



# ICA Digest 69

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June 2010

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## International Year of Co-operatives: A unique opportunity

**P**lanning for what is arguably the pinnacle event in the history of the global co-operative movement—the United Nations International Year of Co-operatives (IYC) 2012, is well underway.

The United Nations (UN) has commenced a strategy of engagement with its Member States and the Co-operative Movement. In a communiqué the UN has invited governments to set up national committees to plan and co-ordinate activities and initiatives for 2012, and to identify a focal point at the national level. Just days after its formal 'Note Verbale' six governments in Europe, Latin America and Asia had confirmed their intention to plan celebrations for 2012. Many more are expected to provide positive replies in the coming weeks.

ICA too has been discussing at its Board how to best take

advantage of the International Year to promote co-operatives and has established a formal working group on International Year of Co-operatives. The working group made up of Board members and other key co-operators will assist the ICA in planning its activities.

ICA is already working closely on preparations for the Year through the Committee for the Promotion and Advancement of Co-operatives (COPAC), an interagency committee which is chaired by ICA and in which the UN and other UN agencies participate.

One of the first issues currently being tackled is determining a slogan and logo for the Year. Through COPAC, ICA will be assisting to identify key messages and possible funding sources for activities. ICA is working with its partners to help identify key communications

materials to be developed, brainstorming on possible spokespersons for the Year, 'UN Ambassadors', and suggesting the types of activities that could be carried out at the international, regional and national levels.

ICA members have also started planning for IYC including developing relevant information materials, planning conferences, and taking contact with media to ensure wide coverage. Other plans include co-operative festivals, awards, commemorative stamps and coins, the setting up of co-operative development foundations and the commissioning of research on the impact of co-operative enterprise in the mainstream economy.

The ICA and ICA members have a pivotal role to play in ensuring that co-operatives around the world reap the full benefit of this unique opportunity. However, the

## International Day of Co-operatives focuses on women

**C**o-operative enterprise empowers women is the theme of International Day of Co-operatives 2010. It draws attention to the contribution women make to co-operatives as well as the practical and strategic ways that co-operative enterprise helps empower women. Under the banner of the world's annual co-operative celebration, women and men will come

together on 3 July to focus on how co-operatives play a role in women's contribution to economic, social and cultural life and to strengthen the resolve of co-operatives everywhere to ensure women's greater participation in co-operative enterprise.

Digest 70 will carry a report on the celebrations around the globe. ICA's statement:

International Day of Co-operatives  
Journée Internationale des Coopératives  
Día Internacional de las Cooperativas  
2010



[www.ica.coop/activities/  
idc/2010.html](http://www.ica.coop/activities/idc/2010.html)

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*Maria Elena Chávez  
Hertig, ICA Deputy  
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## From the Editor's desk

This issue announces two major international co-operative celebrations—the International Day of Co-operatives (3 July) and the International Year of Co-operatives 2012. Both are opportunities for the ICA and the movement to raise awareness on co-operatives in general and focus attention on the important contributions that they make to economic and social development.

Articles on ICA's influence of policy-makers whether it be through the ICA President's speech in Australia, the important meeting of the ICA with the International Accounting

Standards Board or the meetings on co-operative policy in the Americas and Africa also highlight the important work that ICA undertakes to promote and ensure co-operative growth. However, the articles on financial co-operatives demonstrate that there will still be battles to be won to educate policy-makers about the co-operative form of enterprise as they seek to put in place new banking regulations that may negatively impact co-operative financial institutions.

Information on ICA and the movement's response to the Haiti disaster highlights the

incredible solidarity of the movement and the capacity of the ICA to coordinate efforts of co-operative development.

The Digest also carries information on leadership changes at the ICA and in its membership. We bid farewell to Iain Macdonald and thank him wholeheartedly for bringing ICA through the restructuring, making the ICA a more solid organisation and sharing his co-operative optimism. We welcome Cooperatives Europe new co-Presidents and wish them well in the tasks ahead. Comments and contributions are welcome!

## Latest news IYC

Information on International Year of Co-operative on new page on ICA website:

[www.ica.coop/  
activities/iyc](http://www.ica.coop/activities/iyc)

## International Year of Co-operatives 2012 (continued)

Year is the opportunity for everyone – co-operatives, governments, international, regional, national and local authorities, community and fair trade organisations, trade unions, other non-governmental organisations and society as whole - to celebrate co-operatives, recognise their contribution to society and take action to encourage their continued growth in the respective economies.

The UN will provide a list of the national focal points for IYC 2012 soon. Co-operatives and other stakeholders are encouraged to already start working with their national authorities sharing ideas about how best to celebrate the Year and how to co-ordinate and how to put forward an exciting programme of events that

can be started in 2012 and may be continued into the future.

IYC will raise the visibility and understanding of co-operatives with decision-makers as well as with the general public. According to the ICA Board—IYC should reach out to the man and woman on the street, who may not know about co-operatives; it should be fun.

"It is our best chance to put co-operatives firmly on the international, regional and national agenda and to influence policies that impact co-operatives positively", says Iain Macdonald, ICA Director-General. "We encourage co-operatives to seek to establish new partnerships with stakeholders interested in advancing co-operative

values, thereby increasing support for co-operative development across the world."

Importantly, IYC will also provide the opportunity to raise the visibility and recognition of the ICA as the global voice of the co-operative movement and the centre of competence on co-operatives.

We need to remember that 2012 is not a single year event, but an opportunity to change the way co-operatives are regarded and how they relate to other enterprises, to international, regional and local authorities and to society as a whole.

Further information will be available on the ICA website and the official website for IYC currently being developed by the UN.

