



ICA Digest

Issue 51

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Co-operative communicators - let's unite and spread our message more widely!



See inside for all the latest news and reports on the ICA and the international co-op movement

Read our special report on co-op communications page 12-13

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From the editor's desk



Garry Cronan
Editor

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

Our front cover this month illustrates just some of the many thousands of regular co-operative publications produced throughout the world every year.

Whilst co-operatives may lack a high profile in the mainstream media, we should not underestimate the potential of our already established co-operative media and publications. What is needed is better coordination and co-operation among the many co-operative communicators out there!

Our popular interview series continues this month with Jean-Louis Bancel from Crédit Coopératif, France. In the interview he reflects on his involvement in both co-operative and mutual sectors. Jean-Louis also mentions the value of the study "Valuing our Mutual-ity".

This study is a good example of the type of research we need to better support the case for mutuals and co-operatives.

The topic of co-operative research itself, is also picked up in one of our reports this month, where

we examine the direction of recent research efforts.

As usual we report on a wide range of other ICA and member activities.

Please note the **Digest** will be taking a short break next month during the Northern summer. We will return again in October, with a further three issues before the end of 2006.

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

Garry Cronan

United Nations



Co-ops seek stronger voice on UN

The United Nations has underlined again that civil society represents an important and, as yet, not fully utilised reservoir of support.

Over the last few years, it has engaged in a review of the partnership and working relations between civil society (i.e. non-state actors including the private sector, local authorities and non-governmental organisations) to identify ways to strengthen civil society con-

tributions in the future.

In July, the President of the General Assembly released a report looking at new ways for NGOs to follow and be involved in the decisions taken by Member States in the General Assembly.

Today NGOs have access to the meetings of the Economic and Social Council of the UN, but are not yet formally allowed to participate in the UN Gen-

eral Assembly, the supreme decision making body of the United Nations.

The ICA, with the highest level of consultative status with the UN ECOSOC, continues to have privileged access to the UN, but expanded access to the UN General Assembly deliberations would enable the co-operative voice to be more effectively raised on issues of significance.

People



Gretchen Warner

ICA welcomes Gretchen Warner

Gretchen Warner joined the ICA on 8 August 2006 as Membership Data Systems Officer filling a long-standing vacancy at the ICA head office. She will be working with membership administration working closely with Maria Elena Chavez Hertig who will retain overall responsibility for Membership. Ms Warner will also maintain and develop the ICA Database on ICA members and contacts and will focus on the collection, evaluation and analysis of statistical data on co-operative enterprises within ICA membership. She will be involved in a number of ICA activities including preparation of the ICA General Assembly.

Gretchen comes to the ICA from the US co-operative movement having worked with the NRECA International Foundation, the U.S. Overseas Co-operative Development Council (OCDL), and Land O'Lakes International Development Programs. She has a university degree in Political Science and a Masters in International Affairs. She attended the last ICA General Assembly as a youth delegate and is a member of the ICA Youth Network.

Co-ops and mutuals - more unites us than separates us!

Since the last **Digest** I have been in Peru and Ireland – part of a particularly busy time – from a travelling point of view.

Travelling in itself isn't necessarily a good thing. Apart from the obvious physical demands I am not always convinced, in this technological age, that attending conferences and making speeches is the most effective use of my/our time. However recent events have shown that physical meetings have their place.

The peace issue couldn't be more relevant at this time and the conference in Canada as reported in **Digest** 50 is proof of that.

Similarly the Americas Regional Assembly in Peru was an especially well attended event concentrating on the issue of maximising co-op business. We are really moving on this theme now and I am sure it will be reiterated at the other ICA Regional Assemblies in Colombo, Arusha and Manchester.

I also spoke at the WOCCU Conference in Dublin, along with ICA DG, Maria Elena Chavez – a very impressive affair. Nearly 2000 delegates with a very large contingent from the US, but also a very "co-operative" event.

Everyone wanted to be part of the co-operative movement and I was very well received. Credit Unions, as evidenced there, are very proud of their co-operative credentials. As possibly the fastest growing part of the worldwide co-operative movement, it is very timely that we rekindle our strong connections.

Both conferences dealt with the issue of mutualisation as opposed to co-operation. Elsewhere in these columns a discussion is emerging on how close our two movements should be. Indeed already in parts of ICA mutuals are an important part, for example, in insurance.

Perhaps it is time to think about even closer links – far more connects us than separates us. Mutuals also tend to be an easy target for takeover

bids from the private sector so some extra support from us would not go amiss.

Next month sees ICA's first Board Strategic Planning meeting as recommended by the Governance Report at the General Assembly.

Given all the other changes currently being examined by the Regionalisation Working Group – and hopefully we are close to a solution with regard to Europe, a strategic plan is crucial to ensure that ICA does not get lost in its own reorganisation!

But seriously, direction and focus are essential ingredients to ensure co-operative principles and values are strongly represented in an increasingly troubled and hostile world. Perhaps a new era of togetherness will emerge. In writing this I am reminded of the old adage 'Unity is Strength'. It couldn't be more relevant today.

DG's report



Iain Macdonald
Director-General

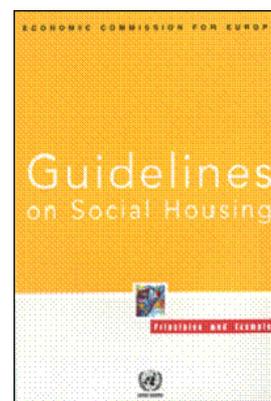
"Perhaps it is time to think about even closer links between co-ops and mutuals - far more connects us than separates us..."

Iain Macdonald

Sectors

Housing co-ops: An attractive social housing model

The co-operative model of enterprise is one of the options offered to policy makers in Europe and North America by the United Nations Economic Commission for Europe (UN ECE) to face the challenges of providing quality and affordable housing. The UN ECE has issued a publication, "Guidelines on Social Housing", which provides recommendations on how to respond to the increasing needs for affordable housing especially for the socially vulnerable and disadvantaged. The publication includes specific recommendations on co-operatives regarding the need for policy makers to create appropriate frameworks (legislation, access to financing, etc) that will enable co-operatives to be established and grow. It also includes case studies highlighting the success of housing co-operatives in Sweden Portugal and the UK. ICA and ICA Housing work closely with the UN ECE on human settlement issues. Contact UNECE for copies www.unece.org/pub_cat/topics/hs.htm



The International Accounting Standards Committee Foundation (IASC) is the body which oversees the International Accounting Standards Board (IASB). The IASC is currently looking for candidates to fill four trustees positions on the IASC. The IASB is also seeking two new members. Nominations need to be in by 15 September 2006. For details about both contact Tom Seidenstein, Director of Operations, IASC Foundation at tseidenstein@iasb.org

Advocacy

“Co-operatives fight global poverty”



Stirling Smith,
UK Co-operative
College

“...co-operatives - when performing efficiently - represent a private sector model that provide many benefits and opportunities to poor people...”

UK Parliamentary Report

ICA would like to hear of other successful lobbying efforts undertaken by its members.

Please contact
Garry Cronan
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An influential group of UK politicians have urged the government to extend more support to co-operatives in tackling global poverty. The House of Commons International Development Committee in a new report says that, “Co-operatives - when performing efficiently - represent a private sector model that provide many benefits and opportunities to poor people.”

The report concludes an enquiry on the role of the Private Sector in Development (PSD), an approach to poverty reduction that underlines the central role of economic growth, driven by businesses. The particular role of co-operatives in public sector delivery and in making trade work for poor people was highlighted.

The report states, “Co-operatives can provide an effective vehicle for the large-scale provision of public utilities, and governments planning public sector reform and privatisation projects should include co-operative enterprises amongst the private sector options.”

Co-operative College UK was asked to give evidence at the enquiry. Dr Linda Shaw, Head of Research & Project Development at the College said, “the main thrust of our evidence, both written and oral, was that a co-operative is an enterprise, and therefore part of the private sector.”

“They can make a crucial difference in helping farmers organise to capture the benefits of the value chain - as we

have seen in the cocoa and coffee farmers whose products go into Co-op own brand Fair Trade products. Fair Trade is important, but actually represents only a small fraction of their total crop. Being in a well run co-op is what is crucial for these farmers.”

Stirling Smith, a College Associate, was quizzed by MPs for nearly an hour. “For the last few years we have been seeking to put co-operatives back on the international development agenda. In the 1980s and 1990s, co-ops disappeared from development and support from donors dropped off dramatically. We are turning things around. And we are delighted that the committee has added its support to our case”.

“The MPs asked a series of searching questions including the role of Fair Trade, the importance of credit unions in Africa, and how co-operatives could run public utilities like water or electricity, as an alternative to full scale privatization. The work we have done over the last few years meant that I could answer with plenty of practical examples from Africa and Asia.”

