bank data confirms, one out of every three women is likely to be beaten,

coerced into sex or otherwise abused in her lifetime.

The most common form of violence experienced by women is physical violence inflicted by an intimate partner; and women aged 15-44 are more at risk from rape and domestic violence than from cancer, motor accidents, war or malaria.

Structural causes of violence against women, rooted in discriminatory customs and traditions, include the notion that domestic violence is a private and acceptable matter.

Economic discrimination exacerbates the perpetuation of women's subordinate status in society and places them at an increased risk of violence.

How can these causes be addressed and by whom?

ICA's statement to mark IWD 2009 called on the co-

operative movement, representing more than 800 million women and men co-operators worldwide, to mobilise and play a stronger role to end violence against women and girls.

“They can do so by promoting gender equality in their own co-operative structures, but also taking a leadership role in their communities to change attitudes, making political representations and ensuring that action is taken to make violence against women and girls a thing of the past.”

Read the joint ICA and ICA Gender Equality full statement:

www.ica.coop/gender/activities/2009-int-womens-day.pdf

Read the statement issued by ICA Americas:

www.ica.coop/gender/activities/2009-int-womens-day-americas.pdf

A time of opportunity for co-operatives

It is difficult not to talk about the worsening financial crisis. Even my own country of Scotland is seriously affected by the mismanagement of its financial institutions. In Scotland, we were brought up to hold these organisations in high regard, representing, as we thought they did, the highest standards of financial probity and good governance as befitted our Presbyterian principles.

It is intriguing that in a country which saw some of the earliest co-operative developments, we didn't see the inherent contradictions. Well, we do now!

Hopefully, something positive will emerge from all this, and we, in the co-operative movement, have a real responsibility to speak out and publicise our solutions.

We have never been good at promoting our own case, but it is imperative to sort that out now. ICA has written, on three separate occasions, to the G8 and G20, appealing for serious consideration

of the co-operative option. I have received some sympathetic responses, but little of real substance. None of this is new of course, and history shows that attempts to persuade governments to recognise the benefits of co-operation is no easy task.

Even those who appear closer to our philosophy seem to think there are only two ways of running businesses - state control, or investor-owned enterprise. There is never any mention of the co-operative option, which, as the **Global 300** project has shown, is already a massive part of the world economy.

We are gathering evidence to show how co-operative enterprises are surviving the current crisis better than others.

Perhaps, at last people will listen to us!

Our next board meeting, in Poland, will be another step forward in developing our global strategy. Following agreements reached in Rome

last year, Board committees on membership, governance, human resources and audit and risk have been activated and will meet, in one capacity or another, before the end of March. Together, they signal a professional approach to building the ICA into an organisation that will ultimately win the arguments outlined above.

We are also setting up an international legislation working group to complement the existing one on international accounting standards. Indeed, recent evidence has shown that our members seek information and advice on legislation and policy more than on any other issue. And, of course, in this very uncertain economic climate, our members need to have the security of strong legislation to protect their co-operative enterprises.

As you will read in this issue, the theme for International Day of Co-operatives this year is "Driving global recovery through co-operatives". So, let's do it!

DG's Report



Iain Macdonald
ICA director-general

"Trying to persuade governments to recognise the benefits of Co-operation is no easy task."

Iain Macdonald,
ICA DG

G-20 should give serious consideration to co-operative model

On 6 March, the ICA re-issued its letter to the G-20 asking that they give serious consideration to the advantages of the co-operative model of business during their upcoming meeting in April in London.

Signed by all members of the ICA Board, the letter noted that with over 150 years of commercial success in all economic fields, co-operative enterprise, with its unique set of values and principles, can provide

possible solutions particularly in promoting stability in the global economy.

It further calls on political leaders to protect the world's people from the worst effects of the global recession that are being faced today as a result of the corporate mismanagement of the investor led model of business; to ensure that in the struggle against recession, and in any reform of the global financial structures such as a new regulatory

system, G-20 leaders take special note of the stability and security of the co-operative global economy and its value to the millions of individuals and families which it is supporting in all corners of the world, and give this model of business the recognition and political support that its contribution demands; and finally to ensure a level playing field between countries and banking models, and take account of the diversity of banking systems in future rules.

See

[www.ica.coop/
publications/
pressreleases/2009-
03-g20.pdf](http://www.ica.coop/publications/pressreleases/2009-03-g20.pdf)

for full text

Special report:

Co-operatives and global crisis



Coping amid crisis—the co-operative way to survive & thrive

On 28 January, the International Monetary Fund (IMF) released projections that global growth will be close to zero in 2009. It forecasts recessions in most of the advanced economies. There are prospects of a recovery in 2010, but this will depend on strong policy action.

IMF managing director, Dominique Strauss-Kahn, blamed the crisis on "the opacity of financial markets, the greed of some bankers, [and] the complacency of regulators and policymakers." He pressed governments to act urgently and decisively to reverse a slump in global trade.

The February 2009 *McKinsey Global Survey* of 1820 executives found 90 percent of those in the euro zone expect their nations' GDP to fall in 2009. The expectation was that results would improve by the end of the year, but the general reaction is to review operating costs and increase productivity.



