



ICA Digest

Issue 57

August 2007

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Co-ops & CSR: business with a heart

The theme for this year's ICA International Day of Co-operatives and the United Nations International Day of Co-operatives on 7 July 2007 was "Co-operative Values and Principles for Corporate Social Responsibility".

The theme highlights the fact that co-operatives are, by their very nature, enterprises that balance or integrate economic, environmental and social imperatives while at the same time addressing their members' expectations and stakeholder needs and thus promote corporate social responsibility or CSR.

In this issue we report on how our members celebrated this day around the world. See pages 4 and 5 for details.

International Day of Cooperatives, 2007

"Co-operative Values and Principles for Corporate Social Responsibility"



Details and programme for Singapore General Assembly



The ICA's General Assembly is now only a little over 6 weeks away. We carry a report on the latest preparations and also outline some of the main events and activities that will be occurring during this week long celebration of co-operatives.

Feature Interview

"Young people today are looking for organisations that have values other than money."

This month's featured interview is with Gun-Britt Mårtensson the recently retired Chair of Sweden's Union of Housing Co-operatives.



Read about her vision for the future....



Garry Cronan
Editor

“the challenge is to develop a better evidence base for our case..”

Garry Cronan

From the editor's desk

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

This issue focuses principally on celebrations by our members of the recent International Day of Co-operatives (IDC). We also preview the forthcoming ICA General Assembly in Singapore in October.

The theme for the General Assembly is *Innovation in Co-operative Business*. The theme of the recent IDC was co-operatives and corporate social responsibility.

It is no accident that the ICA is increasingly paying attention to the business aspects of co-operatives.

In the global world of today

we need to be competitive to survive. Our values and principles need to be relevant and our business model sustainable. It is the combination of the two that we should achieve; showing how our principles actually work in practice helping to make our business model more effective. We have to measure and show the social and economic benefits - to measure, if you like, the co-operative difference.

This is the challenge the ICA is setting itself through the development of a better evidence base. This will inform its advocacy, communication and development work and hopefully deliver real added value to members.

Our issue this month also

carries sectoral news, most particularly on housing. Indeed our feature interview is with ICA Board member and recently retired Swedish co-op housing Chair Gun-Britt Mårtensson.

Along with sectoral news we carry reports from our ever active regions. The diversity of these activities eloquently speaks to the value of a global network. It is not all good news, however. In a feature item we are challenged on the role and relevance of agricultural co-ops. Do they have a future given the changes occurring in the marketplace?

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

Garry Cronan

Co-operative trade



“... it is time that our movement maximised the opportunity to expand trade”

Iain Macdonald

ICA Expo 08 - a new initiative

Following successful co-operative trade exhibitions and fairs in various parts of the world, ICA is negotiating with Fenacoop in Brazil to organise a global exhibition and trade fair in Lisbon in October 2008. Exhibition space will be exclusively available to members of ICA from all sectors, but the fair will be open to the general public and buyers to spread the co-operative idea and to showcase the scale and relevance of our business model - as well as the obvious commercial advantages.

The Expo programme will include keynote addresses, roundtable discussions and networking events, to attract the widest attendance and the maximum interest.

A launch of the proposal at the ICA General Assembly in Singapore in October, is planned.

ICA Director General, Iain Macdonald said, “This is a very exciting initiative and the first, I hope, of many.

“Together with the **Global 300**, an exhibition and trade fair next year, should raise our profile even more and convince national and international opinion leaders of the importance of the co-operative movement in the world economy.

“The Fair will benefit our membership in a commercial as well as a

political sense.

“We have seen the role of co-operative trade fairs increase throughout the world in recent years, and it is time that our movement maximised the opportunity to expand trade within the movement as well as with other organisations.”

Watch this space for updates on Expo 08.



Canadians harness hidden potential

A recent visit to Canada gave ICA Director-General, Iain Macdonald, the opportunity to speak to many Canadian co-operators about current ICA initiatives like the restructuring process and **Global 300**. Iain reports back from his visit.

