

# Weekly Digest

#### 21 February 2005

#### Issue 37

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www.ica.coop

## **ICA & ILO celebrate achievements**

welve months ago the ICA and the International Labour Organisation signed a Memondarum of Understanding.

The agreement to work together on a common cooperative agenda strengthens the historical partnership between the two organisations which has existed since 1921.

Representatives from the ILO and ICA met in Geneva on 9 February to review progress on the MOU.

Both the ICA and the ILO believe real gains have been made in advancing the cause of co-operatives. It was noted that during the year, the ILO and ICA had worked together on a wide variety of activities including joint conferences, publications, and development programmes. In particular both are jointly developing the Global Co-operative



ICA President Ivano Barberini and ILO Director-General Juan Somavia celebrating the achievements of the MOU

#### Campaign on Poverty.

ILO Director-General, Juan Somavia is a strong supporter of co-operatives. He believes "co-ops encapsulate the ILO's concerns and provide strategies for economic growth and employment".

He encouraged cooperatives not to be defensive about their role, but said that their legitimacy came because they were offering practical solutions for people and communities. ICA Director-General, lain Macdonald invited Dr Somavia to address the forthcoming ICA General Assembly in Colombia in September. He also invited him to be the first presenter of the ICA's new Annual Global Public Lecture Series.

Full details of all the joint ICA/ILO activities will be shortly available on our website.

# New Regional Director for Europe

The ICA has a new Regional Director for Europe. Rainer Schlüter has been appointed by the ICA Director-General and formally endorsed at the recent ICA European Council meeting.

Rainer comes to the job with a wealth of cooperative experience, particularly in the worker cooperative sector. The director's position is part time at this stage. In addition, three other part time appointments have been made. Agnès Mathis and Antonina Guarrella will be joining consultant Ray Collins in the Brussels office.

These appointments and the opening of the new European region's office in Brussels signal a new chapter in the life of the ICA in Europe.

Rainer can be contacted on rsc@cecop.coop



New ICA European Director Rainer Schlüter



#### From the editor's desk

Welcome to the thirty-seventh issue of the Weekly Digest.

This week we celebrate our first anniversary with a change of format. We hope you like it.

Over the past year, we have attempted to provide you with news and information on the activities of the ICA and its members.

The newsletter is now published weekly in six languages. We have taken the occasion of our anniversary to thank our translators for their excellent work.

This week we highlight recent ICA activities, including the President's involvement in the World Social Forum, the sixty fourth meeting of COPAC in Berlin and the appointment of a new Regional Director for Europe.

Two co-operative research conferences are foreshadowed, along with updates on several ongoing ICA projects. Also, we announce the theme for the 2005 International Day of Co-operatives.

A new feature will be our calendar of events. Also, we have produced a Weekly Digest index for readers wishing to access particular news items or information we have reported on over the last year.

We hope you enjoy this issue. As usual, we would welcome your comments.

Garry Cronan

cronan@ica.coop

#### **World Social Forum**

"....being at the Social Forum was an important experience for the ICA..."

Ivano Barberini

From 26 to 31 January in Porto Alegre, Brazil, the 5th World Social Forum took place. It saw the participation of over 100,000 people of all ages from 47 countries, as well as several personalities, such as Brazilian President Lula Da Silva. ICA President, Ivano Barberini also attended.

OCERGS, the cooperative organization of Rio Grande di Sol, in col-



Ivano Barberini, far right with other Brazilian co-operators

laboration with OCB, participated in the Social Forum, organising a special space, "Planeta cooperativo", where many events took place, along with a public assembly.

Continued on page 4



Agnès Mathis one of ICA's new team in our European office in Brussels

#### ICA's European Council meets in Bratislava

The ICA's European Council met in Bratislava, Slovak Republic on 16-17 February 2005.

The main outcomes included the appointment of Rainer Schlüter and the other new staff as outlined on page 1.

These new arrangements are part of a transition phase for the European region. A final decision on changes in ICA Europe will be made at the European Regional Assembly in Manchester, UK in 2006.

Other matters discussed and agreed at the Bratislava meeting included the further development of the mapping exercise of cooperative enterprises in Europe, this will be done in conjunction with head office. It was also decided to organise a Co-operative Convention in Brussels on Responsible Competitiveness and Development for June this year.

In addition it is planned to hold a visibility event in connection with the UK presidency of the European Commission.