The College submitted evidence on behalf of a consortium of co-operative organisations that take part in the Strategic Grant Agreement (SGA) with the Department of International Development (DFID). MPs praised the SGA with the co-operative movement as “mutually beneficial, helping both partners to raise the profile of co-operatives as

key contributors to PSD.” The agreement was due to expire in October this year, but has been given a further six months to run while talks continue on how a long term relationship between DFID and the co-operative movement can be worked out.

A section of the report deals with Fair and ethical trade and co-operatives. More support for the Ethical Trading Initiative (ETI), which promotes decent labour standards in global supply chains, was a key recommendation. The Co-operative Group is a founder member of the ETI, and the ETI and the Co-operative College have developed a joint training programme, now being rolled out in developing countries.

DFID’s 2005 grant of £50 million to rural electricity co-operatives in Bangladesh was singled out as a positive indication of the Department’s renewed commitment to the co-operative sector. Mervyn Wilson, Principal and Chief Executive of the College said, “The report provides encouraging policy steers, calling for DFID to build more sustainable support for fair and ethical trade... we now need to transform that policy support into tangible projects to provide practical support for grassroots co-operatives.”

The report, copies of the written evidence and transcripts of the oral evidence session can be found at www.parliament.uk/indcom

Celebrations around the globe – IDC, July 1, 2006

This year, International Day of Co-operatives celebrated the theme, "Peace-building through Co-operatives". Many readers responded to our request for news on how your organisations marked the occasion (see [Digest 50](#) for full story).

Here's how you celebrated...

In Santa Catarina, Brazil, Vale do Itajaí Credit Co-operative (VIACREDI) presented a play downtown for more than 200 people, titled "Co-operation".

The theme "Peace-building through Co-operatives" was displayed on a banner and white balloons were given out to children. Every year, VIACREDI celebrates IDC with the community



from Jaraguá do Sul. In Russia, consumer co-operative workers celebrated their 175th jubilee and International Day of Co-operatives, together.

15,000 workers, veterans and active shareholders were rewarded for "conscientious labour in consumer co-operation". The celebrations were widely reported across the media.

An all-Russian radio assembly, dedicated to 175 years of Russian consumer co-operation, involved over 120 thousand shareholders from all regions.

In Africa, ICA member, Tanzania Federation of Co-operatives Ltd (TFC), hosted a week-long celebration at Ipul ground in Tabora Region. TFC invited stakeholder groups to display their products and traditional plays (ngomas) were performed. ICA's Regional Director, Ada Suleymane Kibora and the ILO participated in the last day of celebrations. The guest of honour was Minister of Agriculture, Food Security and Co-operatives, Hon. Joseph Mungai.

Around the globe, professional organisations publicised the day in press releases and news feeds. World Council of Credit Unions' (WOCCU),

ICA member and apex trade and development organisation of the international credit union system, posted a press release on their website www.woccu.org - also distributed through the Credit Union National Association (CUNA) News Now daily eNews: www.cuna.org.

[Co-operatives UK](#) expounded the role of the ICA in peace-building in the downloadable message posted on their website:

International Day of Co-operatives



"One of the main reasons the ICA is so successful in bringing people together to discuss and resolve issues is its strict non-religious, non-party political stance. The co-operative values of democracy, international understanding and equality mean that everyone comes to the negotiating table with the same rights and responsibilities."

The Jordan Co-operative Corp celebrated the day under the patronage of the country's Prime Minister with a series of high level presentations and speeches at a special IDC event.

The Croatian Association of Co-operatives commended the movement for: "...present and future efforts in developing and making the co-operatives of your countries the unique way to stability, prosperity and sustainable growth," (President, Božidar Bartolić)

In China, the International Committee for the Promotion of Chinese Industrial Co-operatives distributed copies of the ICA and UN IDC messages. In Nepal, there were press releases and news feeds.

In Santa Catarina, Brazil, Vale do Itajaí Credit Co-operative (VIACREDI) presented a play on Co-operation

"The IDC is a great opportunity to celebrate the achievements of co-operatives while also helping to spread the message more widely..."

Heritage

Do you know when the first co-op was formed in your country?

1750	France, United Kingdom, USA	1925	Singapore, Tanzania
1780	Greece	1926	Congo, Iran, Mauritania
1794	Austria	1927	Martinique
1806	Italy	1928	Ghana
1808	Luxembourg	1929	Réunion
1816	Poland, Switzerland	1930	Iraq, Jamaica, Nigeria
1825	Russia	1931	Burkina Faso, Guinea, Madagascar, Swaziland, Togo
1838	Spain	1932	Côte d'Ivoire, Guadeloupe
1839	Mexico	1933	Guyana, Palestine (Arab)
1843	Japan	1936	Sierra Leone
1844	Iceland	1937	Haiti, Lebanon
1845	Germany, Slovakia	1939	Bolivia
1847	Brazil	1940	Barbados, Saint Vincent and the Grenadines
1848	Belgium	1941	Kuwait
1850	Hungary, Sweden	1942	Paraguay
1851	Denmark, Norway, Slovenia	1943	Belize, Syria
1852	Czech Republic, Romania	1945	Ethiopia, Fiji
1859	Australia, Ireland	1946	Albania, Bahamas, Dominica, Dominican Republic, Lesotho, Malta, Papua New Guinea, Saint Lucia
1860	Latvia, Netherlands	1947	Benin, Hong Kong, Sudan
1861	Canada	1949	Chad
1863	Bulgaria, Turkey	1950	Gambia, Nepal, Solomon Islands, Somalia
1869	Lithuania	1951	Cuba
1870	Finland, Yugoslavia	1954	Cambodia, Panama, Samoa
1871	Portugal	1955	Cook Islands
1875	Argentina	1956	Kiribati, Rwanda, Tuvalu
1876	Honduras	1958	Antigua, Grenada, Yemen
1878	Israel (Palestine)	1959	Arguilla, Saint Christopher (St. Kitts)/Nevis
1881	New Zealand	1960	Micronesia, Montserrat
1893	Uzbekistan	1961	Central African Republic, Gabon, Saudi Arabia, Seychelles
1898	Estonia	1964	Botswana, Tonga
1900	India	1965	Afghanistan
1910	Algeria	1967	Vanuatu
1902	South Africa, Zimbabwe	1969	Bermuda
1903	Venezuela	1970	Liberia
1904	Chile, Pakistan	1971	Guinea-Bissau
1905	Bangladesh, Myanmar, Tunisia	1972	Cayman Islands, United Arab Emirates
1906	Guatemala, Sri Lanka	1973	Qatar
1907	Korea	1975	Brunei
1908	Egypt, Indonesia, Kenya	1978	Laos
1909	Cyprus, Uruguay	1984	Tortola
1910	Niger, Philippines		
1912	China, El Salvador, Taiwan, Vietnam		
1913	Mauritius, Namibia, Uganda		
1914	Nicaragua, Zambia		
1915	Libya		
1916	Colombia, Senegal, Trinidad & Tobago		
1917	Thailand		
1919	Ecuador, Mali, Peru		
1920	Costa Rica, Malaysia, Puerto Rico, Suriname		
1921	Burundi, Mongolia		
1922	Jordan, Morocco		
1923	Zaire		
1924	Cameroon		

Unknown: Angola, Armenia, Azerbaijan, Bahrain, Belarus, Bosnia-Herzegovina, Cape Verde, Croatia, Georgia, Kazakhstan, Kyrgyzstan, Latvia, Liechtenstein, Macedonia, Malawi, Moldova, Mozambique, Netherlands Antilles, Turkmenistan, Ukraine

The above list and information is reproduced from the Historical Dictionary of the Cooperative Movement, by Jack Shaffer, The Scarecrow Press, Inc, Lanham, Md., & London, 1999.

See opposite page for more details about this book.

UK Co-operative Heritage Fund launched

Following the unanimous passing of a resolution at the UK Co-operative Congress, a Co-operative Heritage Fund has been launched to help ensure that the Rochdale Pioneers Museum and the National Co-operative Archive collection in the UK have effective support in the future.

“It’s part of an overall strategy to transform the Rochdale Pioneers Museum and Archive collections into lifelong learning resources” commented Gillian Lonergan, Learning Resources Manager and Archivist at the Co-operative College.

Gillian added “We are in the process of developing a major funding bid to the UK Heritage Lottery Fund, but it is essential that alongside

that process we attract support from the co-operative organisations to meet the ongoing revenue costs of maintaining the archive and museum”.

The first pledges to the fund have already been made from Co-operative Societies in the UK, and the fund is now being opened more widely to enable the wider international co-operative movement to contribute to the preservation of the Archive and Museum collections, and help make them more accessible in the future.

The Rochdale Pioneers Museum and National Co-operative Archive collection, under the custodianship of the Co-operative College, have taken a leading role in preserving the co-operative heritage and educating the wider public about the history and development of the worldwide co-operative movement.