University of Sherbrooke, Quebec

“I was delighted to be invited by Michel Lafleur, Director of the Institute of Research and Education for Co-operatives and Mutuels (IRECUS) based at the University of Sherbrooke, Quebec to attend their thirty year anniversary celebrations and the twenty-five year anniversary of their Masters Degree in Co-operative Management.



Carol Hunter, CEO of CCA met with the ICA Director-General to discuss a range of issues

My after-dinner speech concerned the importance of co-operative teaching and research linked with practical implementation. I stressed the need to generate a good evidence base and used the **Global 300** as an example.

The IRECUS Anniversary coincided with a conference of the Association of Universities of the Americas in Studies on Co-operatives and Associations

(UNIRCOOP). UNIRCOOP is creating a network of distance learning and co-operative management in Latin America.

I discussed the work of the ICA with conference participants and I also met with ICA-Americas Regional Director, Manuel Mariño.

At a meeting with students studying the Masters Degree, I spoke again about ICA activities, in particular **Global 300**. I also joined Professor Jean-Pierre Girard, a member of our IHCO executive, at his lecture on development and management of co-operatives.”

CCC

“The annual congress of the Conseil Canadien de la Co-operation (CCC) was held on 22-24 June in Quebec City. My presentation, as part of their theme, “*La coopération: des ponts ouverts sur l’avenir*” (“Co-operation: bridges to the future”) looked at how the ICA supports the French-speaking Canadian co-operative movement.

I discussed the latest initiatives of ICA, its strategy and restructuring process and how the Canadian movement has a very important role to play, not least, in development.

I found the CCC very welcoming and supportive in particular its new Director General, Brigitte Gagné and president, Michel Rouleau. It was a very inclusive conference with a particular emphasis on youth.”

phasing on youth.”

CCA

“A few days later, the Canadian Co-operative Association (CCA) held their congress, titled “*Harness the hidden potential*”, from 26-29 June in St Johns, Newfoundland.

Before the conference I met with the CCA board to discuss the current ICA restructuring process in response to concerns about the role of an apex organisation within ICA and proposals for a new subscription formula.

This well organised conference attracted excellent representation from all over Canada. Conference delegates expressed great support for ICA activities and there was particular interest in the **Global 300** project.

At the conference I spoke on: “*Global perspectives on co-operation and partnerships*,” with Jonathan Rothschild, a senior economist at the Canadian International Development Agency and Rizal Malik from Transparency International.

My overall impression is that the Canadian co-operative movement is in excellent shape and keen to be part of an effective global organisation. Our emphasis on profile-raising both within and without the co-operative movement that stresses the essential differences between co-operative and investor owned business, received especially broad support.”

DG's report



Iain Macdonald
Director-General

“My overall impression is that the Canadian co-operative movement is in excellent shape ...”

You can read previous DG's monthly reports by clicking [here](#).

IDC 2007

Read our report on the IDC celebrations around the world

International Day highlights corporate social responsibility

Media releases, conferences and seminars, radio interviews, articles in national press, contests and awards were among the activities which celebrated this year's International Day of Co-operatives. All highlighted the contribution of co-operatives to promoting social responsibility as part of co-operative principles and values.

mitted to plant one million trees, a symbol of solidarity and co-operation, in the more than 500 events held on the initiative of ICA member, Confederación de Cooperativas de la Republica de Argentina (Cooperar), the Confederación de Cooperativas Agropecuarias (Coninagro) and INAES.

A Haitian newspaper, Le Nouvelliste highlighted the ICA message and reported on the event organised by ICA's member, the Conseil National de Coopératives, and its workshop which co-operators from around the country met to strategise on the future of their movement.

In Japan, the Japan Joint Committee of Co-operatives (JJCC) organised a seminar where over 250 co-operators, co-op employers and researchers in Tokyo participated including the ICA President, Ivano Barberini who made a presentation on the theme of the day.