## DG bids farewell to the “best job in the co-operative world”

### DG's Report

**A**s I write, the identity of my successor is about to be announced. What I can say is that I will be leaving the ICA at the end of August after eight years in what I can only describe as “the best job in the co-operative world”. I like to think that the ICA is in a more stable position than it was in 2002, but that is for others to judge. What is certain is that there is still much to be done to place the international co-operative movement where it should be—at the centre of global economic discussions.

One way in which this can be promoted is through our international trade fair, held in December in Bangalore, India. Starting from modest beginnings, the idea of a global co-operative exhibition is one that I believe has immense potential. We all know that we do not practice our sixth principle, *co-operation among co-operatives*, well enough. By encouraging trade between co-operatives and acting in solidarity with the co-operative movements of developing countries, we demonstrate a very relevant way of co-operation among co-operatives. Please make every effort to be in Bangalore in December - whether as an exhibitor or a buyer.

So far in 2010, the ICA Board has met in Manchester, the UK and, more recently, Geneva, Switzerland. We should have met in Moscow, but ‘mother nature’ had other ideas, and the volcanic ash from Iceland forced the cancellation of our meeting. Nevertheless

the Board continues to grapple with some serious issues. Not least, our internal discussions with regard to the budget for 2010. Our restructuring, particularly of membership subscriptions, has created a degree of uncertainty in the short term that necessitates careful management. I am convinced that in the long-term the new subscription criteria, with emphasis on openness and fairness, will encourage a marked influx of new members, giving the ICA a more stable financial base and greater legitimacy from a broader range of co-operative organisations. We also continue discussions with our colleagues in the sectoral organisations, regarding the precise nature of their work and relationship to the wider ICA.

The Board is about to consider the difficult issue of the relationship of the co-operative movement to the social economy (my problem is that I have yet to find a single person or organisation with the same definition of the social economy, and I am not even sure that one exists)! My main concern is to avoid the potential to marginalise our movement which may be the case if it is seen to exist within an amorphous and undefined entity. The politician in me sometimes thinks that this is another attempt by the establishment to undermine the effectiveness and clear superiority of the co-operative model of business. I shall follow the Board's deliberations with interest.

The difference that the co-



operative movement represents was clearly illustrated in our response to the devastating events in Haiti. Reconstruction of the co-operative movement in Haiti is our clear responsibility, and I am delighted with the response of the global co-operative community. We now have a serious level of funds, that if properly used, can make a considerable difference to the lives of co-operators in that country.

I would like to end by thanking the staff and members of the International Co-operative Alliance for giving me the opportunity to serve a global movement in which I truly believe. One clear observation I can make from my travels is that all co-operators share the same belief that the lives of people all over our world can be radically improved by the expansion of co-operative enterprises and its unique combination of social justice, fairness and commercial success.

I hope I still have a contribution to make in the future.

*Iain Macdonald, ICA Director-General (right) and Peter Couchman, Chief Executive, Plunkett Foundation, in Oxford, UK to welcome the Plunkett Foundation back into ICA membership.*

## ICA President ICA President urges vigilance



Dame Pauline Green, at Parliament House in Australia

**"The renaissance of the co-op model as led to some large corporations trying to steal our clothes", Pauline Green, ICA President**

Private corporations are moving in on some of the most cherished principles of co-operative business to strengthen their social credentials, according to Dame Pauline Green, ICA President.

"The language of engagement with, and participation of the customer base, has been reinvented by some large corporations as a strong marketing tool. But actually being a co-operative business

is not about marketing or Corporate Social Responsibility. It is an alternative business model based on member ownership, participation and engagement. These principles cannot be jettisoned when faced with business slowdown or difficult economic times."

Dame Pauline made her comments at the inaugural Social Business Australia (SBA) lecture delivered to co-operative business leaders at Parliament House, Canberra, Australia, on 15 March.

She said it was critical that governments understood the difference between investor-led business and social business: "The renaissance of the co-operative model of the last 10-15 years has led to some large corporations trying to 'steal our clothes'".

ICA and the global movement was determined to use the International Year of Co-operatives 2012 to

drive home to global institutions and national governments—its message of proven, sustainable business, social renewal, democratic ownership and control and community engagement.

Australian Parliamentary Secretary for Social Inclusion, Senator Ursula Stephens, said Dame Pauline had a prestigious record as an international advocate for "values based economic prosperity."

Trent Bartlett, SBA Chair and CEO of Capricorn Society Ltd, the Australian member of the ICA, said it was an honour to have the leader of the global apex body for co-operatives deliver the SBA lecture in the seat of Australian democracy.

The videocast of the presentation, '*Investing in Alternative Economic Futures*' can be viewed at: [www.socialbusiness.coop](http://www.socialbusiness.coop)

## Accounting Standards

Crisis talks to avert serious negative impacts on co-operatives from changes to international accounting standards, were held in London on 11 February, between the ICA and the International Accounting Standards Board (IASB) and its Chairman, Sir David Tweedie. Discussion centred on changes to International Accounting Standard 32, where co-operative shares could be reclassified as debt rather than equity.

Jean-Claude Detilleux, Chairman of the ICA International Accounting Standards (IAS) Working Group, said the evolution since January 2009 was positive. The ICA was particularly satisfied that criteria has been introduced to allow co-operatives to classify member shares as equity even when they have an obligation to redeem them when a member dies, retires, decides to exit or decreases participation.

Sir David said the IASB is listening to the concerns of the co-operative movement and asked the ICA to continue to make representations on behalf of co-operatives, where IASB projects under discussion, threatened co-operative forms.

The ICA has been invited to be a member of the Standards Advisory Council (SAC) which meets quarterly to discuss issues that should be put on the IASB agenda.