Food crises persist in 32 countries around the world. The food situation is of particular concern. According to the Food and Agricultural Organisation (FAO), in Eastern Africa more than 18 million people face serious food insecurity due to conflict, unrest, adverse weather or a combined effect, while in Southern Africa the total number of food insecure is estimated at 8.7 million. In Kenya, Somalia and Zimbabwe, the food security situation is very serious following drought-reduced crops, civil insecurity and economic crises.

Despite the gloom, results indicate co-operatives were

responding better than their listed counterparts. Credit unions have largely avoided the massive government bailout scenarios of big banks, consumer co-operatives are reporting surging profits, and agricultural co-operatives have strategies in place to help mitigate the food crisis experienced in many parts of the world.

One outcome is a return to co-operative values and new visibility of co-operatives as the need to link markets and ethics is reasserted.

In these tough economic times, credit unions are regarded as the solution not the problem. Their history of community ownership and fiscal responsibility has seen them emerge as safe and stable financial institutions whether it be in the US, Kenya or Paraguay.

Despite this, the National Credit Union Administration (NCUA), the regulatory agency of US credit unions, closed 14 credit unions in 2008. However, this continues to be a better track record when compared to the 25 non-co-operative bank failures.

Although most credit unions remain in excellent financial condition, the industry's health is threatened because smaller credit unions invested their assets in larger corporate credit unions, which like other financial institutions in turn invested in mortgage securities.

The declining value of those securities has drained money from the US credit union system, even as many face growing demand for loans

from customers who once relied on commercial banks. At the same time, they are struggling to borrow money from investors, in part, because the US federal government has guaranteed debt issued by commercial banks, making it hard for the credit unions to compete.

Ensuring a level playing field to all financial institutions will be crucial for co-operatives, as the demand grows for tougher regulation of the financial sector.

The *McKinsey Global Economic Conditions Snapshot* (Feb 2009) showed an increase in focus on banks' basic operations, with 45 per cent now saying governments should be more active in regulating banks, up from 37 per cent in November 2008.

NCUA has offered US credit unions 2.5 billion US dollars in low-interest loans to support new lending and to help them weather mortgage-related losses – this aid could expand to \$41.5 billion, since Congress was persuaded to remove a limit on the amount of money NCUA can lend.

Stabilising the sector would protect the nearly 90 million Americans who use a retail credit union. NCUA said it was reviewing how to restructure the corporate credit union system to address the weaknesses.

Like the US, record numbers of consumers are turning to co-operative financial institutions in Europe, as a safe haven for their savings. For example in Switzerland, both the Migros Bank and Swiss Raiffeisen Bank have re-

corded thousands of new clients and an increase of assets.

Migros Bank reported a 75% increase to 1.7 billion Swiss francs in net new money as clients moved funds from large commercial banks, in particular UBS [Switzerland's former largest bank]. Raiffeisen, which had 100,000 new customers, reported that these new accounts had been estimated at one billion Swiss francs.

Raiffeisen Head, Vincenz Pierin, said the bank enjoyed tremendous customer confidence, because its business model is characterised by low risk-taking and a focus on local markets. "We are proud not to be dependent on outside help." Raiffeisen was investing the new funds in providing loans and had created 300 new jobs.

Even in a shrinking mortgage market, the Netherlands Rabobank Group had increased its market share to 29%. The bank has ruled out the need to tap into government support, and although the bank would restrict new hiring, it said it would not cut any jobs.

In France, a government bailout plan for six of its top banks-including co-operative and co-operative controlled banks: Banque Populaire, Caisse d'Epargne, Crédit Agricole and Crédit Mutuel - had caused heated debate about the investment strategies of the bigger institutions (together, these four institutions have a majority share of the retail-banking sector). It is a lesson in banking ethics that is hitting hard.

An extreme case is Norinchukin, Japan's mega

unlisted agricultural bank. Its aggressive investment strategies now threaten the bedrock of Japan's agriculture sector and thousands of farming co-operatives. Norinchukin will tap the 4,000-plus agricultural co-operatives across Japan for a recapitalisation of 1.9 trillion yen. Its problems come from it being one of the most aggressive investment risk-takers in the Japanese financial sector.

Fiscal restraint and self-help are hallmarks of the true co-operative response. In Paraguay, the National Institute of Co-operatives (INCOOP) has developed measures to guide its savings and credit co-operatives through the tough economic times including tighter monetary management, better reporting and reduced expenditure.

While some co-operative banks had gained access to state funds for recapitalisation, many had taken their own measures; from the capital consolidation strategy of Canada's Desjardins Bank, to the mergers of Groupe Banque Populaire and Caisse d'Epargne in France, and Britannia Building Society and the Co-operative Group's financial arm, CFS, in the UK. These customer-owned institutions will challenge battered banks to become sector leaders.

Legislative reforms could pave the way for further consolidation, this time in the Italian co-operative banking sector. The government will study the laws governing co-operative banks, and changes could come as early as next year.

In other sectors, co-operatives are grappling with

the reality of hard times, but initial reports from consumer co-operatives in the UK and Switzerland are showing that co-op sales are equal, if not above those of 2008. Land O'Lakes, the US farmer-owned food and agricultural co-operative, has cited its co-operative form as critical in recording net sales and returning high dividends to members despite the downturn.