In Mauritius, ICA member, the Mauritius Co-operative Union, organised a

workshop on the

ICA's Board member, Seah Kian Peng, Singapore

theme, "Co-operatives in a Globalised Economy" and held their annual Picture Contest for primary school children and



"...co-operative culture is about solidarity and responsibility ..."

Márcio Lopes de Freitas, President, OCB, Brazil on United Nations Radio

perhaps summed up the message best; "co-operative culture is about solidarity and social responsibility". (Hear the full interview at radio.un.org/por/story.asp?NewsID=3420 in Portuguese). He shared information on how Brazilian co-operatives were putting the co-operative values and principles into action.

Other media around the world also carried news on the events that ICA members, government ministries and co-operative societies held to celebrate the Day. The ICA message was read, published and referred to in many countries.

In Argentina, co-operators around the country com-

You can read more about IDC, the various messages and celebrations by going either

www.ica.coop or www.copac.coop



International Day highlights corporate social responsibility

IDC 2007

Essay Competition for secondary schools. In Romania, where the Day is celebrated annually, ICA member, UCECOM issued



awards to their top ten co-operatives.

While, in the United Kingdom, Black Gold, a film about corporate social responsibility and the lack of it in the international coffee markets featuring

Tadesse Meskela, the General Manager of the Oromia Coffee Farmers Co-operative Union of Ethiopia was screened.

Mr. Meskela addressed the gathering of UK co-operators where the ICA message was also read out.

ICA members translated the ICA message into more than 10 languages and were distributed throughout their own membership.

Some issued media releases like SOKL Finland, other fea-



ICA Board member, Isami Miyata at an event in Japan celebrating IDC

tured social responsibility in their newsletters like the Singapore National Co-operative Federation, see photo opposite, or issued their own messages like CUEDCOOP of Uruguay and information on the day circulated in Malta and Paraguay.

The United Nations and the International Labour Organisation issued media releases in addition to messages which were distributed through their networks and posted on their websites. The Food and Agriculture Organisation (FAO) also issued a message as did the International Federation of Agricultural Producers (IFAP).

The governments of Myanmar, the Republic of Trinidad & Tobago and South Africa also organised events to bring stakeholders on co-operatives together.

Even non-ICA members from co-operatives in the Canary Islands to food co-operatives in California (USA) carried links to the ICA message as well as the message of ICA's partners.

International Day of Cooperatives, 2007

"Co-operative Values and Principles for Corporate Social Responsibility"



As the IDC message notes co-operatives have in many ways been pioneers of CSR. However, the co-operative movement has not done as much as it could have in measuring this co-operative difference. It has allowed others to claim credit for the concept. It is time we developed a consistent and rigorous framework to better measure the way we operate - to demonstrate the combined economic and social benefits, the co-operative difference.

General Assembly Preview

Up to 1,000 delegates are expected to attend this year's General Assembly.

These bi-annual meetings are the largest regular co-operative event in the world.



The theme for this year's General Assembly is *Innovation in Co-operative Business*.

This subject will be picked up and reflected from a variety of different perspectives in the events which are planned for the week 14-19 October.

The General Assembly itself, will be formally opened on the morning of Thursday 18 October. Speakers in the opening session include Sean Kian Peng, Chair of host, SNCF, Dr Vivan Balakrishnan, Singaporean Minister for Community Development and Ivano Barberini, ICA President.

The opening ceremony will be followed by three keynote speakers, see below.

Two concurrent business sessions will commence immediately after lunch and offer participants the opportunity to hear from a wide of co-operative speakers outlining best practice examples of innovation. This will also be the occasion for the launch of this year's **Global 300** list.

The second day of the General Assembly will hear reports on the conclusions of the previous day's business sessions.

This will be followed, by what promises to be a very interesting panel session on the International Accounting Standards and how they are affecting co-operatives.

