



**ISSUE No: 10 — DATE: August 2001**

## NEWS FROM ROEP

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### ☆ **ICA Europe-ICAO Joint Workshop in Budapest**

It was the first time that ICAO organised a Workshop in Central Europe. It was entitled "Promotion of rural development through agricultural co-operatives". The programme aimed at providing a forum for discussion and exchange of experiences in order to facilitate the adaptation of agricultural co-operatives of Central and Eastern European countries (CEECs) to the European Union's standards on the one hand and their involvement in the enlargement process on the other. Lars Hillbom, ICA Europe President and Hasle Nielsen, Vice-President of ICAO chaired the meeting. Shil-Kwan Lee, Secretary General of ICAO talked about the experiences of Korea in maintaining rural population. COGECA representatives made presentations on the process of European integration in agriculture while participants from CEECs gave an account of their development and difficulties. Speakers from the FAO and the Dutch co-operative movement addressed the questions of sustainable agriculture and the importance of farmer-owned local businesses in a globalised world.

The presentations of the Workshop are being published by the Hungarian host organisation MOSZ. Participants of the Workshop, members of ICAO and all European ICA members will receive a copy. For further information, please contact ROEP at [icaeurope@coop.org](mailto:icaeurope@coop.org)

### ☆ **Co-operative Oscar for Lars Hillbom**

During a special celebration of the International Co-operative Day held in the Polish Parliament building in Warsaw, Lars Hillbom, ICA Europe President was awarded the highest co-operative distinction in Poland in recognition of his consistent support of and contribution to Polish co-operative development.

### ☆ **New staff**

Pascale Blyth is the long-awaited second full-time staff of the Regional Office for Europe. She started work on 1 August as a Programme Officer, following Martina Donahower's departure at the end of February. A British-French national, Pascale is 28 years old and speaks English, French and German and can read Spanish. Welcome Pascale!

### ☆ **Lobby Seminar papers published**

The proceedings of the ICA Europe Seminar "Co-operatives in the New Europe - Interacting with governments and the European Union's institutions" held in Brussels on 1-2 February 2001 have recently been published and sent to participants and all European member organisations. A limited number of copies are still available from the Secretariat.





## ☆ Next Development Workshop

KF Sweden will be hosting the fourth European Development Workshop in Stockholm on 26-27 November. The theme “Strength of co-operative identity in a globalised economy” will cover the following three aspects:

- ?? Membership relations,
- ?? Increasing integration as a survival strategy for co-op businesses (national, cross-border and digital integration) and
- ?? European legislation

## NEWS FROM MEMBER ORGANISATIONS

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### ☆ Denmark-Norway-Sweden

The European Commission has approved the establishment of the joint venture **Coop Norden** between three co-operative societies: KF, Sweden, FDB, Denmark and NKL, Norway. The three parties will combine their business activities with regard to procurement, wholesale and retail of daily consumer goods.

According to the Commission’s practice the geographic markets for everyday consumer goods are national in scope. The proposed transaction has been authorised because it does not raise any competition problems on any national markets as the parties are active in different Member States. None of the three parties have a market share on any national market above 40 per cent. The strongest position is found on the procurement and the retail markets in Denmark where FDB has market shares slightly below 40 per cent but faces stiff competition from competitors.

On 16 August the Board of Coop Norden elected Ebbe Lundgaard (CEO of FDB Denmark) as Chairman and appointed Roland Svensson, (CEO of KF Sweden) as Chief Executive Officer.

Coop Norden will start its activities in January 2002 as the biggest group of retailing daily consumer goods in the Nordic countries. Its total turnover amounts to 100 billion SEK (close to 10 billion USD) and 64.000 employees. The business will be owned by 5 million members, with KF holding 42 per cent, FDB 38 per cent and Coop NKL 20 per cent of the shares. The head office will be set up in Göteborg, Sweden.

### ☆ Italy

On 19 July the Finance and Justice Commission of the Italian Parliament issued a **draft law** which empowers the Government, in the framework of the re-organisation of company law matters, to re-write the rules governing the co-operative societies, including the possibility to define a mechanism to facilitate the transformation of large co-operatives into joint-stock companies thus again marginalising co-operatives.

This is the hardest attack the Italian co-operative movement has experienced so far in the post-war period. The reaction of the Italian co-operative organisations has been particularly strong.