Thus, although there is concern, there is some optimism that people are looking to co-operatives more than ever before.

"If you look historically, many co-operatives have started when there's economic upheaval," said Paul Hazen, president and chief executive officer of the National Co-operative Business Association of the United States.

That is being confirmed today. The media is reporting the formation of new co-operatives. For example, in France, sixteen clothing workers recently acquired the status of heroines when they used their own capital to convert the liquidated firm that employed them into a co-operative. And in the US state of Massachusetts, news reports of four women opening a co-operative shop on the site of an insolvent business fit well into the two national surges: co-operatives and women-owned businesses. "People kept telling us this was a terrible time to start a business - but we're seeing people coming in and buying things," said co-founder, Bonnie Hertberg.

The trend to co-operatives today echoes the past.

Co-ops and global crisis (cont'd)



"If you look historically, many co-operatives have started when there's economic upheaval..."

ICA

ICA Strategic Plan 2009 – 2012



Implementation of the first four-year global and organisation wide strategic plan is now underway. The *ICA Strategic Plan 2009 – 2012* is the blueprint for action of the restructured, unified and reinvigorated ICA.

It represents a global vision of activities to be undertaken for the one ICA — the central and regional offices, as well as the sectoral organisations.

It includes common strategic objectives, key result areas, outcomes and indicators which are shared by all parts of the organisation. It also identifies strategic initiatives or activities as defined by each part of the ICA.

The strategic Objectives, defined by the ICA Board are:

1. Consolidate and increase **MEMBERSHIP**.

2. Increase global **INFLUENCE** to promote co-operatives, by improving ICA's effectiveness as a lobbyist and advocate for the co-operative model and values; maintain and develop effective communications; and build the credibility of the ICA as the centre of excellence for knowledge, expertise and co-ordinated action on co-operatives.

3. **DEVELOPMENT**— Develop strong co-operative enterprises for social and economic progress, through capacity building, inter-cooperation, strategic alliances and networks.

4. Strengthen ICA's sustainability through

financial capacity, good **GOVERNANCE** and a committed people base, by seeking funding from alternative sources, maximising good governance of all ICA, building skills, and strengthening the organisational development of ICA.

In order to assess and track progress in the implementation of the plan, ICA has also introduced a new organisation-wide activity and financial reporting system. It has been, and continues to be, a work in progress that is leading to increased coherence, collaboration and coordination of activities at the global, regional and sectoral levels. This is exactly the aim of the Strategic Plan — making ICA a more responsive, effective and efficient organisation.

ICA Vision

The **Vision** of the International Co-operative Alliance (ICA) is to be prized as the organisation of reference which provides an effective and efficient global voice and forum for knowledge, expertise and co-ordinated action for and about co-operatives.

Special report

(cont'd from p.5)



Cartoon illustrating 1939 magazine article about the increasing interest of women in farmers co-operatives

The Great Depression led to a time of exponential growth for farm co-operatives in the US in the 1930s as an effort to help in rebuilding the economy. Farmers were urged to strengthen their co-operatives through member contributions, thereby continually increasing the proportion of member ownership.

Legislation, such as the Co-operative Marketing Act of 1926 and the Farm Credit Acts of 1933 and 1935, recognised the importance of co-operative purchasing. Developing tomorrow's co-

operators was critical, and co-operatives, the family and government all played a role.

Today's policy makers are also making efforts to promote co-operatives. In Kenya, the President is looking to the co-operative movement to help move it out of the food crisis, and create jobs for young people. In the Bahamas, the government is lauding the work of co-operatives in keeping people's hard-earned savings safe and encouraging the continued growth of co-operatives to maintain and improve livelihoods. This is

all good news for co-operatives as long as the autonomy of co-operatives is respected and that co-operatives are seen as sustainable enterprises adapted to all economic situations.

As Land O'Lakes chairman, Pete Kappelman, reminded delegates at their annual meeting: "We have built a system that has consistently created value by helping producers and partner co-operatives manage through down times and capitalise on the up times. Together, we will meet the challenges of 2009 and beyond."

International Year of Co-operatives on the UN agenda

The United Nations has sought the views of ICA members and United Nations Member States (governments) on the 'feasibility' and 'desirability' of declaring a UN International Year of Co-operatives.

A UN year would focus attention on the co-operative form of enterprise and provide recognition at the international, regional, national and local levels of how co-operatives can improve people's lives. The idea is not only to provide visibility for co-operative enterprise, but also promote co-operatives. This includes encouraging governments and international institutions to review policies (legislation, administrative, and fiscal policies, ac-

counting standards, capital requirements, etc) to ensure that co-operatives can develop and grow.

The vast majority of ICA members replying to a questionnaire are in support of an international year. They identify in particular the following major issues that the year should address:

- legislation
- regulation
- training and human resource development
- public awareness of co-operatives

The questionnaire also collected information on areas where the establishment or operations of

financial co-operatives in particular were limited. High capital requirements and restrictions in legislation for the formation of insurance co-operatives were cited as barriers to co-operative activity. This has particular relevance today when we see that many savings and credit co-operatives are proving to be safer institutions than their non-co-operative counterparts.

Although replies from government have been less than expected, initial indications are that there is support for such a Year.

The UN has extended the deadline for replies to questionnaires — see www.copac.coop to download copies.