The afternoon of the second day will deal with ICA statutory business, including elections for the board and the Audit and Control Committee. One of the most interesting discussions is expected to be on proposals for possible governance and restructuring changes for the ICA. The General Assembly will also learn who is this year's Rochdale Pioneers Award winner. The host city for the next GA is also expected to be announced.



José Manuel Salazar-Xirinachs (Costa Rica) joined ILO as Executive Director of the Employment Sector in mid-2005. Prior to joining the ILO, he was Chief Trade Adviser and Director of the Trade Unit at the Organisation of American States. (OAS) Trade of Costa



David Cook is Chief Executive Officer of "The Natural Step International" (TNSI) an international NGO founded in Sweden in 1989. The aim of "The Natural Step" is to develop a genuine commitment to, and competence in, sustainable development throughout society. He is currently collaborating with the UN Global Compact.



Lim Boon Heng, Minister in the Prime Minister's Office, Government of Singapore and concurrently Chairman, Social Enterprise Development Council of the Singapore National Trades Union Congress (SNTUC) which oversees the co-operatives within the Singapore Nation Trade Union Conference, such as NTUC and Fairprice Income.



Tricia O'Malley

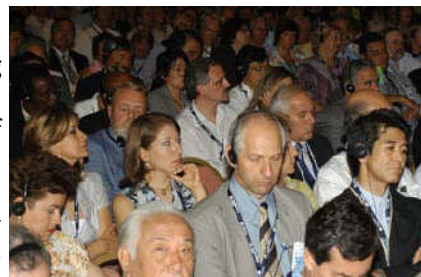
ICA IAS Working Group to hold open meeting in Singapore

Tricia O'Malley, former member of the Board of Directors of the International Accounting Standards Board will join the ICA's IAS Working Group for an informal discussion at 16.30 on 17 October. ICA General Assembly delegates are welcome to attend. Ms O'Malley will address the ICA General Assembly on Friday morning, 19 October and take part in the planned panel discussion on accounting standards.

Highlights of ICA sectors and thematic committees

General Assemblies are great opportunities to showcase the diversity and strength of co-operatives throughout the world. Almost all of the ICA's sectoral organisations and thematic committees are holding meetings, seminars or workshops in Singapore. Some of the highlights are expected to include:

- ICAO (Agriculture). Challenges in the business environment confronting today's agricultural co-ops will be the focus of a ICAO seminar
- CICOPA. The CICOPA seminar will focus on the development trends of industrial, service, artisan's, worker and social co-operatives in the world today. The seminar will be preceded by a General Assembly of CICOPA.
- ICA Gender Committee. The underlying importance of gender equality and equal opportunities for women and men is a driving force for innovation in co-operatives. The ICA GEC Conference will present case studies on how gender issues drive development and social and economic advancement.
- ICA Housing. "The role the co-operative housing sector can play in combating climate change" will be the theme addressed by housing co-op experts.
- ICA Research Committee. How do co-operatives innovate? What does "innovation" mean within co-operative organisations? Does the co-op model encourage or discourage innovation? The ICA's Research Committee Symposium will address these and other questions.
- All interested ICA members are also invited to attend a meeting on October 16 at 11am to discuss the possibility of re-establishing an Energy Sectoral Committee.



ICA delegates at the last General Assembly in Colombia

2007 Global 300 listing to be launched at General Assembly

This year's **Global 300** list will be launched on Thursday, 16 October. It will be unveiled at the start of Session II of the concurrent business streams during the GA.

This year we have greatly expanded our financial analysis of the largest co-operative and mutual businesses in the world. Which ones are performing best? What sectors are competing most effectively in the global marketplace? Are the most commercially successful co-ops also the ones performing best on CSR?

Two new features of this year's **Global 300** programme are:

- A new (draft) measure of Corporate (or Co-operative) Social Responsibility (CSR) has been developed. Detailed case studies featuring best practices examples of CSR and co-operative values and principles will be unveiled at the launch.
- The **Global 300** project has also been expanded to include a new **Developing 300** list of co-operative businesses drawn from up to 30 developing economies.