## Co-operating around crisis—Haiti earthquake

**O**n 12 January 2010, the struggling island nation of Haiti was hit by a devastating earthquake measuring 7.3 on the Richter Scale. In its wake it left a humanitarian crisis of epic proportions.

The quake and a series of aftershocks destroyed much of the Haitian capital, Port-au-Prince. Millions were left without homes or workplaces. An estimated 50,000 people perished.

The ICA immediately issued a statement mobilising its members and partners to provide emergency relief and reconstruction assistance to the victims in Haiti, and in the days following the disaster, ICA worked with its partners to establish contact with the Haitian ICA member, Conseil National des Coopératives—CNC (National Co-operative Council) located in devastated Port-au-Prince.

The ICA's statement, released on 14 January, appealed for financial donations to fund longer term reconstruction efforts: [www.ica.coop/activities/haiti/index.html#pressrelease](http://www.ica.coop/activities/haiti/index.html#pressrelease)

As in 2004, when Indonesia experienced the cataclysmic effects of a tsunami, the global co-operative movement took early action to assist co-operators affected by the natural disaster.

"As usual, the effort has been heart-warming. We commend and are grateful to the global movement, which

has again demonstrated solidarity and social responsibility," said Jan-Eirik Imbsen, ICA's Director of Development responsible for co-ordinating the response in Haiti.

Haiti is one of the poorest countries in the western hemisphere. 80% of people live below the poverty line, while 54% live in abject poverty. The quake has affected an estimated three million people—a third of Haiti's population.

One of ICA's co-operative development partners, Negev Institute for Strategies of Peace and Development (NISPED), was one of the first members to offer to assist in co-ordinating relief, collecting donations for the early stages of medical emergency aid.

ICA member, World Council of Credit Unions (WOCCU), also launched an appeal to support Haiti's



credit union sector through the International Credit Union Disaster Relief Fund.

Photos—courtesy of ACDI/VOCA-Haiti staff

US Co-operative Development Fund (CDF) mobilised support for rebuilding through the Co-operative Emergency Fund.

The flood of initiatives aimed at helping Haiti in the wake of its disaster demonstrates global co-operative spirit and solidarity.

Co-operative Development Fund of Canada, *continued on next page*

## Haiti crisis

**D**onate to the  
Haiti  
Co-operative  
Reconstruction  
Fund:  
[www.ica.coop/  
activities/haiti/](http://www.ica.coop/activities/haiti/)



## Haiti crisis

Photos courtesy  
of ACDI/VOCA-  
Haiti staff photo

**"This disaster has highlighted the need for an institutional arrangement to ensure we are better prepared and appreciate the benefits of effective coordination,"**  
Jan-Eirik Imbsen

Photos courtesy of  
ACDI/VOCA-Haiti staff  
photo

## Haiti report (cont.)



(from page 5)  
Desjardins Group, CONACOOP (the National Co-operative Council of the Dominican Republic), Migros (Switzerland), Legacoop (Italy), The Co-operative Group (UK) and ACDI/VOCA (USA), are among many ICA members that have launched appeals and projects to assist Haiti's reconstruction effort.

Jan-Eirik Imbsen is particularly inspired by the Bangladesh National Co-operative Union (BJSU) which collected emergency

medical supplies to send to Haiti.

"This is a country with its own history of major disasters. Their outstanding contribution is a true example of the principle of co-operation among co-operatives.

"ICA member, the JA-Zenchu Group, gave a further donation of USD 350,000. This level of support demonstrates the true co-operative spirit in action," said Imbsen.

The ICA Haiti Co-operative Reconstruction Fund enables



members to contribute to longer-term reconstruction efforts. The list of donating partners is found on the ICA website: [www.ica.coop/activities/haiti/](http://www.ica.coop/activities/haiti/)

ICA Director-General, Iain Macdonald said, "The ICA has developed a framework and protocol for disaster reconstruction, involving a collaborative approach during the disaster relief phase, and co-ordination of the co-operative development partners during the reconstruction stage."

Experience has taught the ICA that sharing information, and co-ordinating efforts makes the process of reconstruction more effective.

A critical task now is to collect and collate information about co-operators in Haiti—and to make this information available to ICA members.

"Our aim is not to bring all co-operative projects under one banner, but to ensure that reconstruction is carried out in a cost effective manner, based on information exchange and co-ordination and collaboration. The idea of a protocol is to facilitate and encourage agencies to work together and share responsibilities: This is what our partners expect of us," said Imbsen.

There is a fine line between co-ordination and taking on the main development role. The ICA has been a broker of information—sharing

## Haiti report (*continued*)

news and reports with its mailing list of agencies—thus facilitating co-ordination rather than acting as a reconstruction agency. The ICA may also establish a steering group on the ground in Haiti to gather information on the resources collected globally.

The data would assist the steering committee to determine needs and priorities, avoid duplication and to prioritise the projects that should receive support

from the global co-operative movement.

"This disaster has highlighted the need for an institutional arrangement to ensure we are better prepared and appreciate the benefits of effective coordination. By defining our priorities, the various co-operative agencies can maximise their impact in the reconstruction efforts," said Imbsen.

Increased willingness to co-ordinate efforts encouraged the ICA to draft the

protocol for post disaster reconstruction. The global movement will be encouraged to adopt this protocol.

"To date, the ICA has received more than USD 500,000 from around the world. Needless to say, we will discuss with our partners how this money can best be used in the field to supplement the very generous reconstruction assistance," said Imbsen.

Contact: [imbsen@ica.coop](mailto:imbsen@ica.coop)

## Haiti crisis



Cargo of food aid for Haiti donated by ICA member, Legacoop and its partners

## Members celebrate International Women's Day 2010

The 8 March 2010 was International Women's Day (IWD). The theme: 'Equal rights, equal opportunities: Progress for all' reminded people around the globe that respecting women's rights and guaranteeing equal opportunity are prerequisite for advancing social and economic development.