For further details contact Rainer Schlüter

rsc@cecop.coop

#### Fair trade and co-operatives

The role of cooperatives in fair trade was the topic of the COPAC Open Forum held in Berlin on 21 January 2005.

The main speakers included Patrick Develterre, Katholieke Universiteit, Leuven, Belgium who spoke about his recent



A truly co-operative venture, the finest Fairtrade chocolate produced by The Day Chocolate Company using cocoa from Kuapa Kokoo Co-operative in Ghana and brought to you by the Co-op in the UK.

research "Fair Trade and Co-operatives: Opportunities and Challenges: A Background Study"

Jacqui Macdonald, who was responsible for introducing fair trade into the Body Shop and who is currently working with the UK's Co-operative College and Co-op Group, spoke of the success of fair trade in UK co-ops.

> Several interesting case studies on fair trade producer co-ops were featured. Hugo Valdés spoke about the long history of fair trade in Italy. The experience of

fair trade coffee co-ops was also outlined by Jack Bigirwa, from the National Union of Coffee Agribusiness in Uganda.

Gaston Rico, General Manager, of Cooperativas Agrarias Federadas in Uruguay spoke about fair trade co-ops, particularly the experience of honey producer co-ops.

Finally, Ted Weihe from the USA's, Overseas Cooperative Development Council outlined the USA experience, noting that fair trade coffee is now 2% of the world market and growing fast. He also commented on experiences in El Salvador, Nicaragua, and East Timor where coffee production supports 1/4 of the population.

See <u>www.copacgva.org</u> for copies of all presentations.



Jacqui Macdonald

The UK is now the largest market in the world for fair trade products and consumer co-ops are market leaders

#### Robby Tulus reports on tsunami from Aceh

Former ICA Asia Pacific Regional Director, Robby Tulus has been engaged by the ICA to be its local "on the ground" tsunami coordinator. Here is an extract of his first report.

"I have just returned from my field visits in Banda Aceh and Nias Island (North Sumatra Province), Indonesia.

The devastation in Aceh in Banda-Aceh is beyond words. I was awestruck to see the difference of such immense destruction between those on TV screens and the actual landscape in Banda Aceh and Lampuuk. The sole structure remaining in Lampuuk is a large white mosque, with 700 survivors of the previous 6500 inhabitants, whereas the town Banda Aceh is like a ghost town with ruins and debris all over the place.

On a smaller scale, houses and buildings in the city of Sirombu in the western side of Nias Island have been mostly flattened by the tsunami, with one church being bypassed and remaining intact.

We conducted meetings with co-op leaders in Banda Aceh. Despite the loss of family members and assets among many co-operators, their mental agility and smiling faces gave us a strong message of hope. They are seeking partnerships, not hand-outs.

I do see new opportunities to reform and rebuild cooperatives, taking advantage of the wide network available within and without Indonesia that are so dedicated to rehabilitate the unbelievable devastation."

On the basis of this visit and his forthcoming trip to Sri Lanka, Dr Tulus will be preparing a detailed reconstruction plan for the ICA.

We will keep you advised. <u>More...</u>



"They are seeking partnerships, not hand-outs"



Olive McCarthy from CCS, one of the organisers for the ICA Research Conference

#### **Co-op research conferences**—call for papers

During 2005 two major co-operative research conferences will be held.

The Mondragon Cooperative Research Conference 2005 is an international event for researchers, academics, industry specialists, practitioners & students interested in the advances and applications of the social economy. It will be held at the Mondragon University, Spain on 28 June, 2005.

The participants will have an opportunity to present

and observe the latest research results, and ideas in these areas.

The organisers invite proposals on all topics related to co-operatives and the social economy. Proposals which address the theory, research and applications as well as describe innovative projects are encouraged. All papers will be peer reviewed. See www.eteo.mondragon.edu /ocs/

The ICA Research Committee will be holding its bi-annual conference in Cork, Ireland 10-12 August 2005.

The main theme is The Contribution of Co-operatives to Community Culture. It is being hosted by the Centre for Co-operative Studies, University College Cork, (CCS). Participants are invited to submit papers on several sub-themes. Contact Olive McCarthy ica2005@ucc.ie See also www.ucc.ie/acad/foodecon/ CCS/ICA/index.htm

"...the co-ops of Japan, ... will continue to work to accomplish the targets set by the Kyoto

Protocol."