An archive researcher at work helping to preserve globally significant co-operative documents



Children visiting the Rochdale Pioneers Museum to learn about co-ops

“These collections are of global importance. They trace co-operation from the ideals and practices of the Pioneers such as Robert Owen, through to the testing of those ideas, and the birth and growth of the global co-operative movement.

They are part of the very DNA of our co-operative movement, and we hope that many co-operators in their Societies will help contribute to their ongoing safe up-keep”, added Mervyn Wilson, Chief Executive and Principal of the Co-operative College.

For further information, and details of how you can contribute to the fund please contact Gillian Lonergan - gillian@co-op.ac.uk

The ICA would also like to make its historical records and documents more available in a digital form online. We are seeking funding to help start this process.

Contact Garry Cronan at cronan@ica.coop if you can help.

Copies of the *Historical Dictionary of the Co-operative Movement* available from ICA head office

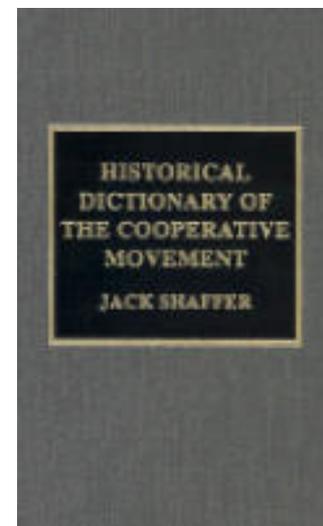
The ICA’s Head Office has a limited number of copies of Jack Shaffer’s comprehensive book on the history of the co-operative movement.

The book includes information on the different kinds of co-operatives, significant

figures, including philosophers, pioneers, officials, and leaders, and the situation in a large number of countries. It also has a list of acronyms, an extensive chronology, including the one we have included on the opposite page of this issue, appendixes, and a

comprehensive bibliography.

If you would like a copy or further details please contact the ICA Communications Department at communications@ica.coop



Asia-Pacific

Fisheries co-ops rebuild in Indonesia



Construction of a Palung/House Boat used by co-op members to catch fish

The work to reconstruct the fisheries co-operatives that were hit by the 2004 tsunami is progressing well thanks to generous assistance from the UK co-operative movement.

In Aceh Besar, the Lhok Suedu Fishery Co-operative has been building a fishing boat, storage facility and a drying room. Work is very much on track, showing that members are active and resourceful. They have frequent board and membership meetings to discuss ways to maximize their productivity.

A highlight in Bahari Karya is the opening of a consumer store as a result of the reconstruction efforts. Construction of a cold storage facility has not yet been completed, but the co-op has been able to procure a daily ice supply from the market for preserving fresh fish.

The ICA has been able to use funds received from members to support day to day management, education and training for the members of all six model co-operatives, registration fees, office rent, income subsidy for staff, and for providing small loans to members.



Preparation and regular monitoring by a team of DEKOPINWIL NAD to Kopkan Lembah Lhokseudu Aceh Besar.

Constructing facilities for fishermen as members of the co-operative is one of the 7 Model Co-operative programs facilitated by ICA (International Co-operative Alliance).

“..the Tagaytay City conference participants will be tackling the issue of women's marginalisation in the leadership of co-operatives...”

Women in co-ops focus of conference

ICA Regional Women's Committee (ICA RWC) and Asian Women in Co-operative Development Forum (AWCF) in collaboration with the National Confederation of Co-operatives (NATCCO) will host a regional conference on Gender Integration in Co-operatives, in Tagaytay

City, Philippines from 5-9 November 2006.

This event continues the objectives set out a decade ago at the 1997 regional conference on *Women in Decision-Making in Co-operatives* organised by AWCF and ICA-AP.

Conference participants met to tackle the issue of women's marginalisation in the leadership of co-operatives and to present practical suggestions on how to increase the number and participation of women in decision-making in co-ops.

The theme of this year's conference is *Empowerment and Development of Women in Co-operatives* with sub-



themes on *Poverty Alleviation through Women's Participation in Co-ops*, “*Women's Participation at All Levels in Co-operatives*” and “*Practical Action Plan to Increase the Participation of Women in Co-ops*”.

Contact: Savitri Singh, Gender Programme, ICA-AP savitri@icaroop.coop or Sally Ganibe, Asian Women in Co-operative Development Forum (AWCF) HTsaganibe@pacific.net.ph



Rahaiah Baهران, ICA Board member and Chair of ICA-AP Women's Committee



Savitri Singh, Gender Programme, ICA-AP

Regional forum gathers momentum

The Regional Co-operative Forum to be held in Colombo, Sri Lanka, on August 17, is the fourth in the series that began in Singapore in 2000, followed by Cebu, Philippines in 2002 and Chiangmai, Thailand in 2004.

The theme of this year's Forum is "*Capacity Building: A pivotal issue for co-operative enterprises*". Other topics for discussion are: co-operative values and good governance; the co-operative way of management; and strengthening HRD and networking. The

President of Sri Lanka, H.E. Mahinda Rajapakse, will open the Forum, and Lalit Weeratunge will deliver the keynote address.

High-profile speakers include Mr. B.M. Vyas, Managing Director AMUL, India, Alec Wright, President, New Zealand Co-operatives Association, Datuk Sahadevan, CEO, National Land Finance Co-operative of Malaysia, Mr. Keo-Wong, on behalf of Mr. Kim, NACF, Korea, Isami Miyata, JA-Zenchu, Japan, Mr. T. Yamashita, Vice President, JCCU, Japan, Mervyn Wilson, Principal, Co-operative Col-

lege, UK, and Dr. Yehudah Paz, Israel. Ivano Barberini, ICA President, will also attend.

Presentations and discussions at previous forums generated fresh ideas and new approaches to deal with the rapidly changing global environment, which challenges the survival of co-operatives in developing economies.

Around 300 international and 500 Sri Lankan delegates are expected to participate in this year's event.

Asia-Pacific



Shil-Kwan Lee, ICA Asia-Pacific Regional Director

ICA Americas Regional Assembly update

The 7th ICA-Americas Regional Assembly was held on July 18 in Lima, Peru.

The meeting approved the report of the ICA-Américas President, the ICA-Américas Regional Director, and the financial report.

The implementation of ICA-Americas Strategic Plan 2005-2008, approved at the 6th Regional Assembly in Argentina, 2004, was discussed. More financial support is required to continue the implementation process.

The process of regionalisation was discussed and a resolution drafted, namely that:

"...we concur with the development of the regionalisation process, but this should take place with no deterioration in the line of hierarchy of ICA-

Global, such that regional bodies respect in their entirety decisions taken at the General Assembly and the ICA Board and that the statutes of the regions be uniform and duly approved by the ICA Board."

"The Regions must also maintain a single name, a single image and those symbols of the co-operative movement approved by the Assembly and the ICA Board."

"That progressive redistribution of membership income be continued for the economic strengthening of the regions, which, as part of the decentralisation process, must assume greater responsibilities and roles," and "That in the period of four years as of 2006, this redistribution of income will reach 40% for ICA World and 60% for the Regional Offices."

"Stress the global authority of

the ICA, but also that each region has administrative and economic autonomy."

Mr. Carlos Palacino Antía from Colombia was re-elected to the position of ICA-Americas President. He was nominated by SALUDCOOP EPS, Colombia and supported by several co-operative member organisations from Colombia.

The Assembly ratified ICA-Americas Regional Council Delegates. They will serve for a four-year term. Ivano Barberini, and Iain MacDonald, attended.



A scene from the ICA Americas Regional Assembly

Americas

The recent ICA Americas Regional Assembly passed a resolution on the current regionalisation process taking place within the ICA.

Americas



A key role for ICA's regions is to increase the profile of co-operatives with organisations like MERCOSUR and the EU

MERCOSUR reasserts support for co-operative development

During the XXXth Council Meeting of MEROSUR, Heads of State recognised the contribution of co-operatives in national development and in the promotion of social cohesion.

Meeting in July 2006 in Argentina, the Presidents of Argentina, Néstor Kirchner; of Brazil, Luiz Inácio Lula da Silva; of Paraguay, Nicanor Duarte Frutos; of Uruguay, Tabaré Vázquez Rosas and of Venezuela, Hugo Chávez Frías as well as representatives of associ-

ated members of MERCOSUR and others, committed to promoting co-operative development in their countries and the implementing ILO Recommendation 193 concerning the promotion of co-operatives by internalising the Recommendation in their respective national legislation.

See [here](#) for full text of the statement, and article 42 for reference to co-operatives.

This statement reasserts their support for co-operatives of 2003 and provides the Specialised Meeting of Co-

operatives of MERCOSUR (Reunión Especializada de Cooperativas del MERCOSUR RECM) where the ICA Americas also participates, to further its work on the role of co-operatives in MERCOSUR's integration processes.