UN news



Co-operatives are part of the solution to the food crisis

The UN system is rediscovering co-operatives as part of the solution to food security and rural development issues.

In 2008, the World Bank in its *World Development Report* noted the co-operative form of enterprise as an option for effective agricultural development. They recognised their ability as participatory producer organisations to seize new opportunities and handle new threats. Since then, there is a renewed interest in and recognition of the contribution of co-operatives within the UN.

In the current discussion on the food crisis, co-operatives again are being looked to as part of the solution. At a recent workshop on the impact of the food crisis and decent work convened by

the International Labour Office (ILO), the UN Global Food Crisis Coordinator noted co-operatives have a real role in advancing sustainable food security. The World Food Programme at the same meeting noted that they supported co-operatives to promote local food production and availability through their "Purchase for Progress" programme. There were further suggestions that UN agencies including the ILO and Food and Agriculture Organisation of the UN should give more attention to promoting co-operatives as a way to help farmers to not only boost production but also improve access to markets and promote rural development in general.

The ICA joined the discussion stating its interest to participate in the work of

the UN High-Level Task Force on Global Food Security to ensure that its network and competences could assist in addressing the challenges.

An interest of putting people at the heart of the solution was reiterated. However that is only part of the solution as international institutions will need to address the entire food system and in particular the trading system.

There is an urgency for action. Declining commodity prices from record highs in 2008 are not expected to reach consumers, and farmers are already seeing their livelihoods shrink. In fact, the UN estimates that instead of making headway in reducing the number of poor, 2009 will see a net increase.



ICA will participate in a UN Expert Group Meeting to address the food crisis and co-operatives in April at UN Headquarters

ICA Africa

First meeting of the newly elected ICA Africa Board

ICA Africa's newly elected regional board met in Nairobi, Kenya in early February for its first meeting since the ICA Africa Regional Assembly in Abuja, Nigeria, in November 2008. The meeting was hosted by the Co-operative Bank of Kenya and presided over by Stanley Muchiri, chair of ICA Africa

and the Co-operative Bank of Kenya, and vice-president of ICA global.

The board addressed important concerns for the co-operative movement in the region, including the four-year strategic plan for co-operative renewal in Africa.

A number of high profile events planned for this year were also discussed, including the 9th ICA Africa Ministerial Conference. Mr Muchiri reiterated the importance of extending membership and statutory representation to all sub-regions of the African continent.

Before leaving Kenya, members of the board met with the Hon. Joseph Nyagah, Kenyan minister for Co-operative Development

and Marketing. Also present was the assistant minister, the permanent secretary, Seno Nyakenyanya, and Commissioner for Co-operative Development, Fredrick Odhiambo.

The Kenyan co-operative movement has recently celebrated its centennial anniversary, and Minister Nyagah expressed pride in its long history and the close links between Kenyan co-operatives and the regional and global movement. ICA Africa's delegation thanked the Minister and the Kenyan movement for their strong support for co-operative development in the region.

Board members also took the opportunity to inspect the new premises of ICA Africa located in Nairobi.



ICA Africa board with Jan-Eirik Imbsen, acting regional director and Gretchen Warner, membership and development manager, ICA Central Office

ICA Africa new offices



The ICA Africa regional office moved to a new location in Nairobi, Kenya during the first week of February.

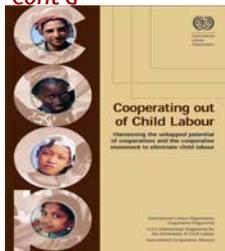
The office has received upgraded computer equipment

and has access to a high speed internet line. It is the first of the ICA offices to have started *Open Office* software which will reduce costs. The phone number and fax remain unchanged.

ICA Africa
11 Lenana Road, Milimani
PO Box 67595
Nairobi 00200, Kenya

UN news

cont'd



Co-operating out of child labour

The Co-operative Unit (EMP/COOP) and the International Programme for the Elimination of Child Labour (IPEC) of the International Labour Organisation (ILO) have partnered with the ICA to raise awareness

on the current and potential contribution of co-operatives in eliminating child labour, as well as to strengthen the capacity of co-operatives around the world to tackle the issue of child labour.

A report on co-operatives and child labour, "Cooperating out of Child Labour", has been published highlighting good practice and suggesting ways forward. Copies will soon be made available from ICA and ILO.

Co-operatives spearhead HIV awareness

HIV/AIDS has been targeted as a health issue requiring immediate and critical attention, and co-operatives have been identified as ideal vehicles to deliver education, training and information aimed at mitigating the impact of the epidemic on the community.

Since 2004, ICA, along with National Co-operative Union of India (NCUI) and National Centre for Computing Techniques (NCCT), has conducted a project to build the capacity of co-operative members and their communities to withstand and sustain the

burden of HIV/AIDS. In 2006-07, ICA Asia-Pacific, with the support of the UK Department for International Development (DFID), initiated awareness-raising and skills development of co-operative leaders, members, women and youth, in four states in India.

Today, ICA is implementing the project, "Mainstreaming of HIV issues in the education and training system of co-operatives", in eleven states.

The project aims to reach 230 million people. It strives to create an enabling environment in co-

operatives among leaders and in their training systems, to include HIV concerns and issues in the mandate of co-operatives.