The ICA took the opportunity to ask its members to strengthen their efforts aimed at achieving gender equality in the co-operatives. Getting more women to take up leadership roles in the sector was also a focus.

Ghanaian credit union leader, Evelyn Kassah, was

one of the women celebrated for her role. Kassah, a manager at the Queen of Peace Credit Union for the past nine years said the support she received from ICA member, the Canadian Co-operative Association's (CCA) had helped her develop the confidence to take higher office in her co-operative. Kassah participated in CCA's international development programme and the *Global Women's Leadership Initiative* run by the Co-operative Development Foundation of Canada. She also received training from the Ghana Co-operative Credit Union Association (CUA).

CCA has worked with CUA on a programme to promote women leaders and encourage more women to become members of credit unions.

ICA member, the Turkish Agricultural Credit Co-operative, celebrated the achievements of its female

employees and members with a special event on International Women's Day and posted ICA's message to its website.

The Co-operative Development Foundation of Canada (CDF) marked the Day with an on-line auction and donated proceeds to the Foundation's Global Women's Fund.

Read the joint statement of the ICA President and the Chair of the ICA Gender Equality Committee at [www.ica.coop/gender](http://www.ica.coop/gender)



Evelyn Kassah, Manager Queen Of Peace Credit Union of Ghana



TACC employees at the IWD celebrations in Turkey

## Regions

### Skills exchange in Latin America

**I**CA Americas has trialled an exchange programme aimed at giving co-operators the hands on exposure to organisations in other regions, to build capacity in the co-operative sector.

The first exchange was in Guanajuato, Mexico, from 31 May to 6 June with ICA members, Mexican savings and credit co-operatives, Federación de Cajas Populares Alianza and Caja Popular Mexicana. The project was supported by the Southern Council of

Savings and Credit Co-operatives (UCACSUR Ecuador) and the Inter-American Development Bank (IADB). It aimed to improve the quality of microfinance services and strengthen local networks.

"There is great scope for this programme to be expanded into new locations and sectors. Everyone wins from these kinds of experience. The visitors obviously gain unmatched experience by seeing how the co-operative movement

works, and the hosts also have a unique opportunity to learn from visitors", said Marianella Ramírez, ICA Americas Services and Products Development officer.

ICA Americas will develop exchange programmes between Latin American co-operatives and co-operatives in the USA and Canada.

For more information contact Marianella Ramírez [aciproductos@aciamicolas.coop](mailto:aciproductos@aciamicolas.coop)

### Building a better regulatory environment in the Americas

**T**he laws governing co-operatives, enacted to protect and support them, have been slow to adapt to new economic realities and in the worst cases may even impede their growth.

ICA Americas is playing a central role in the strategy to reform outmoded and failing co-operative laws and legislation in Latin America. The Co-operative Law and Regulation Initiative

(CLARITY) was developed in 2005 to support this process and ICA Americas has been working on an advocacy strategy as the final phase of the project in Nicaragua. ICA Americas hopes to transfer the project to other countries in the region to assist them in revising their co-operative legal frameworks.

Trainer and facilitator, Alberto Mora, said ICA

Americas main role is to provide specialised advice: "We are working on a strategic plan to promote the approval of a regulatory framework better suited to the needs of the co-operative movement in Nicaragua".

CLARITY has compiled a wealth of resources available on the website: [www.ocdc.coop/clarity/default.htm](http://www.ocdc.coop/clarity/default.htm)

### ICA Americas celebrates 20 years in operation

**I**CA Americas celebrates 20 years of operation in Latin America in 2010. Established in 1990, it serves 74 ICA member organisations and works closely with

other co-operative organisations. Its primary purpose has been to promote uptake of the co-operative model in economic, political, social

and commercial life in the region. It has achieved this through advocacy, member support, growing markets and building capacity in the sector.

### ICA Americas 17th Regional Assembly



ICA Americas 17th Regional Conference will be held 22-26 November 2010 in Buenos Aires, Argentina.

The theme is "Co-operative Engagement for the Preservation of the Planet". See: [www.aciamericas.coop](http://www.aciamericas.coop)

## ICA Africa Regional Assembly and Ministerial Conference

### Regions

Climate change and International Year of Co-operatives will be the focus the 9th ICA Africa Regional Assembly to be held in Maseru, Lesotho from 11-15 October 2010.

The Assembly will be preceded by a meeting of the African Ministerial Conference Technical Committee (MCTC) which is preparing the 10th African Ministerial Conference to be held in Rwanda in 2012.

ICA Africa will welcome Commissioners/Registrars of co-operatives, Chief Executives from the movement and Principals of co-operative colleges at the MCTC. They will come together to assess achievements since the 9th ICA Africa Ministerial Conference (Nairobi, October 2009), and set the agenda for the next meeting. The MCTC will also identify pertinent new issues that require the attention of the Ministerial Conference.

The 9th Ministerial Conference also called for a meeting of Ministers after 12-18 months to ensure better monitoring and evaluation of progress. The first such meeting will be held in Namibia in early 2011. More information [icaafrica@icaafrica.coop](mailto:icaafrica@icaafrica.coop)

ICA Africa has an additional telephone line to facilitate contact with members and partners. Additional telephone number: +254 0202712111

## ICA Asia-Pacific celebrates 50 years

2010 marks the 50 year anniversary of ICA's New Delhi, India, office. It was opened on 14 November 1960 by the first Prime Minister of India, Pandit Jawahar Lal Nehru.