MERCOSUR is the Southern "Common Market" whose members include Argentina, Brazil, Paraguay, Uruguay and Venezuela. Associate members include Bolivia, Chile, Colombia, Ecuador, Peru with Mexico having observer status.

Europe



Pauline Green, ICA Vice President (Europe) and Co-operatives Europe Co-Chair



Rainer Schluter, Director, Co-operatives Europe

2006 European Regional Assembly to be held in Manchester

The home of the UK co-operative movement, Manchester, will play host to more than 400 European co-operators assembled for the 2006 Cooperatives Europe Regional Assembly and Co-operative Conference, from 9-11 November 2006.

As we continue to witness the downfall of major business conglomerates through fraud and failed governance, this year's theme "Co-operatives: The Alternative Business Model for Good Governance and Sustainable Development" has resonance with the debate about future models for economic success with corporate responsibility.

Keynote speakers include EU Commissioners, UK Government ministers and leading European co-operators.

Delegates have the op-



portunity to discuss the issues at workshop sessions which will examine: good governance, CSR and sustainable development; the European co-operative: opportunities for innovation and growth; building a modern co-operative image; regional strategy for co-operative development; the multi-stakeholder co-operative model; and "Inventing the future" - a co-operative think tank.

The outcome of the ICA Regionalisation debate will help to define the future organisation of European co-operatives and the Assembly will define its plans for future strategic actions.

There will be a co-operative and fair trade exhibition with opportunities for networking and exchanging

models of best practice.

To stimulate thinking about the conference topics, key individuals will be invited to give their thoughts, opinions and visions for discussion, in the members area of the *Cooperatives Europe* website: <http://coopseurope.coop/>

Details of the Assembly are now on line at: http://coopseurope.coop/rubrique.php3?id_rubrique=105

Registrations before 15 September will save €100: http://coopseurope.coop/rubrique.php3?id_rubrique=111

Birth of first European social co-operative society

The first ever European social co-operative society, Escoop, was established in Mola di Bari, Italy, on 6 July 2006, between Italian, Finnish and Spanish organisations involved in social services, education and public administration.

The core member is Italian social co-operative consor-

tium, Elpendu. Other candidates for membership come from France, Germany, Greece, Poland, Slovakia, Estonia, Portugal and Hungary.

Escoop will become a SCE (European Co-operative Society) on 18 August, when the SCE regulation enters into force in EU territory.

It will primarily focus on the study and monitoring of social enterprises in their diverse legal forms and fields of activity; the implementation of pilot projects aimed at job creation and emerging social needs; and the promotion of research and training in those fields.

(Source: CECOP)

Other Manchester meetings

A range of organisations have decided to hold meetings/conferences around the 2006 Cooperatives Europe Regional Assembly in Manchester, UK. They include:

8 November 2006

- Consumer Co-operatives Worldwide (CCW). CCW is ICA's global consumer sectoral organisation., It will be holding a seminar on *Common sourcing of products for European Consumer Societies*. Contact: CCW's Chair, Bob Burlton, bob.burlto@midcounties.coop
- ICA's Communications Committee will be holding a seminar on *Better Coordination of Co-operative Communications - What is needed?* Contact: ICACC Secretary, Garry Cronan cronan@ica.coop
- The UK Co-operative College has organised a meeting for co-operative development agencies. Contact: Mervyn Wilson, mervyn@coop.ac.uk

9 November

- CECOP - Board meeting - Social enterprises & worker co-operatives European seminar: *comparing models of corporate governance and social inclusion* - Contact: Olivier Biron cecop@cecop.coop - also see www.cecop.coop/article.php?id_article=281
- International Health Co-operative Organisation (IHCO). IHCO, the ICA's global health sectoral organisation, is holding a Board meeting. Contact: Jin Kook Kim kim@ica.coop - It is also holding a fundraising seminar for co-operative projects - Contact: Peter Eneström peter@enestrom.se see also www.ica.coop/ihco/newsanddoc.html#seminarmanchester
- International Co-operative Agricultural Organisation (ICAO). ICAO is the ICA's global sectoral organisation for agriculture. It will be holding a General Assembly & ICAO/IFAP joint workshop. Contact: Jin Kook Kim kim@ica.coop (see further details below)
- UK Co-operative Forum - *The future of public sector housing: co-operative models making a difference* - Contact: Helen Seymour helen.seymour@cooperatives-uk.coop

Sectors

ICAO seminar to focus on recent WTO negotiations

Recent suspension of the Doha Development Agenda negotiations, which will also apply to all negotiating countries, is regarded as a set back for the WTO members. It is unclear at this stage how the suspension will influence future agricultural trade trends around the world. The ICAO seminar will highlight recent developments in agricultural negotiations, and discuss their impact on family farms and agricultural co-operatives. A case study session will be also held showing how farmers in different countries and in different regions are dealing with the rapid globalisation phenomena. A related session will be also added on agricultural marketing issues. Specialists on the issues, and delegates from international organisations including ICA, ICAO, IFAP members will be invited to share their views and experiences. The seminar is open to non-ICAO members.

Visit ICAO's website
www.agricoop.org/

Communications

By better co-ordinating our own ICA communications efforts at global, regional and sectoral levels, we could show our members the benefits of also collaborating with us!



Garry Cronan, responsible for global communications



Diana Retana Villalobos, responsible for communications in the Americas

Potential exists for greater co-ordination of communications

Effective communications are critical to the success of the ICA and the broader international co-operative movement.

The ICA currently carries out a wide variety of communications activities at global, regional and sectoral levels. Also, almost all of the ICA's member organisations, undertake some communications activities. Added together, these represent a significant platform for communicating the co-operative message. However, we need to co-operate much more on solving the common communications challenges we all face. Opportunities exist, particularly using modern IT and communications technologies to greatly enhance co-operatives' visibility - but we need more collaboration to do this successfully.

This month we outline the current communications activities the ICA is carrying out at global and regional level. It is hoped that this will be a first step in understanding how to better co-ordinate our communications to ensure our message is as effective as possible. The next step is to work more closely with our members and others to spread the message more widely.

ICA global communications - outcomes and priorities

The following communications activities are carried out or are in development at a global level:

- Daily **news service** www.icanews.coop (offered in English, Spanish, French) (Drupal open source software) Includes reports on and from co-operatives, 20,000 per year
- New weekly **news analysis** (English - French and Spanish proposed during 2007)
- Monthly ICA **Digest** (English, Spanish, French, Portuguese, Italian, Russian - currently negotiating for Arabic and Chinese editions to be produced)
- Quarterly - proposed **Global Co-operative Business Journal** to be launched in 2007 (English)
- Bi-Annually - ICA **Review** (English/Spanish)
- ICA **Annual Report** (English)
- ICA website www.ica.coop (English, some Spanish and French) (over 600 pages of content). We also help maintain the *Co-operating Out of Poverty* website, a number of ICA global sectoral sites and are presently developing a **Global 300** website.
- A range of other publications and communications activities are undertaken including media releases, International Day of Co-operatives, establishing global networks of communications specialists, developing global strategy, assisting the global ICA's Communications Committee and developing and co-ordinating a more consistent and effective corporate image for the ICA.

Americas - long experience in communicating co-op message

The ICA's Americas office has for a number of years been undertaking a wide range of communications activities. Most of the communications are in Spanish. Activities include:

- A mail list service alerting members on latest news and other information
- Monthly e-Bulletin
- A regular printed members Bulletin
- Forestry Co-operatives Bulletin
- ICA Americas Annual Report
- A wider range of promotional and other brochures for specific events, activities and sectoral organisations
- A large and regularly updated website www.aciamericas.coop/spip/ using open source: SPIP software. It also includes a member only section.



ICA Americas web site

Europe - enhancing visibility through image building and communication

Co-operatives Europe's strategy has been to establish a strong image through its website and related online services while also creating an electronic network for members to improve two way flows of information and access to resources. Its future activities will include: introduction of discussion forums and greater interactivity for members and the public. Specific activities in 2006 include:

- Website <http://coopseurope.coop> now has over 210 pages (French and English). (Russian is scheduled shortly) Uses a Content Management System (Open Source: SPIP Software) 1250 unique visitors per month. Linking site to other relevant sites including members.
- Public: Euractor Member of EurActiv.com for Communication Campaigns
*Euractiv.com is an EU News and Policy Web Portal.
- Members Newsletter *E-mailed to members and available to public through website.
- News Alerts to 'members only' through e-mail distribution via a dedicated mail distribution/management software (PHPList)
- Notification of updates to website using RSS Feeds <http://feeds.feedburner.com/cooperativesinEurope> *Notification by E-mail to be introduced soon.
- Creation of Members Access to Documents' area of website. The content in this section of the site is expanding all the time



Ray Collins responsible for communications in Europe

Asia-Pacific - focus on timely and accurate information

The key communications objective for ICA Asia-Pacific is to provide as much information, timely and accurate, to our members and their affiliates as possible. Unfortunately the electronic revolution in terms of communication is catching up only slowly in the developing and least developed countries of our region. Hence we at the ICA-AP are following a multi-modal system of communications. We use e-mail and electronic communication with more than 50% of our member organisations, but we also use postal and courier services while dealing with the others. (All publications are in English.)