Global 300 - National 100 Workshop

A number of countries are now starting to develop their own Top 100 list of co-operatives based on the **Global 300** approach.

The ICA has been (or will) be working with a range of countries including the UK, France, Australia, Canada, Singapore, USA and others to help develop such lists. The UK recently launched the Co-operative UK 100 see www.cooperatives-uk.coop/live/welcome.asp?id=1522. The Global 300-National 100 programme has the potential to build for the first time a truly global database of co-operative enterprises throughout the world.

Learn how you can do this for your country by attending the **Global 300 – National 100 Workshop** on 16 October at 14:00.

"...the development of the national 100 lists represents a win-win outcome; for ICA members themselves, and for the ICA which can use them to help build the Global lists..."

Pauline Green

General Assembly Youth

“(we) need to increase the number of committed young members, to enable a process of inheriting the movement to occur...”

Youth conference delegates under 35 years of age have free registration to the GA as observers.

Youth are the future – ICA Youth Conference 14-15 October, Singapore

Youth is moving up the co-operative agenda in recognition of the need to increase the number of committed young members active in the movement, to enable a process of “inheriting the movement”. ICA too has focused attention on youth issues in the past few years.

The ICA global youth conferences, held in conjunction with ICA GAs, have given young people an opportunity to network and share progress on the participation of

youth in co-operatives.

It has created continuity for youth action and raised expectations about what is possible for a broader participation of young people.

Singapore 2007 promises to be not only a continuation but a step forward in strategic discussions regarding co-operative development and the role youth play in that challenge. The theme of the ICA Youth Conference: “Co-operative business innovation through youth”, proposed by the newly formed ICA Asia-Pacific Youth Committee, is not only appealing but necessary.

“We encourage ICA mem-

bers to enable young people committed to the development of the movement to actively join us,” says Juan Carlos Mejía Cuartas, ICA Youth Network representative to the ICA Board.

Registration for the ICA Youth Conference has been extended. [Information](#)



Juan Carlos Mejía Cuartas

Detailed GA programme and documentation now available

General Assembly Documents

A range of documents relating to the General Assembly have now become available. These include copies of the ICA's 2006 Annual Report, the General Assembly edition of the ICA Review, the Agenda and Programme of Meetings, plus Statutory Documentation.

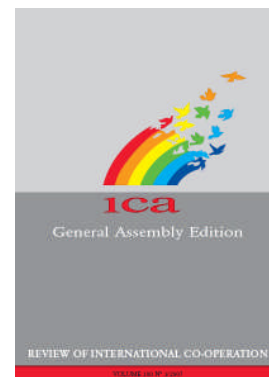
General Assembly registrants will shortly receive their copies of this documentation. Members have also been sent copies of the Annual report. Copies of many of these documents are also available from the ICA website, www.ica.coop



A full programme listing all General Assembly events, keynote speakers, venues and helpful local information



Carries reports on the ICA's global activities in 2006



The General Assembly edition of the ICA Review. The Review is celebrating its centenary, this issue includes background on the host Singaporean co-operative movement plus other articles

First CIRIEC world research conference

Research

The goal of the first international CIRIEC conference on the Social Economy is to highlight the role of the Social Economy in building and strengthening communities in a variety of contexts and cultures. The conference will be held at BC Institute for Co-operative Studies, University of Victoria, Canada, see www.socialeconomynetwork.ca/hub/

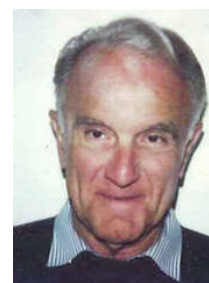


The conference features four main streams:

- The Social Economy in communities
- The Social Economy facing globalisation
- The Social Economy and governance
- The Social Economy facing the reconfiguration of the State

Yair Levi - co-operative researcher

Co-operative researchers throughout the world will be sad to hear that Dr Yair Levi recently died. Dr Levi was Scientific Director of CIRCOM (International Research Centre on Rural Co-operative Communities) and Editor of Journal of Rural Co-operation, in Israel. He is the author of a number of books on co-operatives.