Announcing plans for celebrations, ICA A-P Regional Director, Chan Ho Choi said, "It is my keen desire to capture this historic occasion as a launch pad for spreading awareness

about the relevance and significance of co-operatives and, in particular, the UN International Year of Co-operatives 2012."

The anniversary will be celebrated at the opening of the 9th Regional Assembly of ICA A-P in Beijing China, 1-5 September.

A book will commemorate the past 50 years of ICA work in the Asia-Pacific



region. Celebrations will include an event during Co-operative Week in India and culminate at the second ICA Expo in Bangalore in December 2010.

Watch for updates: [www.icaroap.coop](http://www.icaroap.coop)

## Cooperatives Europe elects new co-Presidents and Board

Etienne Pflimlin from Crédit Mutuel (France) and Felice Scalvini from Confcooperative (Italy) were elected co-Presidents for the term 2010-2014 at the rescheduled Cooperatives Europe Regional Assembly in Brussels on 31 May.

Board members were also elected from France, Italy, Poland, Belgium, Germany, Sweden, UK, Finland, Spain, Bulgaria, Denmark, Czech Republic and Russia.

The European Audit and Control Committee (EACC) now has members from Sweden, France, Malta and Belgium. The Assembly gave acclamation for the contributions of Dame Pauline Green, former co-President and Rainer Schluter, former Director and the outgoing board and EACC members.

For a report from the Assembly go to: [www.coopseurope.coop](http://www.coopseurope.coop)



Etienne Pflimlin and Felice Scalvini, incoming co-Presidents of Cooperatives Europe at the Cooperatives Europe Regional Assembly in Brussels (Belgium) following their election

## Expo 2010

## ICA EXPO 2010: Spotlight on Asia



Venue for ICA Expo 2010,  
Trade Centre, Bangalore,  
India.

**M**omentum is building for ICA's second global co-operative tradefair, ICA Expo 2010, to be held 8-10 December at the Trade Centre in Bangalore, India.

Bangalore was the strategic choice for Expo 2010,

because it is located in one of the world's fastest growing and economically dynamic regions—Asia. The world's largest continent, Asia is also the most populous with almost four billion inhabitants.

The middle class market especially shows strong growth in demand for food and beverage products. India promises to be one of Asia's biggest emerging markets for products and services in

co-operative and retail consumer sectors.

ICA Expo, an initiative of the ICA, aims to become the most important bi-annual trade fixture in the co-operative calendar—offering unparalleled opportunities for co-operatives to market their products and services at scale.

Visit the ICA Expo website, where you can also find more information: [www.icaexpo.coop](http://www.icaexpo.coop)

## Financial Co-ops

### Why are co-operative banks so resilient?

Download the new report by the European Association of Co-operative Banks (EACB) at: [www.eurocoopbank.s.coop/GetDocument.aspx?id=f235ed2e-3a13-4ce8-9262-4fcd25df1155](http://www.eurocoopbank.s.coop/GetDocument.aspx?id=f235ed2e-3a13-4ce8-9262-4fcd25df1155)

### Co-op banks faced with new regulations

**T**he global financial crisis has threatened co-operative banks, in terms of projects led by the International Accounting Standards Board (IASB) and international prudential authority, the Basel Committee on Banking Supervision, but it has also proven their resilience according to a new report by the European Association of Co-operative Banks (ECBA).

The EACB report concludes that the sector came through the economic crisis largely unscathed due to their unique characteristics,

not least their corporate governance. Members, who are also customers, own the entire co-operative organisation. The concomitant long-term view and risk-averse stance translates into a more conservative banking strategy directed towards retail banking. Co-operative banks contribute a large part of their profits to reserves or own funds. Consequently, they are some of the most highly capitalised institutions in Europe and as such contribute to the stability of national financial systems.

On the regulation side, patient work by ICA's

International Accounting Standards (IAS) Working Group has ensured that the co-operative viewpoint is being heard. However co-operative banks will still need to work further. ICA's sectoral organisation for co-operative financial institutions, the International Co-operative Banking Association (ICBA), will lead ICA's lobby and information strategy towards the Basel Committee and the Council of European Banking Supervisors on the redefinition of core capital criteria to ensure the new standards reflect the social aspects of co-operatives.

### Co-operative banks good for green growth

**T**he urgent need to act on climate change had laid the groundwork for a new growth model based on energy efficiency and renewable energy. The green economy favours longer term investments and closer ties between investors and small to medium enterprises—a specificity of

co-operative banks. ICBA members reflected on how co-operative banks can contribute to green growth at their annual seminar held during last year's ICA General Assembly in Geneva. The first task for green investors and banks is to attract the funds that are invested in other sectors.

Support for an emerging sector like the green economy requires a strong commitment on the part of co-operative banks, but it is an investment that fits with their values as they prove to their members that there are different ways to be a banker. Meeting papers found at [www.icba.coop](http://www.icba.coop)



## Customer experience and credit unions

**W**hy do people score credit unions highest for customer satisfaction but take their business elsewhere? What can credit unions do about it? The report '*Customer Experience and Credit Union Opportunities*', produced by a collaboration between the Filene Research Institute of the United States and the

global consultancy, McKinsey & Company, addresses these issues.

The report is based on a 2009 customer experience survey, which asked almost 4000 US respondents for their views on retail banking. It established only marginal benefit in credit unions trying to improve their

customer satisfaction scores because they already score at the top. A more sustainable strategy for high-satisfaction credit unions, is to monitor member perceptions closely while improving sales channels and streamlining delivery.