Specifically, ICA Asia Pacific undertakes the following communications activities:

- Asia-Pacific Co-operative News
- Consumer Sub-Committee on University/College Co-operative Newsletter
- Regional Women's Committee Newsletter
- Consumer Committee Newsletter
- ICA Asia-Pacific Annual Report plus several brochures to cover major events
- A email news alert service, focusing on regional news
- A website, www.icaroap.coop includes trade section wherein the members and other business co-operatives can post their information



Purushothaman Nair, responsible for communications in Asia-Pacific

Opportunities exist for greater collaboration in a number of areas throughout the ICA's network, including:

- Shared strategic vision - common understanding of member needs and expectations in relation to communications
- Development and use of common software platforms - common databases and CMS etc
- Better sharing of content, particularly across languages
- Co-ordination of production timetables and activities, avoiding duplication and maximising impact
- More consistent and coherent image of the organisation and better co-ordination of key messages to particular audiences

A communications survey of ICA members is proposed to be carried out in 2007. It will focus on member needs and how we can improve our service

Communications Web boost for poverty campaign and development

“The joint communications activities described here are a good example of the type of coordination and co-operation we need to develop to better promote the co-op option...”

Garry Cronan
ICA
Communications
Director

“...information about the work of poverty campaign partners will be available on the ICA website. It is important to share the knowledge about what others are doing in the same field...”

Guy Tchami

In the last issue of the *Digest*, we announced the appointment of Guy Tchami, Poverty Campaign Coordinator.

The position was established jointly by the ICA and the ILO and co-financed by the Swedish Cooperative Centre to give more visibility to the *Co-operating out of Poverty Campaign* and to ICA development activities.



Krisztina Koszo

This month, Guy talks about how the new ICA websites are getting the message about fighting poverty and other development activities across.

“The ICA development pages and the campaign websites will be very useful communication tools. I am currently working in close collaboration with Krisztina Koszo (ICA webmaster) and Claire Piper (ILO Cooperative Branch) to revamp the sites so that they can be used to their full potential,” says Guy.

“My main role is to collect information about campaign activities from our colleagues in the field, including workshops, seminars, and development projects, and also on co-op development issues.

I have already been in contact with ICA regional offices and have received positive feedback. This information will be disseminated through the new website pages by Krisztina with Claire’s help.”

Krisztina explains her role. “I am the ICA consultant responsible for updating the website and formatting



Guy Tchami

the translations of the *Digest* into various languages. My task is also to create new web pages. I am working with Jan-Eirik Imbsen on setting up a new section on the ICA website for development activities including the poverty campaign. Please help us make these pages as comprehensive and relevant as possible by forwarding your contribution to my e-mail webmaster@ica.coop.”

Claire says, “When I first heard about the campaign I had pictures flying around my head. I felt very inspired. A close relative of mine had helped the ICA develop four posters and a logo for the campaign. This helped to establish the project’s own identity.

The work performed in collaboration with the ICA is truly amazing. We’ve gone a long way already. Guy and Krisztina are tackling the website collaboration with the little advice I can provide them. It has been a very enriching experience. I hope to be able to maintain the exchange of information and knowledge in the future.”



Claire Piper

“The new website pages will allow us to improve the flow of information and make the communication with members and partners easier,” says Guy. “They will enable us to be more sensitive to the needs and to mobilise the co-operative movement.

It is expected that both websites will be very interactive and lively. Under the umbrella of the development pages on the ICA website, we will conduct interviews with people working directly or indirectly with the co-operative world at regular intervals.

A campaign newsletter will be produced to keep people informed about forthcoming events and major outcomes.

Worker co-operatives get own identity

Last year's ICA General Assembly in Cartagena, Colombia, approved the World Declaration on Worker Co-operatives, see full text at www.cicopa.coop.

ICA approval was the final stage of a three-year process launched by [CICOPA](http://www.cicopa.coop) (the ICA sectoral organisation for industrial and service co-operatives, most of which are worker co-operatives).

The Declaration is an effort to attain specific and minimum world standards of identity and promotion for worker co-operatives, to assist their development and provide for the proper implementation of the co-operative principles by worker co-operatives.

The Declaration sets out the basic characteristics and structure of worker co-operatives, namely:

- The main purpose of worker co-operatives, is creating decent and sustainable jobs.
- An actual workplace must exist (many unemployed people are encouraged to become 'members' in so-called worker co-operatives without there being a workplace. They will then be used as cheap workforce in other enterprises – this prac-

tice is particularly rife in Latin America but it is now gaining in other regions as well).

- The majority of members must be workers and vice versa, otherwise the joint control mentioned in the general co-operative definition may not be ensured.
- A situation of predominant ownership and control by worker-members must exist.
- Worker co-operatives must be independent in the use and management of their means of production (a basic condition for them to be real enterprises, and not labour intermediaries).

The Declaration makes a strong invitation to the co-operative movement as a whole to actively promote worker co-operatives, through financing systems and by helping them commercialise their products. Also, by assisting them in establishing their own organisations and entrepreneurial structures such as groups and consortia.

The Declaration defines the role which states and inter-governmental organisations should have in the promotion of worker co-operatives: in particular by not discriminating against

them and by including this type of enterprise in their policies and programmes for job creation, social inclusion and local development.

The Declaration encourages employers' organisations to value co-operative worker ownership as a sustainable business form, and in particular to foster it as an exit strategy for the recovery of companies in crisis. Finally, the Declaration points to the need for dialogue with the trade union movement about co-operative worker ownership as a distinct form of labour relations.

The Declaration serves as a basic framework for worker co-operative governance models, the fight against abuses and distortions of worker co-operatives, social dialogue with trade unions, as well as for specific national legislation, public policies and regulatory structures. Hopefully, it will be a strong contribution to the identity of co-operatives in general.

It will certainly help worker co-operatives bring into full play their important contribution to the co-operative movement and to society in terms of job creation, social inclusion of unemployed and disadvantaged persons, as well as community and regional development.

Sectors



Bruno Roelants, Secretary-General of CICOPA and also a member of the ICA's Governance Working Group

“The Declaration is an effort to attain specific and minimum world standards of identity and promotion for worker co-operatives....”

**GCAP
poverty
campaign**



GCAP release a communiqué for mobilization on the White Bands Campaign identity

The Global Call to Action against Poverty (GCAP) released a communiqué for the mobilisation in the perspective of the launch of the GCAP Month of Mobilisation (September 16th - October 17th).

More information and a campaigning toolkit will also be circulated soon. Document available in [English](#), [French](#) and [Spanish](#).

Research

This month we review a selection of co-operative research conferences being held during 2006.



M. V. Madane, Chair,
ICA Asia-Pacific Research Group



Ian MacPherson, Chair
of ICA's global Co-operative research
Committee

Almost all the co-op research conferences being held this year are addressing in one way or other the subject of globalisation and its affect on co-operatives

Conferences research the co-operative form of organisation

Every year a number of co-operative and related research conferences are held throughout the world.

In late May, the **Canadian Association for Studies in Co-operation** examined challenges for co-operating in a global economy. Topics included: lessons from the Canadian region and other parts of the world, co-operating across borders locally, nationally and internationally, sustainability, development and fair trade, financing of co-operatives, the solidarity movement, and researching and measuring co-operation. See www.coopresearch.coop/Conference_2006/eng_call_2006.htm

The co-operative economy in a global context, was explored a month later at the 26th International Congress of CIRIEC (**International Centre of Research and Information on the Public, Social and Co-operative Economy**) a non-governmental international scientific organisation. The congress was held in Istanbul Turkey.

The theme of the congress was *The public, social and co-operative economy in the context of globalisation: in the service of a more responsible, more solidarity-based economy*. Attention was paid to the supranational dimension, for instance in the context of the World Trade Organisation and the General Agreement on the Trade of Services. see www.ulg.ac.be/ciriec/intl_en/index.htm

The movement to broaden economic democracy through the co-operative way was the theme of this year's IAFEP biennial conference at

Mondragon University, Spain on the 13-15 July 2006. The **International Association for the Economics of Participation (IAFEP)** is dedicated to exploring the economics of democratic and participatory organisations, such as labour-managed firms, co-operatives and firms with employee share-ownership, as well as non-profit, community and social enterprises.

Major themes this year included: strategies for supporting and measuring the expansion of economic democracy, the creation, growth and survival of employee-owned firms in industrialised and developing economies, and financial structures for co-ops and employee-owned firms. See www.eteo.mondragon.edu/IAFEP/IAFEP_en.php

The importance of leadership in maintaining the co-operative identity is a major focus of the 4th **Asia Pacific ICA Regional Research Conference**, to be held in Colombo, Sri Lanka on 15-16 August, 2006.