The first phase (January to July 2009) has already reached around 400 co-operative leaders.



ICA Asia-Pacific

"World needs co-operative lessons", says ICA president

Delivering the Vaidkunthbhai Mehta Memorial Lecture in New Delhi, India, on 13 February 2009, ICA president, Ivano Barberini, said that co-operative principles can help corporate businesses build trust in a time of economic crisis. "Distrust is the biggest challenge for economic recovery, and corporate enterprises must build a model based on co-operative functioning," he said.

Social usefulness and the ability to overcome difficulties have allowed co-operatives to grow worldwide, and add vitality to the world economy. Co-operatives must act as agents

of change: "For this, co-operatives need close relationships with members and stakeholders," said Barberini.

He urged young people to put their faith in co-operative values. At a time when the world is conflict ridden, he was emphatic that it is important to spread co-operative culture to promote peace. "As participatory organisations, co-operatives can innovate," he said.

Barberini congratulated Shri G.H. Amin, president of the National Co-operative Union of India (NCUI) on his election to vice-president of

ICA Asia-Pacific.

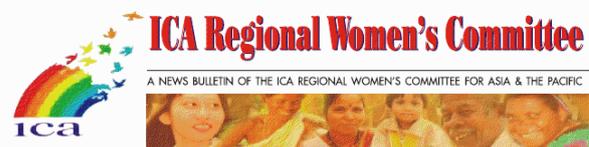
Amin said co-operatives were strong enough to address the needs of ordinary people in these difficult economic times. The Indian co-operative movement had emerged as a vibrant sector in recent times, with many successes.



ICA Asia-Pacific Regional Women's Committee news

The latest issue of the newsletter of ICA Asia Pacific Regional Women's Committee is now available. Gender mainstreaming in co-operatives is steadily gaining

ground as ICA RWC reaches out to more ICA members with its programme and messages. Contact: Savitri Singh, savitrisingh@icaroap.coop



ICA Americas



See ICA Americas website for details on how to make a donation or provide assistance

www.aciamerica.coop



Cooperatives Europe



ICA Americas urges co-operative solidarity

An appeal to the members of ICA Americas has called for solidarity in the face of the devastating consequences of the earthquake that shook Costa Rica on 8 January 2009.

Coopesarapiquí R.L., a coffee co-operative, was severely impacted by the quake that measured 6.2 on the Richter Scale. It lost nine members and its buildings and supermarkets suffered serious structural damage.

National representatives of the movement met on 20 January to discuss solutions to the problems facing the inhabitants of areas affected by the earthquake, and more specifically, the problems facing Coopesarapiquí, its partners and the community of San Miguel de Sarapiquí, where the co-operative has important community and business activities.

“We know that in circumstances like these we can fight together, support and implement the principles and values that have historically characterised [the movement],” said ICA Americas Regional Director, Manuel Mariño.

“Co-operators that are part of ICA-Americas send our deepest sympathy for the pain that the earthquake has brought to many families.”

Framework Law for co-operatives in the Americas

The Framework Law (*Ley Marco*) drafted by a commission composed of experts from Central America and the Caribbean, in collaboration with the ILO COOP, was approved by the ICA

Americas Regional Assembly in July 2008, after a long consultation process.

With ILO funding, it will be made available in Spanish, English and Portuguese and

is currently being printed. It provides guidance on the fundamentals of co-operative law. The text has minimised technical jargon and provides guidance to all kinds of co-operatives.

ICA Americas: Co-operative Summit for the Americas
 “Co-operative response to global crises.”
 21-25 September 2009, Guadalajara (Mexico)
 See www.aciamericas.coop for details.

Co-operatives valued in European economy

Cooperatives Europe has secured an important acknowledgement from the European Commission, on the importance of co-operatives in the European economy.

In reply to Cooperatives Europe’s representations concerning the lack of confidence in the financial system and promoting the merits of a co-operative business model in the current crisis, José Manuel Barroso, president of the European

Commission confirmed that: “Co-operative businesses that have stayed faithful to co-operative values and principles and the co-operative banks, which rely on members’ funds and are controlled by local people, have generally been able to resist the crisis very well.”

“It is for this reason that in 2004, the Commission adopted a communication which acknowledged the importance of co-operative

enterprises for the European economy, and suggested actions to be undertaken in order to promote their growth and competitiveness.

As a follow-up, the Commission will draft a report on the implementation of the measures taken so far for the promotion of the co-operative model of business, which will assess the challenges ahead, and possibly propose further action in 2009.”

Cooperatives Europe General Assembly

“The co-operative response to the economic downturn”
 22-23 June 2009, Sofia (Bulgaria)

See www.coopseurope.coop for details.

Co-operative movement celebrates 100 years

Co-op news

Centenary celebrations are underway for national co-operative movements around the world. ICA congratulates Kenya, Cyprus and Canada on 100 years of continuous, sustainable, ethical co-operative enterprise.

Canada

The Co-operative Union of Canada (which became the Canadian Co-operative Association CCA, in 1987) held its first meeting in Hamilton, Ontario, 100 years ago, on 6 March 1909. To celebrate the contribution of co-operatives and credit unions to the lives of Canadians and to mark a century of service, CCA has organised a series of events throughout 2009.