More: [filene.org/publications/detail/mckinsey](http://filene.org/publications/detail/mckinsey)

## Financial Co-ops (continued)

## Co-operatives work 'liberated land'

**T**he confiscated proceeds of organised crime have been turned over to co-operatives in a bold initiative by the Italian Parliament to involve civil society in the fight against the Mafia. Enacted in 1996, Law No. 109 provides for land and assets from the Mafia to be given to co-operatives for social purposes.

The co-operatives of Libera Terra or 'Liberated Land', which are members of ICA member, Legacoop, produce high quality, organic products and provide work experience for young people from around the world. The first was formed in Sicily in

2001—Placido Rizzotto, named after a trade unionist killed by the Mafia in 1948.

Libera Terra co-operatives provide young people with alternative employment to the economic exploitation offered by the Mafia.

About 4000 seized properties have been allocated to co-operatives throughout Italy. Sicily has five with a total turnover of €3.5 million and 150 workers.

Libera Terra products are supported by the Italian Consumer Co-operatives (COOP). In 2009, sales were worth €2.5 million. Non-co-

operative outlet sales were worth almost €1.5 million.

The Consortium, Libera Terra Mediterraneo, improves production processes and trade integration between producers that share the aims of the project. Cooperare con Libera Terra ('Co-operating with Libera Terra') is a skills bank to support the activities of co-operatives that manage the confiscated lands. Its 70 plus members operate across Italy.

More information  
[www.liberaterra.it](http://www.liberaterra.it)  
[www.cooperareconliberatera.it/](http://www.cooperareconliberatera.it/)

## Member news



## Press highlights virtues of co-operative brand

**T**he launch of a common logo for French workers' co-operatives—The SCOP brand—by new ICA member, **The French Confederation of Workers' Co-operatives** was an opportunity for the co-operative model to be promoted in the media.

An article in *Le Monde* on 1 February highlighted co-

operatives' stronger economic results compared to conventional enterprises, and their capacity to survive in a crisis. CICOPA, ICA's sectoral organisation for industrial, artisanal and service producers' co-operatives, had already drawn attention to co-operative resilience in its 2009 report, *'The impact of the crisis on co-operatives: a*

*survey of CICOPA members.'* Updated figures are due to be published in 2010.

A web article for *L'Entreprise* magazine focused on how a worker buy-out in the form of a co-operative can be an alternative to the closure of a company that does not have any successors or is in crisis.

Visit: [www.les-scop.coop](http://www.les-scop.coop)



## Social co-operatives outperform in Italy



Professor Borzaga in Sydney, Australia

**E**uRICSE, the European Research Institute on Co-operative and Social Enterprise (University of Trento, Italy) of which Cooperatives Europe is a founding member—has found the phenomenal growth of social co-operatives in Italy in the last few years can be attributed to a favourable legal and regulatory environment and to downward pressure on public sector budgets.

A law recognising social co-operatives enacted by the Italian Parliament in 1991

had contributed to growth together with government outsourcing and procurement policies. These types of co-operatives now account for 60% of the total supply of social services in Italy.

Professor Borzaga, President of EuRICSE, and Dr Ermanno Tortia discussed the research with co-operative researchers from the University of Sydney, Australia. A symposium held 15-17 February marked the beginning of a research partnership aimed at

advancing the co-operative sector in both countries.

Borzaga and Tortia discussed the need for new paradigms to explain the specificities of co-operatives. Contrary to expectation, research showed that co-operatives thrive in a competitive market. The Italian case suggests that co-operatives are not marginalised as a country develops, or that they only grow in periods of crisis.

EuRICSE papers can be accessed at [www.euricse.eu](http://www.euricse.eu)

## REI in Fortune's top 100 list



**C**onsumer co-operative, Recreational Equipment Inc of the United States was ranked 14 on Fortune Magazine's list of the top 100 best employers to work for. REI is one of just a handful of companies to appear on the list every year since it was first compiled in 1998.

Companies are ranked by employees' on job satisfaction, management credibility, pay and benefits, hiring and communication.

REI's benefits include a retirement plan, health-care benefits for all, including part-time employees, gear discounts, free rentals and

encouragement of work/life balance. Community involvement and support for outdoor-focused clubs and non-profit organisations was also a factor.

For more information see: [www.rei.com](http://www.rei.com) and [money.cnn.com/magazines/fortune/bestcompanies/2010](http://money.cnn.com/magazines/fortune/bestcompanies/2010)

## Member Updates



Central Co-operative Society new logo

### Member updates

**Organização das Cooperativas Brasileiras (OCB)** is celebrating its 40 year anniversary. Visit: [www.brasilcooperativo.coop.br](http://www.brasilcooperativo.coop.br)

**The Kibbutz Movement**, an ICA member since 2006, is celebrating its Centenary this year. Visit: [www.haaretz.com/hasen/spages/1140864.html](http://www.haaretz.com/hasen/spages/1140864.html)

**The Co-operative Alliance of Kenya (CAK)** is the new national apex for the co-operative movement, replacing the National Apex for the Co-operative Movement of Kenya (KNFC).

CAK is temporarily housed at the Co-operative College of Kenya. Tel. +254 20891401 (ext 210)

CAK will revise agreements entered into with KNFC to ensure a smooth transition of planned activities and partnerships to the new organisation.

ICA member, **Central Co-operative Society Ltd** of Myanmar has a new logo, adopted on 1 June by resolution of the Board (pictured left).

## New Chief Executive for SOK

**K**uisma Niemelä has been appointed Chief Executive Officer of SOK Corporation of Finland ([www.s-kanava.fi](http://www.s-kanava.fi)), succeeding Arto Hiltunen, who resigned for health reasons.

Niemelä was a member of SOK's Executive Board from 2002-2007. He has been a member of the Central Finland Chamber of Commerce Board of Directors since 2001 and the Chairman 2005-2010.