Ogura Shugo, President of the Japanese Consumers' Co-operative Union (JCCU), has welcomed the commencement of the Kyoto Protocol, but called on all countries to ratify it. "JCCU, which has consistently sought early ratification of the Kyoto Protocol, heartily welcomes the ratification and hopes that this will lead to further measures to reduce the GHG emissions in the future." he

said.

**JCCU supports Kyoto Protocol** 

"Co-ops throughout Japan, together with our members, have very actively worked to conserve resources and energy through such programs as recycling of PET bottles and other containers, reduction in packaging of merchandise, the promotion of campaigns to recycle shopping bags and use non-disposable co-op *My Bags* when shopping, and the development of ecological packaging for Co-op products.

Furthermore, we have engaged in a campaign to encourage members to conserve household-energy use by conducting detailed surveys of individual home energy use."

For more information see www.jccu.coop/English



Ivano Barberini speaking at the World Social Forum

#### World Social Forum ... continued from page 2

The Assembly was about the commitment of the co-operative movement to a fairer globalization a topic well in tune with the general theme of the Forum: "Another world is possible".

Representatives of the State of Rio Grande do Sul participated in the Assembly, together with the President of OCB, Márcio Lopes de Freitas and Ivano Barberini. Mr. Barberini also met with Roberto Rodriguez, former ICA President and the Brazilian Minister of Agriculture, along with ICA board member, Americo Utumi, at the opening ceremony of a large co-operative institution in Paranà. Thousands of co-operators and several public authorities were present at the event.

Rodriguez and Barberini had a useful exchange of ideas about the trends of the co-operative movement in Brazil and Latin America.

"Being at the Social Forum was an important experience, which underlines the great involvement of the Brazilian co-operative movement in addressing the problems of our times, and its commitment to sustaining the fight against poverty", concluded the ICA President.

More...

#### **COPAC** to expand membership

The recent Board meeting co-operative developof the Committee for the Promotion and Advancement of Cooperatives (COPAC) discussed their 2005-2006 work programme of promoting and coordinating sustainable cooperative development. One major item of work continues to be influencing the policy environment for co-operative development.

COPAC's current members, the ICA, ILO, Food and Agriculture Organisation (FAO), the United Nations, and the International Federation of Agricultural Producers (IFAP) also decided to expand membership to agencies involved in

ment. Given its role in coordinating co-op development, COPAC has approached a number of agencies and found interest in working on issues related to improving the cooperative image in major development institutions such as the World Bank.

By working together CO-PAC members and potential new members hope to assist the work already undertaken by individual organisations to move the international development community to a more positive attitude on cooperatives.

decided to investigate the possibility of updating a 1993 World Bank report that was negative to cooperatives and demonstrate that co-operatives are viable and sustainable economic and social institutions key to promoting development in communities around the world.

The current chair of CO-PAC Jennie Dey De Pryck (FAO) retired as COPACchair, Jack Wilkinson from IFAP will be the new chair and Jürgen Schwettmann (ILO) the vice chair.

Contact Maria Elena Chávez Hertig , COPAC Coordinator copac@coop.org

Jack Wilkinson from IFAP is the new **COPAC** President.

"Microfinance is our business! **Co-operating** out of poverty"

In this regard, COPAC has

### 2005 International Co-operative Day theme

very year COPAC de-cides on a theme for the International Cooperative Day, (ICD)

COPAC has linked this year's theme to the United Nations 2005 Year of Microcredit.

The ICD theme for 2005 is "Microfinance is our business! Co-operating out of poverty".

This theme should provide us with an opportunity to link the long term work and success of co-ops and credit unions to the more recent concept of microcredit and finance. Co-ops have often been overlooked as the originators of microfinance and microcredit models. This will be a chance to correct that inaccurate perception.

We will be developing case studies and other material and would invite all cooperative organisations interested in promoting IDC and the theme to contact us.

A future issue of the Weekly Digest will provide more background material on this topic. See also www.

copacgva.org/idc/2005

#### Members with more than 100 years of ICA membership

he ICA was formed 110 years ago in London in 1895. A number of cooperative organisations have been members of the ICA since the very beginning.