**COOP Italia** received the Corporate Conscience Awards on 14 June in New York. The award is conferred annually by the Council on Economic Priorities to large companies, which have distinguished themselves for their initiatives and behaviour aimed at creating a sustainable society.



## ☆ Poland

In spite of the protest and of the General Assembly Resolution No. 6/2001 of the National Co-operative Council (NCC), the Polish Parliament passed a new **Co-operative Law** on 25 July. The new Law is extremely unfavourable to the development of the well-established co-operative movement in Poland. The Board of NCC decided to call a Special Co-operative Congress on 7 September to discuss the Law and draft an appeal to the President of the Republic requesting him not to sign the Law. ICA's support has been asked for.

Many agricultural, consumers and housing co-operatives have been badly affected by the heavy **flood** in Southern Poland end of July. The National Co-operative Council is requesting all co-operative organisations to help. The appeal of NCC is attached to this Bulletin.

## ☆ United Kingdom

"**The co-operative director**" is a recently launched newsletter of the Co-operative Union designed to be a vehicle for keeping directors (Board members, committee members and Chief Executive officers) up to date with initiatives and developments in the co-operative world. It will be published twice a year. For more information please contact Pauline Green, Chief Executive or John Butler at: [jbutler.coopunion@co-op.co.uk](mailto:jbutler.coopunion@co-op.co.uk)

The re-evaluation of the **Co-operative Union's** services has continued and so has the determination to develop creative new partnerships with the wider Movement. Partnership agreements have been signed with ICOM, the national federation of worker co-operatives and employee-owned businesses, and UKCC, the promotional body for co-operative organisations and co-operative forms of business of all kinds. The clear aim of this strategy is to ensure a more coherent national voice for co-operation, enabling the Movement to influence decision-makers in government, the economy and the media.

Stanford Hall Estate was sold for 5 million pounds. **The Co-operative College** is moving on a temporary basis to Holyoake House, Manchester. A strategy is being drafted with the input of all interested members on how best to use these funds on improving co-operative education.

The co-operative-owned **Poptel** has been ranked in the top five Internet Service Providers (ISPs) in terms of availability and access/download speeds in the UK by Internet Magazine. The external audit stated that Poptel was one of the most secure ISPs. The Manchester-based technical team has been appointed the official service provider at the launch of the dot coop project.

**The Co-operative Bank** was pronounced "Company of the Year" at the Business in the Community (BITC) Awards for Excellence 2001 ceremony in London on 11 July, when it won the Impact on Society Award.

The co-operative commitment to rural communities was emphasised by **Co-operative Group** Chief Executive Graham Melmoth when he spoke at the launch of the "Business in the Community Rural Action Initiative" attended by the Prince of Wales at the end of July. "The Co-operative Group makes its impact on the rural economy in two ways in particular. First, its portfolio of 1,100 shops is one of the most geographically spread in the industry, with over half of them in rural communities. Second, we have been farmers since the beginning of the last century and, we husband 85,000 acres. That means we have been at the heart of rural life for a long time." – said Mr.Melmoth.



## ☆ Ukraine

Lars Hillbom, ICA Europe President, gave a presentation at the International Conference on the “National co-operative movement and structural changes in the economy of the Ukraine” organised by the Central Union of Co-operative Societies (Ukoopspilka) in Kiev on 26-27 June. His speech addressed the question of the role of co-operatives in the new century with particular attention to the challenges of globalisation, co-operative initiatives in new sectors and cross-border co-operation. Representatives from Belarus, Germany (Prof. Münkner), Moldova, Poland, Russia and Sweden (KF Project Centre) also attended the conference.

## SECTORAL NEWS

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## ☆ Banking

At the **ICBA Seminar** in Seoul on 15 October, the results from two major research studies will be presented, which were carried out in the area of co-operative identity in relation with capitalisation strategies and global market competitiveness. The title of the Seminar is: “Co-operative logic versus market logic applied to capitalization of co-operative banks and to their growth strategies”. Contact person at ICBA Secretariat: [ann.lavoie@desjardins.com](mailto:ann.lavoie@desjardins.com)

The European Commission has approved the creation of a start-up joint venture (“NewCo”) between two **Austrian banks**, Creditanstalt AG and Raiffeisen Zentralbank Österreich AG, which acts as representative of the Austrian Raiffeisen group. NewCo will operate in the field of electronic bill presentment and payment. The project should not result in any distortion of competition.