Many of the planned activities will culminate at "Celebrating a Century of Co-operation: Honouring the Past, Building the Future", CCA's National Congress and Annual General Meeting on 16-19 June 2009.

Other celebratory events include a limited edition book, written by Ian MacPherson, Canada's pre-eminent co-operative historian and ICA Rochdale Prize Winner; a virtual Canadian Co-operative Hall of Fame; and a Youth Action Strategy, to engage Canadian youth in employment, leadership and education in the co-operative sector.

The Canadian co-operative movement, comprising 8,800 co-operatives and 17 million members, makes a significant impact on the Canadian economy. Canadian co-operatives have 275 billion Canadian dollars in assets and employ more



than 150,000 people.

The sector offers 'cradle to grave' services so that a Canadian citizen could do business only with co-operatives by being born in a co-operative health facility, eating co-operative grown food, shopping at co-operatives, banking with a credit union and selecting a co-operative funeral home. See: www.coopscanada.coop

Cyprus

Cyprus marked 100 years since the foundation of its national co-operative movement with a commemorative stamp, issued by the Cyprus Postal Authority on 12 March 2009.

The first co-operative society in Cyprus was

established on 22 November 1909 in occupied Lefkoniko, with the main aim to fight against usury and protect family income.

Since then, co-operative institutions have expanded their activities in both rural and urban areas.

Co-operative societies have been instrumental in reforming economic relations and promoting social institutions.

A renewed and modernised co-operative movement is, today, dedicated to serving its members and improving public welfare.



Commemorative stamp marking 100 years since the establishment of the first co-operative

Kenya

The first co-operative in Kenya known as Lumbwa Co-operative Society Limited was formed in 1908 in Kipkelion District as a dairy co-operative. 100 years later over 7 million Kenyans are now members of one of the 12,000 registered co-operative societies.

Stanley Muchiri, chair of the Kenyan National Co-

operative Federation and chair of ICA Africa, was joined by the President of Republic, HE Mwai Kibaki for the centenary celebrations. Together they noted that 63 per cent of the country's population derived directly or indirectly their livelihood through co-operative based activities, with over 300,000 Kenyans

employed directly and many more indirectly. Mr. Muchiri noted that co-ops were successful in agriculture, financial services, and housing.

Despite the success, President Mwai Kibaki challenged the movement to promote continued growth and encouraged youth to embrace the co-operative movement.



Stanley Muchiri addressing the centennial event with President Mwai Kibaki

Awards

International recognition for values-based business



Visit
www.globalawards.coop
 for award
 criteria and entry
 information.

The global co-operative domain registry, dotCoop, has launched the Global Awards for Co-operative Excellence.

The scheme recognises successful businesses that embrace co-operative principles, and employ strategies that leverage the co-operative business model, such as .coop domain, for branding purposes.

"By focusing attention on co-operatives that have created

successful, ethical businesses, the award will demonstrate the strengths of the co-operative business model to the global economic community," said Paul Hazen, president of dotCoop, president and CEO of the National Co-operative Business Association, and ICA board member.

"Co-operatives can be a winning solution for challenges facing the global community in today's economic realities. Recognising these co-operative leaders helps people realise that these are not just successful businesses, but also successful co-operatives."

ICA encourages co-operatives from around the world and from all sectors to enter. How co-operatives address the challenges and rewards of being a co-operative business will determine the final winners—not the size or scale of the co-operative.

Winners, selected by an international panel, receive funding towards travel to Geneva, Switzerland, in November 2009, where they will accept the award at the ICA General Assembly.

The deadline for entries for the inaugural awards is 31 May 2009.



Desjardins sets gold standard in customer care

Client Contact Centres, operated by Desjardins Group, have been awarded the prestigious COPC (Customer Operation Performance Center) certification for the fifth year; a world first for any financial institution.

The standard is one of the world's most demanding. To receive certification, companies must meet more than 21 criteria linked to productivity, quality and client

satisfaction. COPC certification underscores an ongoing approach to improving operations at Desjardins.

"We want to be the model for client services and the COPC standard is the mark of excellence that sets us apart from other client contact centres around the globe," said Maureen Dubois, vice-president, Financial Services Division at Desjardins.

Desjardins Group is the

largest co-operative financial group in Canada, with 5.8 million individual members.

Desjardins comprises a network of caisses, credit unions and business centres in Québec and Ontario, and twenty subsidiary companies in life and general insurance, securities brokerage, venture capital and asset management.

More info:
www.desjardins.com.



UNIMED valued brand

Brazilian health co-operative giant, UNIMED, is the 27th valuable brand in Brazil, according to a leading independent brand valuation consultancy, BrandFinance.

With a net value of 2.5 billion US dollars, 34% of market share and 15 million

customers, UNIMED closed 2008 with a very positive balance.

"The brand is very strong in Brazil, synonymous with health, quality of life, social responsibility and sponsorship of sports," said Celso Barros, president of UNIMED Brazil.

"We are leaders because [we] absolutely conquered the hearts of our customers, with the sum of concepts which are the essence of Unimed: Happiness, diversity, trust and unity," said Almir Gentil, director, marketing and development of UNIMED of Brazil.