Organisations with over 100 years of membership come from Belgium, the UK, Romania, Italy, Sweden, Bulgaria and Russia. The list of oldest members includes:

- Fédération Belge des Coopératives, (FEBECOOP), Belgium, (joined 1895)
- Co-operatives UK, (1895)
- The Co-operative Group (UK) (1895) Central Union of Consumer & Credit Co-ops (CENTROCOOP), Romania, (1895))
- Lega Nazionale delle Cooperative e Mutue (LEGACOOP), Italy (1895)
- Kooperativa Förbundet (KF), Sweden, (1902
- Central Co-operative Union, Bulgaria, (1903) Central Union of Consumer Societies (CENTROSOJUZ), Russia, (1903)



The international

Johnston Birchall's book documents the formation of the ICA

#### Weekly Digest

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"...Negotiations are currently underway for the digest to be translated into more languages, including Arabic.."

#### Meet the Weekly Digest translators

he Weekly Digest is translated each week from English into five other languages by a team of hard working translators. In some cases, the translators are doing this as an unpaid, in-kind act of support for ICA members. As editor, I would like to express my sincere thanks to all of them for their efforts. We hope that this weekly news service, in these languages is of value to our members

and other supporters of co-operatives. Negotiations are currently underway for the digest to be translated into more languages, including Arabic. So, let's meet the translators.

#### French: Marie Claude Baan (France/Switzerland)





Marie-Claude Baan was born and educated in France. She did commercial studies and during her higher education, studied English in England.

These studies gave her the possibility to earn a living doing what she liked most: travel and theatre. She traveled the world for 4 years with a major French tour operator and then settled in Geneva, where she first worked in the marketing department of a newly established hotel and later in a well known local theatre as their public relations officer.

Marie-Claude joined the ICA in 1983 when the headquarters moved from London to Geneva. Since then, she has worked in

#### Italian: Sonia Buglione (Italy)

commenced work in ICA President, Ivano Italian Barberini.

lived and worked in an Australia. She has a PhD in Philosophy from the University of Sydney, where she taught Italian

In 2004, Sonia Buglione language and literature. While in Sydney, she Bologna as assistant to worked with CoAslt, the Association of Assistance as editor of a Newsletter for the Italian During the 1990,'s Sonia community. She also has Interpreter and Translator Certificate.

> Sonia loves her current job. "I am very committed

several departments. At present she has responsibility for the ICA's database. Her reasons for staying so long with the ICA can be explained by the fact that the ICA, due to its social and multicultural facets, really suits her personality. ICA Geneva staff count ten different nationalities! Contact: directory@ica.coop

to the ICA, I love multicultural environments, dealing with people from different cultures and I feel privileged to work for an organisation so committed in the fight against poverty in the developing world." Contact: icapresi-

dent@legacoop.coop



#### Portuguese: Américo Utumi (Brazil)

Américo Utumi is a graduate in Law from São Paulo State University. He began his co-operative career in 1952 in a farmer cooperative.

Americo has held a variety of positions in the Brazilian co-operative movement including Vice-President of OCB, President of OCESP, Director-General of OCB

and President of CAC Rural Credit Co-operative. He has been member of the Board of the Organisation of Co-operatives of the Americas (OCA), and Secretary of the International Co-operative Agricultural Organisation.

He has also held governmental posts such as Secretary of Supply for the City

of Sao Paulo, and advisor to the Secretary of Agriculture of Sao Paulo State and at the Institute of Cooperatives and Associations

Américo is also a current ICA Board member.

He can be contacted at aci\_br@ocesp.org.br

#### Russian: Nikolay Tikhonovich (Russia/Belarus)

Nikolay Tikhonovich was born in the Republic of Belarus as "far back" as 1955. He graduated from Minsk State Institute of Foreign Languages with an MA in languages in 1975.

Nikolay served in the army, before working for the World Bank as an interpreter, and then at Belgorod Pedagogical Institute.

He spent a year in the USA as a visiting professor at Marian College, Fond du Lac, Wisconsin.

Since 1996 has been enjoying work at Belgorod

University of Consumer Co-operatives. He is married, with two children, both at university.

Nikolay says he enjoys watching sports on TV, as he is "too lazy for going in for something myself. " Nikolay's email is <u>antonina@bupk.ru</u>

#### Spanish: Diego Colom Steele (Guatemala/Costa Rica)

Diego was born in Guatemala City, Guatemala in 1984. He lived there until five years ago, at which time he moved to San Jose, Costa Rica, where he is currently working and studying. Diego recently enrolled in medical school in Costa Rica and plans to specialise in the United States after he graduates.

He learned to speak English from his mother, who is an American, when he was very young. He also studied for a year in a college in the United States. His hobbies include reading, listening to music and he enjoy spending time with his friends.