## ☆ Insurance

After 43 years of state monopoly **Kooperativa** was the first commercial insurance company established in the Czech Republic in 1993. It has grown to be the second largest insurance company on the domestic market, with a market share of over 16 per cent. ACME member Wiener Städtische, Austria, has played an important role in assisting Kooperativa’s development.

The insurance market in the Czech Republic has been growing at a double-digit rate over the last three years. However, strong competition in industrial and business insurance and lower growth in life insurance have led to a slowdown in the rate of increase of premium growth.

**ACME**’s annual conference, hosted by Kooperativa in Prague, could well prove to be a turning point in the history of European Co-operative and Mutual Insurance. To find out more go to the ICMIF web site where the newsletter “Rapport” of ACME is published:  
<http://www.icmif.org/public/services/publications/pdf/rapport/rapportUK15.pdf>

## EUROPEAN COMMISSION

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## ☆ Social Economy Conference

Erkki Liikanen, Commissioner in charge of Enterprise and Information Society sent a video message to participants of the 7th Social Economy Conference held in Gävle, Sweden on 7-9 June. Other representatives from the European Commission, Lorimer Mackenzie, Director of DG



Enterprise and Francesco Ianniello, Head of Unit gave an update on the European policies affecting social economy and encouraged participants to provide more input to the Commission, thus enabling them to improve European legislation on co-operatives, mutuals and associations.

The Conference adopted a Resolution demanding a full recognition of the social economy by the European institutions, by national governments in the EU as well as in CEE countries. Furthermore the Resolution asked the EU Council of Ministers:

- ?? that the role of social economy sector is recognised in the Treaty;
- ?? that the European and national legislation take into account the characteristics of the social economy organisations and enterprises;
- ?? to adopt the European Co-operative Statute as soon as possible;
- ?? to clarify the EU rules concerning local services of general interest.

The resolution is available at: <http://www.socialeconomy2001.se/eng/seresolution.html>

The Conference papers will be published in September.

### ☆ **Call for proposal**

The European Commission has recently published a Call for Specific Projects to promote the interests of the consumers in 2002 (OJ C 215/11 of August 1st 2001). Any consumer organisation is invited to submit a proposal. Projects should aim at:

- ?? educating consumers with regard to product safety;
- ?? at developing and managing the risks posed by consumer products or
- ?? at identifying and evaluating the out-of-court bodies involved in resolving disputes.

The funding will not exceed 50 per cent of the expenditure estimated to implement the project. The application form is available electronically at the following address:

[http://europa.eu.int/comm/dgs/health\\_consumer/library/tenders/call08-09-intro\\_en.html](http://europa.eu.int/comm/dgs/health_consumer/library/tenders/call08-09-intro_en.html)

The deadline for applications is 31 October 2001.

### ☆ **Gender issues**

A new report on women in the EU entitled, "Young Women's Guide to Equality between Women and Men in Europe" provides the following findings: Only 24 per cent of members of European Governments are women. Men occupy 87 per cent of key positions in the Media industry. Women only represent 29 per cent of journalists/editors in the written press in Western Europe. Young women questioned say the media's power is often used against women. A woman was appointed judge in the European Court of Justice for the first time in 1999, although the Court was established 50 years ago. Women still perform 80 per cent of household tasks (except in Nordic countries). Significantly because of this, 83 per cent of part-time workers in the EU are women. In the EU as a whole, women doing the same work as a man are paid only 76 per cent of the man's hourly wage. Copies of the report can be obtained from the European Women's Lobby (EWL) at: <http://youngwomen.womenlobby.org>

### ☆ **Funding opportunities**

Go to [http://www.welcomeurope.com/eurofunding\\_zineen.asp](http://www.welcomeurope.com/eurofunding_zineen.asp) and you will find the latest news and funding opportunities from the European Commission, the European Council, the EIB (European Investment Bank) and others. The latest edition includes:

- ?? New grant programmes.
- ?? Interviews of project coordinators.
- ?? The agenda of European professional events.
- ?? A special file on the EIB Group and its lending opportunities, guarantees and venture-capital.



### ☆ **Göteborg European Council**

The EU Heads of State met on 15-16 June in Sweden and discussed, amongst other things, enlargement and sustainable development strategy. They hope to have completed negotiations by the end of 2002 with the first group of candidate countries so that they can participate as members in the European Parliament elections in 2004. The EU Heads of State also endorsed the Communication "A Sustainable Europe for a Better World" which is the EU strategy for sustainable development. This Communication covering the EU's internal policies will be followed by a second document on external policies. Its objective is to secure a better quality of life for present and future generations by taking urgent action.