Niemelä worked on the Supervisory Board of Yritysten Henkivakuutus Oy Tapiola and on the Board of Directors of the Confederation of Finnish Industries EK's regional office in Central Finland.

## People



## New Chair of Council of Korean Co-operatives

**W**on-byung Choi, Chairman of the National Agricultural Co-operative Federation, Korea, was re-elected Chair of the Council of Korean Co-operatives on 30 March 2010.

Established in 2009 to enhance co-operation

amongst co-operatives and promote the co-operative movement, the Council comprises these ICA member organisations: Solidarity of Consumer Co-operatives (iCOOP Korea); Korean Association of Social Economy Enterprises (KASEE); Korean Federation of Community Credit Co-

operatives (KFCCC); National Agricultural Co-operative Federation (NACF); National Credit Union Federation of Korea (NACUFOK); National Federation of Fisheries Co-operatives (NFFC); and National Forestry Co-operatives Federation (NFCF).



## NCUI's new President

Dr Chandra Pal Singh Yadav, was elected President of the National Co-operative Union of India (NCUI), the apex body of the Indian co-operative movement, at the first meeting of the new Board of Directors on 18 March 2010.

Dr Yadav has been associated with the co-operative movement for more than 15 years, active in the development of agriculture and marketing co-operatives. His special interest is disseminating knowledge on new technology in agriculture, and dairy farming.

Dr Yadav is Chairman of KRIBHCO, a fertiliser co-operative, and Vice-Chairman of the National Agricultural Co-operative Marketing Federation of India (NAFED). He has contributed to public education programmes focused on gaining better conditions for Dalits.



## NCF-N elects new Chair

**K**eshab Prasad Badal, former Minister for Trade and Commerce, representing the Nepal Central Agriculture Co-operative Federation Ltd, was elected Chairman, National Co-operative Federation of Nepal (NCF/N) at the 17<sup>th</sup> Annual General Assembly in Kathmandu on 9 March 2010.

His vast experience in the co-operative sector includes his role as NCF/N advisor for more than eight years.

He was also Member of Parliament, 1991-1999; Advisor, National Co-operative Bank, 2005; Member, Co-operative Sector Reform Advisory Commission, 2004; and

Advisor, Central Dairy Co-operative Association, from 2002.

Badal was instrumental in the establishment of consumer co-operatives in the Bara district. He welcomes the opportunity to work closely with the ICA and looks forward to its continued co-operation and support.



## People

### Updates on member contacts?

Email updates and appointments with photos and logos to Ms Gretchen Warner: [warner@ica.coop](mailto:warner@ica.coop)

## New appointments

Jong-Baek Shin was elected Chair of the **Korean Federation of Community Credit Co-operatives (KFCC)** on 26 February 2010 for a four-year term. Shin has 20 years community credit co-operative experience. He is Chairperson of the Chun Cheon Community Credit Co-operative in Gangwon Province, Korea.

**Mauritius Co-operative Union** elected Mr I Rajcoomarsing on 1 March 2010 as President for 2010-11. The outgoing General Secretary is Mr Bucktowar.

**National Confederation of Co-operatives (NATCCO), Philippines**, has a new Chief Executive Officer, Ms Sylvia Paraguya.

Mr G Nair is the new Managing Director of **National Co-operative**

**Development Corporation (NCDC), India**. He succeeds Rajiv Aggarwal.

The new Chair of the **National Labour Co-operatives Federation of India (NLCF)** is Mr Sanjiv R. Kulaskar.

**MAM Credit Union** elected Dr Mohammad Reza Amirhassankhani, the founding member of MAM Credit Union, as President and Managing Director at the MAM General Assembly, November 2009.

**Iran Central Chamber of Co-operatives** has added the position of Deputy of International Affairs to develop international relations and global visibility. Mr Alireza Ghaniatpour has been appointed to the position.

Professor Suleman Chambo, long-time Principal of **Moshi University College of Co-operative and Business Studies**, Tanzania retired on 2 January 2010. Professor Chambo will stay on as a trainer, researcher and advisor. He remains active in the co-operative movement. Professor Faustine K. Bee was appointed the Principal on 13 April 2010 for a four-year term.

Mr N Sajiadi was recently appointed Managing Director and Chairperson of the **Central Organisation of Rural Co-operatives (CORC)** of Iran.

Mr R Raeisi Nejad was appointed Managing Director of the **Central Union of Iranian Agricultural and Rural Co-operatives (CURACI)**.

## Obituary



### Robert Beasley—ICA's first American Director-General

**R**obert L. Beasley, the first American to head the International Co-operative Alliance, died on 11 March 2010 at Boone Hospital Centre, Missouri (USA)

Beasley took over as the ICA Director in 1984 during a particularly turbulent time for the organisation. ICA members included co-operatives from both sides of the then crumbling 'Iron Curtain'. The ICA had also recently relocated from London to Switzerland, leaving behind the majority of its professional staff.

During his four-year tenure Beasley successfully reversed a serious fiscal deficit which he had inherited. He stepped down in 1988.

Beasley served as ICA's Director-Emeritus (1988-89) seconded to the World Bank in Washington DC (USA) to improve co-operative policies and procedures.

In 1989 Beasley became a senior associate in the Washington-based E.A. Jaenke and Associates consulting firm, where he consulted on co-operatives

and Eastern Europe until his retirement in 1993.

A long-time executive at Farmland Industries, a large agricultural co-operative in Kansas City, Beasley was active in civic service and business organisations for most of his adult life. He was adjunct professor in the Missouri University Peace Studies programme and retired in 2009.