Diego email address is esp7man@hotmail.com



#### ICA adopts pro-active strategy on IAS issue

CA Director-General lain Macdonald has recently issued a series of invitations to join a new ICA International Accounting Standards Group.

The last ICA Board approved the creation of this new specialist group.

"We must not let another situation develop, similar to the recent changes to the international accounting standards. These occurred without due regard to how they would affect cooperatives", Mr. Macdonald. Said.

The new groups' main functions will include, examining ways of improving coordination within the global cooperative movement in dealing with the International Accounting Standards Board. It is hoped that the new group can meet with the Accounting Standards Board at the highest level in order to improve their understanding of the special nature of co-operatives.

Also, to agree with the International Accounting Standards Board on a method of corresponding and liaising in future which avoids past the difficulties.

For more information contact lain Macdonald lain.Macdonald@ica.coop "We need to be on the offensive, to educate and promote the cooperative difference"

Iain Macdonald

#### Organising informal workers into co-ops

**S**YNDICOOP is an ILO programme in partnership with the International Confederation of Free Trade Unions, (ICFTU) and the ICA.

The objective of the programme is to strengthen the capacities of national trade unions and cooperatives to work together to organise workers in the informal economy and improve their working conditions.

It is run by the Bureau for Workers' Activities of the ILO along with the ILO's Co-op Branch. Contact coop@ilo.coop



"The SYNDI-COOP project has strengthened the organisation of women who are working in the informal economy in Rwanda"

#### **Weekly Digest**

#### **INTERNATIONAL CO-OPERATIVE** ALLIANCE

ICA 15 Route des Morillons 1218 Grand Saconnex Geneva, Switzerland Tel +41 22 929 8888 Fax +41 22 798 4122

#### Certification tool for co-operatives

ollowing a recent ICA Board decision ICA Director-General, lain Macdonald has written to members about the possibility of implementing an international standard for evaluating co-operatives. The Board believes that having access to such a tool, which can validate and demonstrate the distinctiveness of co-operatives in a consistent and measurable way throughout the world, is something that may be of real value to members.

Knowing that interesting developments are already taking place, ICA requests its members to advise us of evaluation tools that meet the following criteria:

- to demonstrate co-operative distinctiveness, the tool will be specific to cooperatives
- the evaluation process will cover the seven co-operative principles
- the dimensions evaluated will be relevant on an international basis or easily adaptable
- the process will allow international standards to be set up
- the evaluation will drive a continuous improvement process
- the tool will be attractive for co-operatives
- the tool will be accessible in terms of time taken for the co-operative to use it
- the tool will be financially affordable for the majority of co-operatives

# www.ica.coop

**Remember the** Weekly Digest Index is now Available at www.ica.coop

Copies of the Weekly Digest are archived on the ICA's website www.ica.coop

The information should be sent to ICA Head Office before the end of March. An assessment (comparative inventory) of these tools will be presented to the ICA Governance Group at the end of May. A decision will then be taken on the best way to move forward with the possible implementation of international standards for evaluating cooperatives.

For further information, please contact Garry Cronan, cronan@ica.coop Convenor of the ICA Governance Group.

## 2005 Calendar of Events

4 March	Meeting of ICA General Assembly Election's Committee ICA Head Office, Geneva. Contact: <u>lain.Macdonald@ica.coop</u>
18-26 April	Visit by ICA President and Director-General to Indonesia and Sri Lanka to inspect tsunami reconstruction. Contact: <u>lain.Macdonald@ica.coop</u>
20-22 April	International Seminar on Health, organised by International Health Co-operative Organisation, Barcelona. Contact: Gabriela Sozánski, sozanski@ica.coop
18-19 May	ICA Board meeting plus related meetings New Lanark, Scotland. Contact: <u>lain.Macdonald@ica.coop</u>
June	Co-operatives in Europe Convention in Brussels. Contact: Rainer Schlüter, <u>rsc@cecop.coop</u>
2 July	2005 International Day of Co-operatives. Contact: Maria Elena Chávez Hertig <u>chavez@ica.coop</u>
10-12 August	ICA Global Research Conference, Cork, Ireland Contact: Olive McCarthy, <u>o.mccarthy@ucc.ie</u>
22-23 Sept	ICA General Assembly, plus related meetings. Cartagena, Colombia Contact: Gabriela Sozánski, <u>sozanski@ica.coop</u>