Credit unions launch disaster relief

The World Council of Credit Unions (WOCCU) has launched a disaster relief fund, in collaboration with Credit Union Foundation of Australia (CUFA), for victims of the recent massive brushfires in the Australian state of Victoria.

The fires claimed the lives of more than 210 people and destroyed over 2000 homes,

schools, and commercial and community premises.

In a letter to members on 11 February 2009, WOCCU executive vice president and chief operating officer, Brian Branch, said, "I know how quickly credit unions can struggle when faced with a disaster of this magnitude."

Disaster relief will assist

Australian credit unions, their staff and members, directly, and it will assist them in the task of helping members, who have lost their homes, to rebuild.



Member news

Visit www.woccu.org for more information on the Australian relief efforts and how to contribute

Co-op innovation saving jobs and ensuring sustainability

One of Spain's top consumer retailers Eroski Group has consistently sought innovation to ensure its sustainability. Two years ago it proposed that all Eroski Group subsidiaries become co-operatives and that its 38,500 employees be given the opportunity to become worker owners. On 17 January 2009, the Eroski General Assembly approved the plan and proclaimed itself to be the largest worker co-operative in the world with 52,000 member-workers.

Although the transformation was not linked to today's crisis, it was a forward-looking strategy to ensure its

continued Spanish consumer market. Ranked among the top five retailers in Spain, the new emphasis on the co-operative model of enterprise is already proving to be the right decision.

Eroski has been hit by the downturn in the economy and has taken measures to cut costs across its 2,440 outlets (supermarkets, travel agencies, gas stations, sporting goods and drug stores).

However as workers and owners will now be on equal footing, the urge to reduce costs by cutting jobs will be avoided. In addition, new members will bring an injection of new capital.

Eroski has called this move the 'co-operativisation' of the Group indicating that it has chosen this route for three reasons:

- Ideological coherence
- Simplification of the model of enterprise thus a harmonisation of management goals
- Taking advantage of the competitive advantage of the co-operative model of enterprise.

Eroski is celebrating its 40th anniversary in 2009. Its "co-operativisation" will guarantee its continued sustainability as a major player in the consumer retail business.



Eroski Group of Spain is among the top 100 European consumer retailers

Canadian partnership to reduce poverty through co-ops

Co-operative Development Foundation of Canada (CDF) and Citizens Bank of Canada have teamed up to support development of co-operatives and credit unions in Africa, Asia, the Americas, and eastern Europe. Citizens Bank agreed to donate 10 Canadian dollars to CDF for every \$1,000 pension contribution made between 13 January and 29 February this year.

Since 2005, the bank has contributed \$458,000 to CDF. Funds are used by the Canadian Co-operative Association (CCA), the international development arm of Canada's co-operative movement, in its efforts to reduce poverty in more than 20 countries around the world.

Jason Farris, Citizens Bank president and CEO said,

"Supporting microfinance and agricultural co-operatives builds food security, enhances lives, and allows people in rural communities to stay on their land, rather than being displaced to cities."

Contact Julie Breuer, manager of CDF julie.breuer@coopscanada.coop



Member news

The new ICA Membership statistics are: **222 member organisations** i.e. 197 Members and 25 Associate Members from 85 countries.

New ICA members

ICA welcomes **iCOOP Solidarity of Consumer Co-operatives** (iCOOP Korea) of the Republic of Korea into membership on 8 January 2009.

iCOOP distributes, sells, processes and is engaged in research on eco-friendly food.



iCOOP has a membership of 70 co-operatives and producers, representing 47,232 individuals (80% are women). More: www.icoop.kr

The **Asociación de co-operativas de ahorro y crédito controladas por la Superintendencia de Bancos y Seguros** (ACSB) of Ecuador became an ICA member on 2 February 2009.

ACSB is an association of savings and credit

co-operatives. It promotes collaboration amongst its members and provides group insurance and technical assistance. ACSB has 33 member co-operatives and 1.5 million individual members. More: www.acsb.fin.ec



FENACOOP has a new address:
Ave Santos Dumont, 57, 2 Esq, 1050-202 Lisbon, Portugal
www.consumo-pt.coop

New ICA associate members

Co-operative College of Kenya became an associate member of ICA on 1 January 2009. The college is the main training agency for Kenya's co-operative movement including staff of the Kenyan Ministry of Co-operative Development and Marketing.

Esther Gicheru, Principal of the College, is involved in ICA activities at the regional level and chairs the ICA Africa Gender Committee.



More: www.cooperative.ac.ke

Moshi University College of Co-operative & Business Studies (MUCCoBS) of Tanzania became an associate member on 4 March 2009.

MUCCoBS is an educational institution providing education, training, and research on co-operative development, rural transformation and business studies. The college promotes co-operative education. MUCCoBS and the college principal, Prof. Suleman Chambohas, played a critical role in ICA Africa activities including the recent restructuring of ICA Africa and the report, "The socio-economic impact of co-operatives in Africa and their institutional context".



More: www.muccobs.ac.tz

National Society of Accountants for Co-operatives (NSAC) of the

United States also became an associate member of ICA on 1 January 2009.

NSAC is an association of accountants that represents the needs of co-operative accounting, auditing and tax professionals. NSAC provides accounting, tax and business education to co-operatives; networking and professional development for its member accountants; and supports co-operative business interests in standard setting processes (legal and regulatory).