The conference, in conjunction with the 7th ICA Regional Assembly, will also examine natural disaster preparedness and rehabilitation in community through co-operative initiatives. Taking account of recent disasters in the region and the strong co-operative response, there are many lessons to learn and pass on. The meetings are being hosted by the ICA member organisations in Sri Lanka.

From 6-8 September 2006, the **Wales Institute for**



Mondragon University the site of the IAFEP research conference in July this year

Research into Co-operatives, will host an international conference on co-operative forms of organisation, in Cardiff, Wales. Titled *Reclaiming the Economy: the Role of Co-operative Enterprise, Ownership and Control*, the conference will explore co-operative forms of organisation with a view to establishing a research agenda that serves the mutual interests of academics and practitioners.

Alongside globalisation, the enterprise culture and the stakeholder economy, there is increasing evidence that co-operative and mutual forms of enterprise are spreading and developing across the world. The conference will include a series of 'Theory-practice' workshops on such topics as: priorities for co-operative development over the next 10 – 20 years, co-operative management and governance, work organisation and trade unions, ethical consumption (fair trade and sustainability), financing social enterprises and co-operatives, co-operatives and public services provision, and developments in the retail co-operative sector and its supply chain. Contact Molly Scott Cato msscott-cato@uwic.ac.uk or

Conferences research the co-operative form of organisation...cont'd

see www.uwic.ac.uk/ubs/conferences/#Sugg

Latin-American Co-operativism: an integrated social and economic vision? will be the central theme of the Fourth Meeting of the **Network of Latin-American Co-operativism Researchers** and the **International Co-operative Alliance's Regional Latin-American Research Committee**.

It will be held on 14-15 September 2006 at the Universidad Nacional de Rosario, Santa Fe, Argentina, on 14-15 September 2006.

The political and socio-economic processes occurring in the Latin-American region invite us to think about the role of the co-operative movement. This is particularly the case for different national contexts. Also, these trends towards integration pose questions for the movement - what is the co-operative vision of economic and social integration?

The Network of Latin-American Co-operativism Researchers meetings are the most significant multidis-

ciplinary scientific events in this field of research within the Americas region. Through them the network organisers try to stimulate reflection on the problems facing co-operativism; to promote the generation of a critical debate on co-operative activities; to establish collaborative research links and push for the strengthening of the relationship between the co-operative and academic fields. Contact: Mirta Vuotto encaci@econ.uba.ar or Sigismundo Bialoskorski Neto sigbial@usp.br

The themes of - fair trade and balanced economic development, solidarity movements, respect for workers and concern for the community, and the impact of globalisation on local economies - will be debated at the biennial **ICA Co-operative Research Conference**, in Paris, France, 19-22 October 2006:

The conference titled *The co-operative response to civil society's new expectations*, examines how globalisation and economic concentration, the IT revolution, and changes in political balance nationally, and at world level, reshape the daily lives of citizens around the

world.

A number of new social expectations have emerged and led to new forms of voluntary action (witness the debates that surround WTO-events). New forms of solidarity and concern for the community in developed economies, the increasing demand for products that embody respect for the environment and for social standards, and the development of fair trade and solidarity-financing and savings, are expressions of these new concerns for a better balanced world economic development and better allocation of resources.

How does the co-operative movement contribute to meeting these challenges? This conference aims to approach the issue in a reflective and analytic way.

Papers that contribute to theory or to the dissemination of practical experience are welcome. Please contact: Caroline Naett cnaett@entreprises.coop or Yohanan Stryjan Yohanan.Stryjan@sh.se. More information: www.icaresearch-paris.coop/

Research



Yohanan Stryjan,
Chair of ICA's European Research network



Jean-François DRAPERI,
(CESTES), France
one of the organisers of the forthcoming ICA research conference in Paris

ICA welcomes NRECA as its 227th member

The National Rural Electric Co-operative Association (NRECA) of the United States became ICA's 227th member on 14 August 2006.

Founded in 1942, NRECA represents the national interests of co-operative electric utilities in the United States. It provides legislative, legal and regulatory representation, medical insurance and financial services; education and training programmes, and business consultation. NRECA also supports energy and environmental research and administers technical assistance programmes aiming to empower electric co-operatives in developing countries.

NRECA's membership includes nearly 1,000 member-owned electric utilities servicing more than 39 million people in 47 states of the 50 states in the United States. See www.nreca.coop for more information.



Membership

icanews.coop



icanews.coop is now receiving news feeds in Spanish and French as well as English.

The French and Spanish content will be greatly increased over the next few months as we further develop the site.

Contact
Garry Cronan
cronan@ica.coop

Do you know that you can install an icanews.coop news feed box onto your website?

Contact:
cronan@ica.coop

Selected news items from icanews.coop

The icanews.coop service was launched in June 2006. Since the launch we have developed a database of links to almost 4000 separate news stories featuring co-operatives in some way. When fully operational in a few months, we anticipate that we will be processing at least 20,000 new links to news stories on co-operatives per year.

Work is continuing on the site. Current priorities include refining and enhancing the drop down menus to better enable users to access relevant information. For example within the sectoral menu part of the site we now have links to over 1400 news items on agricultural co-operatives, with other sectors also slowly building content.

In our **Digest** report last month on icanews.coop we featured a representative sample of news items from over twenty countries to show the range and quality of the material developing on the site. This month rather than just feature items from countries we have chosen to highlight news items under particular themes such as government, new formations, and trends.

Government attitudes towards co-operatives

A number of recent reports on www.icanews.coop show strong support by government for or involvement with co-operatives.

- India - CDA-8 standardizes Eastern Visayas co-operatives, [source](#)
- Malaysia - PM Wants Co-ops To Be Part Of School Curriculum, [source](#)
- UK - OFT clarifies approach to dairy processing consolidation, [source](#)
- Iran - Some 320 cooperatives to be set up by Aug. 22, [source](#)
- Angola - Law on Co-operatives Outdated, Vice-Minister, [source](#)
- Swaziland - "CCU restructuring a wrong move" [source](#)

Co-operative development

Several news items highlighted growth opportunities for co-operatives.

- Ghana: GIPC Urges Rural Enterprises to Form Co- operatives, [source](#)
- Philippines - Ong: The move to take over Peco's ownership, [source](#)
- Venezuela - Gov't Distributes Petrodollars Through Booming Co-operative Movement, [source](#)
- Canada - Triggers for Innovation – New Models for Change and Social Entrepreneurship, [source](#)
- Vietnam - Development fund will assist co-operatives, [source](#)
- Turkey - Number of new co-operatives increase by 3.5%, [source](#)
- South Africa - SA ponders Indian million-jobs model [Source](#)

Trends and issues

- Israeli - Cargo Air Lines in takeover bid? [source](#)
- Australia - Directions in Co-operative Legislation, [source](#)
- Italy - Cooperatives: D'alema, Tax Concessions must be kept., [source](#)
- Canada - Funding may help fuel ethanol proposal, [source](#)
- USA - Ethanol's present and future, [source](#)
- Canada - Placing biofuel production in the hands of producers, [source](#)
- NZ - Cafe aroma hides grower poverty, [source](#)
- Kuwait - Coop societies terminate services of 200 Kuwaitis, [source](#)
- Barbados - Credit Unions play a critical role, [source](#)
- USA - Can 'Small-Mart' Replace Wal-Mart? [Source](#)
- Bolivia/Argentina - Cooperatives to light San Salvador de Jujuy-Oruro cable link, [source](#)
- USA - McKinsey report - A Value Culture for Agriculture, [source](#)

Latest on *Global 300* project

Regular readers of the *ICA Digest* will be aware of the ICA's *Global 300* project. Its objective is to develop a ranking of the world's largest co-operative and mutual organisations.

There are many obvious benefits from the project. These include:

- Increasing the profile of co-operatives within their own industry sectors and countries as well as internationally
- Demonstrating to government and other regulatory and international agencies the economic importance of co-operatives and mutuals
- Modelling good practice and highlighting successful co-operative business models and innovative approaches
- Creating a much improved statistical base to allow for better analysis of performance between co-operatives and with for-profit competitors
- Creating networks between co-operatives/mutuals within the *Global 300* for greater sharing of experience, business intelligence and business opportunities

We have now entered the validation phase of the project, whereby we are directly checking the details of our research with individual co-operatives likely to be in the *Global 300* as well confirming other details with relevant regional, sectoral and national organisations. This process has already commenced and will continue during August and September leading to the finalisation of the list. We are expecting to launch the first ever "provisional" global ranking of co-operatives in late October, at the *Forum for a Responsible Globalisation* in Lyon, France, see details below. It is hoped that the launch will attract considerable general media and co-operative interest resulting in a greater awareness of the economic and social contribution of the largest co-operatives in the world.