The conclusions of the meeting are available at:  
[http://europa.eu.int/comm/gothenburg\\_council/index\\_en.htm](http://europa.eu.int/comm/gothenburg_council/index_en.htm)

### ☆ **Enterprise policy 2000-2005**

The Commission's enterprise policy aims are set out in the Working Paper "Towards Enterprise Europe – Work Programme for Enterprise Policy 2000-2005". In 2001 the main aims of enterprise policy are defined as follows:

- ?? Encouraging entrepreneurship
- ?? Promoting innovation and change
- ?? Getting still more from the Internal Market
- ?? Analysing Europe's competitiveness and integrating it with other policies

The document can be downloaded from: <http://europa.eu.int/comm/enterprise>

### ☆ **Employment in Europe**

On 7 July the Commission published the Employment in Europe 2001 report. The report shows rapid all-round improvement in the way EU labour markets work. Champions of job creation are hi-tech, highly skilled women. It presents an analysis of the main trends and outlook for employment in the EU and the candidate countries.

Women are driving job creation. More than 1.6 million of the 3 million jobs created in 2000 were taken by women. The employment rate for women stood at 54 per cent. In the 1995-2000 period, the gender gap in employment rates has narrowed by 2 percentage points. Unemployment fell by more than 1.5 million to 8.2 per cent on average.

The full text of the report is available at:  
[http://europa.eu.int/comm/dgs/employment\\_social/key\\_en.htm](http://europa.eu.int/comm/dgs/employment_social/key_en.htm)

### ☆ **European legislation**

The EU institutions have created a single entry point portal to EU legal texts, called EUR-Lex. The EUR-Lex portal is a first step in bringing together in a streamlined environment the whole body of EU legal texts for online consultation. This online service is to a large extent free of charge.

Portal web site: <http://europa.eu.int/eur-lex>



## ICA NEWS

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### ☆ Finance manager appointed

Dominick N. Kurstjens joined the ICA on 15 July 2001 as Finance and Administration Manager. A Dutch national, Dominick is a chartered accountant in Switzerland with 10 years professional experience. Most recently he held the position of Head of Finance and Administration in a medical foundation. He is fluent in Dutch, English, French and German, with a working knowledge of Spanish.

### ☆ Dot coop

Dot coop has a new look which you can check out on the welcome page of the ICA web site. The tagline associated with the logo “one member.one vote.one domain” and the marketing campaign focuses on the most important attribute differentiating co-operatives from investor-owned businesses – their democratic governance, implemented on a one-member, one-vote basis. Dot coop also gives co-operatives the chance to get the Internet addresses they prefer, but which were not available under dot com or dot net because they were so overcrowded. Moreover, because the word co-operative is well-known worldwide, the domain will have global appeal even in non-English speaking countries.

A pre-qualification period started in July giving ICA members the chance to apply for the names they want to register under .coop before the worldwide launch of the domain later this year. Several European organisations have taken advantage of this unique opportunity too. We reserved the name: [icaeurope.coop](http://icaeurope.coop)

It is expected that .coop will be launched in late September or early October. Check either the ICA web site [www.coop.org](http://www.coop.org) regularly or the .coop web site [www.cooperative.org](http://www.cooperative.org) For more information contact MariaElena Chavez at [chavez@coop.org](mailto:chavez@coop.org)

## CO-OPERATIVE ISSUES

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### ☆ Legislation

The revised version of the Co-operative Framework Legislation, prepared originally by Hagen Henry for the ILO, has been included in the Review of International Co-operation N°2 published recently. The paper, entitled “Guidelines for Co-operative Legislation” will be on the agenda of the ICA General Assembly in Seoul.

### ☆ Corporate Governance

The first Code of Practice issued by the UK Co-operative Union dates from 1995 and was designed to improve the way societies are directed and controlled and to make a positive contribution to:

- ?? improving the quality of direction and management in pursuit of enhanced business performance
- ?? achieving the highest standards in management's accountability to the Board
- ?? promoting openness and transparency in relations between directors and members
- ?? re-invigorating membership, recruitment and involvement.