NSAC has a membership of 1,400. It is a member of the National Co-operative Business Association (NCBA).



More: www.nsacoop.org

Co-op world loses outstanding Philippines leader

ICA wishes to express its deepest condolences and pay tribute to respected international co-operative leader, Representative Guillermo P. Cua, who passed away on 17 December 2008.

Rep. Cua embraced the movement and dedicated 29 years to co-operative development and institutional reform, locally and internationally. His initiatives and support of ICA's member, the Association of Asian Confederation of Credit Unions (ACCU), pushed its branding to the forefront, paving the way for the

introduction of ACCESS standards (AI Competitive Choice for Excellence in Service and Soundness).

As executive director of Mindanao Alliance of Self-Help Societies Inc—Southern Philippines Educational Co-operative Center (MASS-SPECC), from 1997-2000, Rep. Cua helped the organisation become one of the strongest financial intermediation and rural organisations in the Philippines.

In 2000, he was appointed Chief Executive Officer of ICA member, the National Confederation of Co-operatives (NATCCO),

where he introduced changes to improve the financial performance and delivery of projects such as SEDCOP, a bilateral programme that laid the foundation for many current NATCCO projects.

Rep. Cua represented the Coop-NATCCO party in the 13th and 14th Philippine Congress, where his vision for co-operatives nationwide demonstrated his true leadership qualities. His greatest legacy to the co-operative movement is the amended code recently signed into law by President Macapagal-Arroyo.

Co-op people



Guillermo P. Cua

INSCOOP director retires

Dr Manuel Canaveira De Campos has retired after more than eighteen years dedicated service to the co-operative movement.

He was director of INSCOOP, the co-operative sector institute of Portugal, until his retirement at the end of 2008.

In a message to colleagues and friends, Dr Canaveira said he was more convinced than ever of the importance of co-operation in the organisation of the world.

Co-operative values are urgent he said, stressing co-operative solidarity at this time of "planetary crisis".



Email: canaveira.campos@gmail.com

ICA people updates

On 2 March 2009, ICA welcomed Sandrine Mele as ICA Central Office's new Communications Manager who has a background in communications from the commercial world. ICA will tap the fresh look of Ms Mele whose first task is to develop a new ICA Communications Strategy. She will report to Maria Elena Chavez Hertig who retains overall responsibility for the communications function. Contact Sandrine Mele at mele@ica.coop

ICA Asia-Pacific's Director of communications, P. Nair, has a one-year posting to the position of Secretary of ICA Asia-Pacific Research Committee with effect from 1 January 2009. He can be contacted at: icaco@hotmail.com

ICA welcomes Archana Gupta, ICA Asia-Pacific Librarian, to the communications post. Contact her at: archana@icarop.coop

As of 1 January 2009, the new title for Rajiv Mehta is deputy regional director for ICA Asia-Pacific.

The International Health Co-operative Organisation (IHCO) has welcomed José Pérez of the Fundación Espriu as its new secretary following the retirement of Estanislau Simón. Contact him at:

adjuntodireccion@fundacionespriu.coop



Sandrine Mele, ICA Central Office; communications manager

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More events:
[Calendar of ICA events
& related co-operative
activities](#)

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

2009 Calendar of ICA events and related co-operative activities

2009

- | | |
|------------------------------------|--|
| 25-26 March | ICA Board Meeting, Krakow (Poland) |
| 18 April | Co-operatives Europe board meeting, Prague (Czech Republic)
www.coopseurope.coop |
| 28-30 April | UN Expert Group Meeting on Co-operatives and the Food & Financial Crisis and Stakeholder consultation on International Year of Co-operatives, New York (USA) |
| 18-19 May | ICA-Americas board meeting, Lima (Peru) |
| 31 May | Deadline for entries for dotCoop Global Awards for Co-operative Excellence. More: www.globalawards.coop |
| 2-3 June | ICA Board Meeting, Tokyo (Japan) |
| 4-5 June | ICA Asia-Pacific Standing Committee Meeting, Tokyo (Japan) |
| 22-23 June | Co-operatives Europe General Assembly, Sofia (Bulgaria)
www.coopseurope.coop |
| 2-4 September | ICA Research Conference, "People before profit: the response of co-operatives to the global financial crisis and economic recession", Oxford (UK) www.ica.coop/icaccr/ |
| 10-11 September | ICA Board Meeting, Norway |
| 21-25 September | ICA Americas Co-operative Summit for the Americas, Guadalajara (Mexico) www.aciamerica.coop |
| 22-23 October
(to be confirmed) | 9th ICA Africa Co-operative Ministerial Conference, Nairobi (Kenya)
imbsen@ica.coop |
| 5-16 November | ICMIF 2009 Biennial Conference, Toronto, Canada www.icmif.org |
| 15-16 November | ICA Board Meeting, Geneva (Switzerland) |
| 16-18 November | Meetings of ICA Sectoral Organisations & Thematic Committees in conjunction with ICA General Assembly, Geneva (Switzerland)
www.ica.coop/calendar/ for full listing |
| 19-20 November | ICA General Assembly, "Global Crisis: Co-operative Opportunity", Geneva (Switzerland) www.ica.coop |