Latest news from *Global 300* co-operatives

A selection of recent news items featuring some *Global 300* co-operatives are listed below. It is apparent from a reading of several of these news items that a number of the internationally operating co-operatives in banking and agricultural are in expansion mode.

- ACFSMC - Scrap copper is gold dust in Guangdong, [source](#)
- Desjardins Capital régional et coopératif Sets Share Value at CAN \$10.21, [source](#)
- Fonterra Wins EU Permission to Resume Butter Shipments to U.K, [source](#)
- Fonterra targeting growth in Chinese bakery sector, [source](#)
- Fonterra still hungry for a local bite, [source](#)
- The great milk shake-up, [source](#)
- GROWMARK System Gains Rights, [source](#)
- Rabobank Launches Equity and Fund Derivatives Group In Americas, [source](#)
- Rabo India Finance launches carbon credits product suite, [source](#)
- DZ Bank still has no concrete plans for IPO, [source](#)
- DZ Bank about to sell Norisbank, [source](#)
- Land O'Lakes 2Q earnings up 34%, [source](#)
- Dairy Crest buys Dairies from Arla Foods, [source](#)
- Arla Foods to spend 430 mln dkr on increasing production, [source](#)
- Campina builds in North America with Vitalus JV, [source](#)

As part of the *Global 300* project a new global300.coop site will be established which will include news links like that listed above. Contact: Garry Cronan cronan@ica.coop

Global 300



The absence of reliable and easily accessible data on co-operatives throughout the world is a major challenge in the compiling of lists such as the *Global 300*. It is expected that it will take several years for all the relevant data and information on all such co-operatives to be fully completed.



A special *Global 300* "launch" and seminar will be held at the *Forum for a Responsible Globalisation* in Lyon, France on 24 October 2006. The ICA is taking the opportunity of this important forum to release the provisional *Global 300* rankings. We would encourage all interested co-operators to try and attend this event. See www.global-economic-and-social-forum.com/ or contact Garry Cronan directly, cronan@ica.coop

Trends - Growth of Purchasing Co-ops

“...By banding together, small businesses can mimic the purchasing power of the bigger corporations, as well as enjoying the unique benefits of the co-operative structure....”

“...In the U.S. the number of purchasing co-ops has doubled in the last decade. Today, there are more than 300 with some 50,000 owner-members...”



Co-operative buying power

What do you do when the 'big guns' come to town?

Independent retailers around the world have discovered a way to fight back against the mega-stores. By banding together, small businesses can mimic the purchasing power of the bigger stores, as well as enjoying the unique benefits of the co-operative structure.

Fighting Goliath

In the 1990s, Indianapolis, based office supply co-operative, is.group www.independentstationers.com/ experienced a membership explosion in response to the advance of the mega-stores from one high street to the next.

"Everyone has predicted the demise of these (independent) stores for twenty years, but they've continued to grow," says is.group President and CEO, Michael Gentile. "I don't think an independent dealer could survive today without belonging to a co-op."

In the U.S. the number of purchasing co-ops has doubled in the last decade. Today, there are more than 300

with some 50,000 owner-members.

The largest US purchasing co-op, Wakefern Food Corporation www.wakefern.com/, was fourth on last year's NCB top 100 list, with \$7.1 billion in revenues. Two other well know purchasing co-ops are Ace Hardware, with 4,600 member stores, and Carpet One, with 1,000 independent floor covering retailers as members.

Other prominent US purchasing co-ops are the National Cable Television Co-operative made up of more than 1,100 independent cable operators; Educational & Institutional Co-operative Service, Inc made up of more than 1,500 tax-exempt colleges, universities, pre-schools hospitals and medical institutions.

Barry Silver, Managing Director of the National Cooperative Bank in Washington said there is no question purchasing co-ops are keeping small independent businesses from folding in an increasingly consolidated marketplace.

Independent pharmacies are another enterprise to benefit from the existence of purchasing co-operatives. In the US even the oldest and most established independents are squeezed by a high number of large competitors. Big name grocery stores and retailers like Wal-Mart, Target and Costco, all operate pharmacies. If it wasn't for Independent Pharmacy Co-operative (IPC) www.ipcrx.com/ "I would be falling further and further behind," says Charles, pharmacist and owner of the independent pharmacy, Jerry



Roberts.

"With its mass buying volume, the co-operative is basically the size of a Walgreen or CVS," he says. "You can be right up there with those stores [in terms of bargaining power]...even though we're independents."

Sharing and Caring

Purchasing power is not the only benefit of the business group model. Purchasing co-operatives offer members a host of strategies to enhance competitiveness from networking and information sharing, to marketing and strategic planning.

"The biggest reason to be part of any co-operative is to learn from the other members," says Beth Annon-Lovering, owner of B&L Bike Shop in Davis, California, and a member of YaYa! Bike www.yayabike.com/, a nationwide co-op of more than 300 speciality bicycle retailers.

"You could offer me the best prices in the world, and it wouldn't be as important as what we learn from each other," says Beth.

YaYa! Bike was formed five years ago to give independent dealers a way to rebuff aggressive suppliers who were trying to force the

Co-operative buying powercontinued

Trends

dealers to carry their brand exclusively. The 'independence of the independents' was in danger but the co-operative insisted that 'the bike shop should be the brand'.

Focus on customer care is something purchasing co-ops can facilitate because independent retailers give customers the personal service that the big stores can not.



Gene Albrecht, the pharmacist proprietor of Albrecht's Pharmacy in tiny Clifton, Texas, said his customers could easily travel to nearby Waco or Hillsboro, but being a member of IPC allows him to continue to give them friendly hometown service. "I was born and raised here and that helps. My customers have been with me from day one," he said.

C & K Market www.ckmarket.com/, now the 20th largest privately owned business in Oregon with \$400 million in sales, started with one store and now has small stores in towns across the state and in California.

"We want people in small towns to know there's no need for them to go to a big town to do their shopping," says Senior Vice President, Rex Scoggins. "As a small independent, you need to join (a co-

operative) to get the buying synergies but you also need to join forces for the expertise."

In the Southern Hemisphere, the largest independent automotive spare parts buyer is the purchasing co-operative, Capricorn Society www.capricorn.com.au/.

Capricorn Society was formed in 1975 by a group of petrol station owners who wanted to combine their buying power to obtain better prices and service. Today, Capricorn supplies the majority of parts and services to mechanical workshops, service stations and smash repairers throughout its three countries of operation - Australia, New Zealand and South Africa. Capricorn has nearly 8000 members with an annual turnover approaching A\$400 million.

"The idea behind a co-operative like Capricorn is simple, it's all based on people working together", says Capricorn CEO, Trent Bartlett.

Commitment and loyalty are the core strengths of the Capricorn co-op which rewards member longevity with fifteen and twenty-year recognition plaques. Annual conventions, golf days, trade shows and social events, complement the relationship between members and the co-op and provide great networking opportunities.



Two Capricorn members - the co-op helps them compete more successfully

"Before coming to Capricorn, I hadn't worked with the co-operative business model, but I would have to say, I am now one of its strongest advocates. The members, the suppliers and the staff share a unique bond that is a powerful commercial force and certainly great fun to work with," says Capricorn CEO, Trent Bartlett

Information on US purchasing co-ops in this article is reproduced with the generous permission of NCBA from the current issue of the Cooperative Business Journal www.ncba.coop/pubs_cbj.cfm.

"there is no question purchasing co-ops are keeping small independent businesses from folding in an increasingly consolidated marketplace..."

Barry Silver
NCB

A new book Michael Shuman's *The Small-Mart Revolution* also picks up the theme of small local stores co-operating to beat the big global competition [more](#)

THE SMALL-MART REVOLUTION



HOW LOCAL BUSINESSES ARE BEATING THE GLOBAL COMPETITION
MICHAEL H. SHUMAN

Feature interview

“Valuing Our Mutual” – Jean-Louis Bancel

Jean-Louis Bancel is Executive Vice Chairman of French banking giant, [Crédit Coopératif](#). He has a long association with the mutual insurance sector – he was CEO of Fédération Nationale de la Mutualité Française (FNMF) the apex body of French health mutuals, and before that, General Secretary of Groupement des Entreprises Mutuelles d'Assurance ([GEMA](#)).

Jean-Louis was chairman of International Co-operative and Mutual Insurance Federation (ICMIF) development committee from 1999-2001 and last year stepped down after five years as [ICMIF](#) Chairman. For more than fifteen years, Jean-Louis Bancel, has been at the forefront of the movement. Bancel reflects on his time as chairman of ICMIF and offers his perspective on the benefits of mutuality.

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



Jean-Louis Bancel, Executive Vice Chairman of Crédit Coopératif and former ICMIF Chair

Bancel: I have worked in the mutual insurance sector for many years and know the co-operative movement well. In France, mutuals, co-operatives and non-profit associations have

one lobbying body. I have been a director of this organisation for many years, which has helped expand my knowledge of co-operatives.