Read more:  
[www.legacy.com/obituaries/kansascity/obituary.aspx?n=robert-l-beasley&pid=140689646](http://www.legacy.com/obituaries/kansascity/obituary.aspx?n=robert-l-beasley&pid=140689646)

## New Members



Central Co-operative  
Bank of Bulgaria

**Central Co-operative Bank Plc (CCB)** of Bulgaria was established in 1991 to unify the financial resources of the co-operative system in the country. It services agricultural co-operatives and private companies with commercial banking services and represents some 6,000 individual members and 900,000 clients. More information: [www.ccbank.bg](http://www.ccbank.bg)

**The International Committee for the Promotion of Chinese Industrial Co-operatives (ICCIC-Gung Ho)** has joined ICA as an associate member. ICCIC is an international non-governmental organisation founded in 1939 in Hong Kong to protect and promote the Chinese Industrial Co-operatives Movement. It represents co-operative leaders, workers, non-governmental organisations, schools and other enterprises. ICCIC has 100 members in 10 countries, including 84 within China. They have founded over 20 pilot industrial co-operatives in China. More information: [www.iccic.org.cn](http://www.iccic.org.cn)

**Iran Oilseeds & Vegetable Oil Processing Factories Co-operative Co. (Farda Co.)** is a production and distribution co-operative for raw oilseeds and vegetable oils. 75% of the vegetable oil crushing industries in Iran are members of Farda Co. with 23 member companies.

It provides a variety of member services including training, transport, raw materials, loans and insurance. More information: [farda-oil.ir](http://farda-oil.ir)

**Cooperativa de Ahorro y Crédito San Pedro de Andahuaylas (CAC San Pedro de Andahuaylas)** of Peru promotes savings and insurance and aims to improve the well-being of its members. It also supports the co-operative movement, with its policy of social support and co-operative culture.

**Union Nationale des Coopératives Artisanales d'Art, de Production et de Service (UNCAAPS)** represents the artisan co-operatives of Senegal. It provides training and supports member projects. UNCAAPS has 96 member societies and two employees, both women. UNCAAPS participates in ICA's sectoral organisation, CICOPA.

**VICTO National Co-operative Federation and Development Centre** is the Philippine federation of co-operative societies. It provides education and training, consulting, project and business development. It brings together the co-operative movement with 17 federations and unions. VICTO National is the only co-operative to receive the Senior Benigno S. Aquino

Foundation Award for its work in disadvantaged communities. It was the first recipient of the award for development management sponsored by the World Executive Digest and Japan Airlines.

**The Agricultural & Industrial Co-operatives Society of Georgia "Union of Co-operatives - IBERIA"** of Georgia has 3,000 members, one-third of which are women. Members are farmers and former members of ex-Tsekavshiri district co-operative organisations and independent agribusiness companies of Georgia. Activities include implementation of new technologies and machinery on farms and processing plants; promotion and implementation of co-operative development activities; promotion of co-operatives' export/import activities; agribusiness training; promotion of co-operatives in post-conflict areas of the country. In 2006, IBERIA members were responsible for 2% of the wine production; 12% honey; 1% meat; 3% milk and dairy products; 2% vegetable; and 80% of the production of medicinal plants in Georgia.



Farda Co.

Farda, Iran



ICCIC-Gung-Ho,  
China



VICTO Philippines

**The current ICA membership statistics are:**

**242 member organisations:  
212 Members and  
29 Associate Members  
from 91 countries**

**INTERNATIONAL  
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**[www.ica.coop](http://www.ica.coop)**

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

The current and past issues of the ICA Digest are found on the ICA's website  
[www.ica.coop/publications/digest](http://www.ica.coop/publications/digest)

## 2010 Calendar of ICA events

### 2010

21-25 June	ICA Asia-Pacific Special Workshop of Campus/University Co-op Committee (Indonesia)
3 July	International Day of Co-operatives <a href="http://www.ica.coop/activities/idc.html">www.ica.coop/activities/idc.html</a>
15-16 July	ICA Americas Board Meeting, Las Vegas (USA)
30-31 August	ICA Asia-Pacific Workshop on Development of Consumer Co-operatives (Korea)
1-5 September	ICA Asia-Pacific Regional Assembly, Beijing (China)
2-3 September	ICA Board Meeting, Beijing (China)
3 September	Co-operative—Government Consultation Meeting on Agenda for 9th ICA Asia-Pacific Ministers' Conference on Co-operative Policy and Legislation, Beijing (China)
4 September	6th ICA Asia-Pacific Co-operative Forum, Beijing (China)
2-4 September	ICA Research Committee, European Research Conference, "Co-operatives contributions to a plural economy", Lyon (France) Call for papers: <a href="#">English</a> (pdf) - <a href="#">Français</a> (pdf) Information: <a href="http://www.cress-rhone-alpes.org/cress/">www.cress-rhone-alpes.org/cress/</a>
7-8 September	ICA Americas Regional Board Meeting, Brasilia (Brazil)
9 October	ICA Africa Board Meeting, Maseru (Lesotho)
10-13 October	ICA Africa Regional Assembly, Maseru (Lesotho)
14-15 October	ICA Africa Ministerial Conference Technical Committee Meeting Maseru (Lesotho)
21-26 November	ICA Americas Regional Conference, "Co-operative Commitment to Preserve the Planet", Buenos Aires (Argentina)
8-10 December	ICA Expo 2010, Bangalore (India) <a href="http://www.icaexpo.coop">www.icaexpo.coop</a>
9-10 December	ICA Board Meeting, Bangalore (India)

### 2011

ICA General Assembly, Mexico

### 2012

United Nations International Year of Co-operatives  
ICA Africa Ministerial Conference, Rwanda



Questions about .coop? Visit [www.coop](http://www.coop) or e-mail Dotcoop at [support@nic.coop](mailto:support@nic.coop)."