The Central Executive is responsible for keeping the Code under review. The findings of the latest review, the fifth implementation report is available from the Co-operative Union ([jbutler.coopunion@co-op.co.uk](mailto:jbutler.coopunion@co-op.co.uk))

## ☆ Youth

Two years ago the United Nations declared 12 August International Youth Day. Celebrating it for the second time ICA has sent a message to its members and called upon them to pay more attention to young people who represent 18 per cent of the population and are recognised as a major human resource for development as well as key agents for social change, economic development and technological innovation. The message is available on the ICA web site.

## ☆ HRD

The ICA Global HRD Committee will hold its General Assembly on 14 October in Seoul. The most important item on the agenda will be a discussion on the plans to establish a virtual co-operative global learning centre. This will also be a joint meeting with the regional HRD Committee for Asia/Pacific and will provide an excellent opportunity to exchange experiences with HRD practitioners from this dynamic region. Contact person at ICA Secretariat: Jan-Eirik Imbsen, e-mail: [development@coop.org](mailto:development@coop.org)

## UN AND CO-OPS

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### ☆ UN Report on Co-operatives

The United Nations Secretary-General issued his report entitled "Co-operatives in Social Development" in July 2001, which included a revised version of COPAC's originally proposed guidelines. The report was prepared at the request of the General Assembly. It gives an account of the implementation of the General Assembly resolution 54/123 on co-operatives in social development and on the views of Governments on the draft guidelines aimed at creating a supportive environment for the development of co-operatives.

The Report and the revised guidelines are available at:  
<http://www.copacgva.org/guidelines-progress.htm>

### ☆ ILO Recommendation 127

During the latest ILO Conference held in June in Geneva a Committee on the Promotion of Co-operatives was set up. The Committee was originally composed of 173 members (80 Government members, 35 Employer members and 58 Worker members). According to the proposed conclusions of the Committee, which are now available along with the full report at: <http://copacgva.org>

?? The International Labour Conference should adopt an instrument of a universal character on the promotion of co-operatives.

?? The instrument should take the form of a Recommendation.

The Legislative Committee of the ICA Board is now reviewing the document. A formal communication will be sent to members soon.



## UPCOMING MEETINGS

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### ☆ ICA meetings

- ?? Development Task Force, Paris, 17 September
- ?? European Council, Brussels, 28 September
- ?? ICA Board, Seoul, 12-13 October
- ?? ICA Youth Conference, Seoul, 13 October
- ?? Specialised Bodies meetings, Seoul, 12-15 October
- ?? ICA General Assembly, Seoul, 16-17 October
- ?? Development Workshop, Stockholm, 26-27 November

### ☆ Members' meetings

- ?? Seminar of GNC on "Co-operatives and competition law", Paris, 12 September
- ?? Special Congress of the British Co-operative Movement, Manchester, 24 November

### ☆ Other meetings of interest

- ?? Congress of European Agriculture (CEA-COGECA), Belfast, 26-28 September
- ?? Council of Europe Joint Meeting between the Parliamentary Assembly and NGOs, Strasbourg, 5-6 November
- ?? Social Economy Conference, Ghent, Belgium, 13-14 November

## PUBLICATIONS

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The Co-operative College is now the only place you can get copies of Johnston Birchall's "Co-op: the people's business" at an exceptional price of £5 only plus postage and packaging. The book is a nice illustrated history of the co-operative movement. If you are interested in buying it contact Gillian Lonergan at the Co-operative Union, Manchester.

## PEOPLE

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- ?? Victor Vladyko, President of Belkoopsoyuz, Belarus has left his position
  - ?? Johann von Süsskind, Secretary General of the Brussels based association of co-operative banks GEBC has retired. His successor is Mr Hervé Guider.
  - ?? Jack Shaffer, former COPAC Secretary General and author of the book "The Historical Dictionary of the Co-operative Movement" which was launched at the Québec Congress of ICA passed away on 22 July.
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## **HOW TO CONTRIBUTE**

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

Please send correspondence to ICA Europe at the address below.  
Deadline for receiving contributions for the next issue is 15 November 2001

## **HOW TO CONTACT US**

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

**ICA EUROPE BULLETIN**  
*15 route des Morillons, 1218 Grand-Saconnex, Geneva, Switzerland*  
*Tel: (41 22) 929 88 31/02 Fax: (41 22) 798 41 22*  
*Email: [icaeurope@coop.org](mailto:icaeurope@coop.org)*  
*[sozanski@coop.org](mailto:sozanski@coop.org)*