In our country, mutuals and co-ops update their legal framework regularly, even as we try to stay firm on core principles such as “one person - one vote” or the “non-individual ownership” of co-op reserves.

There has always been close collaboration between co-ops and mutuals. For example, in the early 80s, the legal framework of co-operatives was modified to allow them to issue new types of financial instruments to be able to compete in the market. A few years later, GEMA worked to update our legal base. To achieve this, we worked closely with our co-operative colleagues.

There has always been a close relationship between the two sectors, not only at the level of apex bodies, but between companies. When I was at GEMA, our bank was the Crédit Coopératif, and when I was CEO of Mutualité Française, I was a director of Crédit Coopératif, of which I am now, Executive Vice Chairman. I have kept some non-executive positions on boards of French mutual insurers. So, I try to be a bridge between the bank and the

insurance sector, and between co-ops and mutuals.

Digest: Can you tell us some of the highlights of your time as Chairman of ICMIF?

Bancel: ICMIF was formed in Tokyo in 1992. It was the end of a process started a year before by a strategic review group (SRG) chaired by Tan Kin Lian from Singapore, who was the first ICMIF Chairman. I joined GEMA and ICMIF in 1993.

The SRG investigated the common interest for launching a new international professional body. They discovered that in many countries, for different reasons, there were mutuals but no co-ops. Despite the legal differences, they emphasised the commonality between mutuals and co-ops.

I recall, at the 1999 conference in Quebec, I suggested ICMIF should do something to counter the demutualisation tide. We launched a working group at the European level and published a wonderful report titled, “Valuing Our Mutuality”, full of statistics and examples showing demutualisation was not a good thing for insured members. Recently, an all parties working group

“Co-ops and mutuals must work together, exchange best practice and remain committed to mutual and co-operative principles..”

Jean-Louis Bancel interview...continued

Feature Interview

from the British parliament published a report showing demutualisation was far from evenly depicted. This is still an indirect effect of the earlier ICMIF impulse.

I believe ICMIF success (more than 120 members in almost 70 countries) is based on the objective to keep working on what members have in common (insurance business) and the will of members to be community driven. ICMIF wants, firstly, to make sure members know each other, and secondly, for the members to be able to act together.

“The other important principle is the duty of ICMIF to back its members in creating or consolidating new mutual or co-operative insurers anywhere in the world, especially in developing countries.”

In a nutshell, I believe ICMIF has gained tremendously from its open approach to global developments. It is a federation of insurers that wants to be involved in their business with a different mindset. It is not a museum for a legal form that should be protected against all evolution.

Digest: What are the benefits of mutuals and co-operatives? What challenges do they face in a global economy?

Bancel: In our report, “Valuing Our Mutuality”, we showed that being customer-driven was not the only strength. We proved statistically that members of mutuals and co-ops get a better return for their pre-

mium, than from limited companies. Co-ops and mutuals are in the best position to make the right choices for long term development because they are not under the same stress to deliver short term financial gains.

“The major challenge for co-ops and mutuals today is to keep our structures alive and at the forefront of innovation and public visibility.” We have to continually reinforce the value of being an active member. In countries, like France, which have strong mutual and co-operative movements, we should also be active at the international level (through organisations like ICMIF and ICA) assisting other countries, where there is still much to be done. “It is a pleasure to see that in some countries, like the UK, there is a revival in the co-operative and mutual spirit.”

We need to think deeply about what it means to be a co-operative or a mutual group. To compete, our enterprises must grow and adapt their structure, for example by listing on the stock exchange. But our focus must remain, foremost, on serving members interests.

Co-ops and mutuals must work together, exchange best practice and remain committed to mutual and co-operative principles, even if we adapt them to our changing world.

Digest: What are your aspirations for the co-operative banking sector?



Jean-Louis Bancel debating a point at the recent ICA CEO Forum in Imola, Italy

Bancel: Sectoral bodies such as ICBA should be enhanced, in order to strengthen the voice of co-operatives with institutions such as IMF, Basel Committee. We saw, for example, how difficult it was to be seriously considered during the international accounting rules process.

It is also important to establish solidarity between co-operative banks in the North and in the developing world.

Lastly I believe, it is vital to work on intersectoral co-operation between co-operative banks and other types of co-operatives.

“The major challenge for co-ops and mutuals today is to keep our structures alive and at the forefront of innovation and public visibility.”

“...it is vital to work on intersectoral co-operation between co-operative banks and other types of co-operatives....”

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2006 ICA and related
events.....\)](#)

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

2006 Calendar of ICA events and related co-operative activities

- 14 Aug** Meeting of Regional Co-operative Banking Association for Asia-Pacific, Colombo, Sri Lanka. Contact: Shil-Kwan Lee, sklee@icaroap.coop
- 14 Aug** Meeting of ICA Consumer sub-committee on University/College Co-operatives for Asia-Pacific; Colombo, Sri Lanka. Contact: Shil-Kwan Lee, sklee@icaroap.coop
- 15 Aug** ICA Regional Women's Committee for Asia and the Pacific, Colombo, Sri Lanka. Coordinator: Ms. Savitri Singh, savitrisingh@icaroap.coop
- 15 Aug** 3rd ICA Asia Pacific Regional Youth Seminar, Colombo, Sri Lanka. Contact: P. Nair, nair@icaroap.coop
- 15 Aug** ICA Asia Pacific HRD Seminar and HRD Committee Meeting, Colombo, Sri Lanka. Coordinator: K. Sethumadhavan, sethu@icaroap.coop
- 15-16 Aug** ICA Asia-Pacific Co-operative Research Conference, Colombia. Sri Lanka. Contact: Akira Kurimoto, akira.kurimoto@jccu.coop
- 16 Aug** ICA Asia Pacific Standing Committee meeting, Colombo, Sri Lanka. Contact: Shil-Kwan Lee sklee@icaroap.coop
- 16 Aug** ICA Consumer Committee for Asia and the Pacific, Colombo, Sri Lanka. Contact: Tsubasa Nakamura tsubasa@icaroap.coop
- 17 Aug** ICA Asia Pacific Co-operative Forum, Contact: Shil-Kwan Lee, sklee@icaroap.coop
- 18 Aug** 7th ICA Asia-Pacific Regional Assembly, Colombo, Sri Lanka. Contact: Shil-Kwan Lee, sklee@icaroap.coop
- 30 Aug** ICA Housing Board meeting by teleconference. Contact: Mike Doyle mdoyle@chfinternational.org
- 4-5 Sept** ICA Board, special strategic planning meeting, Stockholm, Sweden. Contact: Iain Macdonald, macdonald@ica.coop
- 6-7 Sept** ICA Board meeting, Stockholm, Sweden. Contact: Iain Macdonald, macdonald@ica.coop
- 6-8 Sept** International Conference, Reclaiming the Economy: the Role of Co-operative Enterprise, Ownership and Control, Cardiff, Wales. www.uwic.ac.uk/ubs/conferences/#Sugg
- 14-15 Sept** ICA Latin American Research Conference - El Cooperativismo Latinoamericano: ¿visión integrada de lo económico y lo social? Rosario, Argentina. Contact: Mirta Vuotto en-caci@econ.uba.ar
- 16-17 Sept** ICA Housing Board meeting plus meeting with UN Economic Commission for Europe's Housing and Urban Management Advisory Network Contact: Mike Doyle mdoyle@chfinternational.org
- 20-21 Sept** Cooperatives Europe European Council Meeting, Brussels, Belgium. Contact: Rainer Schluter, r.schluter@coopseurope.coop
- 2 Oct** Annual Executive Meeting of ICFO, Singapore. Contact: icfo@zengyoren.jf-net.ne.jp
- 2 Oct** Annual Plenary (General) Meeting of ICFO, Singapore. Contact: icfo@zengyoren.jf-net.ne.jp
- 2-6 Oct** ICA Africa Regional Assembly, Arusha, Tanzania. Contact: Ada Suleymane Kibora, skibora@icaafrica.coop
- 19-22 Oct** ICA Research Conference, Dourdan, France. Contact: Jean-François Draperi draperi@cnam.fr
- 25-29 Oct** [International Economic and Social Forum](#), Lyon, France. Contact: Jacques Terrenoire, jacques.terrenoire@biovision.org
- 6-8 Nov** Gender Integration in co-operatives -- 10 Years before and after", Tagaytay City, Philippines. Contact: Savitri Singh, savitrisingh@icaroap.coop
- 8 Nov** Meeting of the ICA Communications Committee, Manchester, UK. Contact: Garry Cronan, cronan@ica.coop
- 9-11 Nov** Co-operatives Europe Regional Assembly and Co-operative Conference, Manchester, UK. Contact: Rainer Schluter, r.schluter@coopseurope.coop