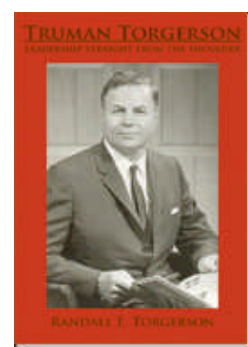
As former ICA Research Committee Chair, Dr Roger Spear, has noted "Yair Levi was an outstanding figure in the co-operative landscape; a man with immense energy and experience, he must have travelled the world many times, continually writing, and producing his Journal of Rural Co-operation for many years; he never failed to generate interesting views and ideas".

Dr Levi was one of the passing generation of international co-operative researchers who worked hard to advance the study and understanding of co-operatives. The co-operative world is the poorer for their passing.

A USA co-operative pioneer profiled

America's farmer owned co-operatives are facing unparalleled challenges in today's fast changing rural environment. A recent publication *Truman Torgerson: Leadership Straight from the Shoulder*, by Randall E. Torgerson documents the story of how one of the most progressive farm leaders of the 20th century led the way towards meeting those challenges through market-oriented business activity. Truman Torgerson, the author's father, was a pioneer in organising and leading Wisconsin's Lake to Lake Dairy Co-operative, a prototype of the successful member-owned business of the future. This collection deals with many issues associated with running a successful co-operatives, it includes important lessons on leadership development, marketing strategies and membership involvement. The author is himself one of the USA's best known co-operative advocates. Copies of the book can be obtained from www.authorhouse.com/BookStore/ItemDetail.aspx?bookid=34725

Publications



ICA's specialist news website www.ica.coop continues to attract record numbers of visitors.

The site now has links to over 20,000 news items on co-operatives. It is probable that this is the largest online collection of co-operative news items and links in the world. <http://www.authorhouse.com/BookStore/ItemDetail.aspx?bookid=34725>

Our current focus is on extending our direct coverage and links to member activities and sites. We would be very interested in working with members to develop more direct member RSS feeds into our news site. If you are webmaster for your site, and you have your news items RSS enabled or are thinking about doing this we would love to hear from you. Please contact

ICA news

"...record number of visits to site recorded...."

Housing

Gun-Britt Mårtensson: "A cradle for democratic behaviour"



Gun-Britt Mårtensson

Suzanne Henderson, ICA **Digest**, Associate Editor interviewed Swedish co-operative leader Gun-Britt Mårtensson on the eve of her retirement as chair of the largest Swedish apex body for co-operative housing, [HSB: Riksförbund \(Union of Housing Co-operatives\)](#). There are over half a million members of HSB housing co-ops in Sweden and Gun-Britt has been a co-op housing resident since her early teens. A former mayor and current member of the ICA Board, she is a tireless campaigner for promoting "the co-operative difference". Gun-Britt spoke to the **Digest** about her vision for building a better world through 'cooperativism'.

Co-operating on a housing co-op in Uruguay



Celebrating co-op housing HSB style

"Co-operatives the world over, are so important because they are the cradle for learning democratic behaviour"

Gun-Britt Mårtensson

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

GM: "My first exposure to co-operatives came as a teenager when my family moved into co-op housing in Sweden in the 60s. Becoming a member in a housing co-operative was really something to be proud of as it meant that you could save money (to buy into the co-op) and that you were considered a good family - 'good citizens' if you like. I can still remember the look of immense pride on my father's face when he announced that the family had been accepted into the co-op.

As an alternative to private ownership or rental situations, housing co-operatives have an excellent reputation in Sweden. They are 'tenant owner associations' which

means that you own the right to the use of your flat for an unlimited time, but as a co-owner of the co-operative you have duties as well as rights.

Members are involved in the governance of the co-operative, although most housing co-ops buy in important services such as building maintenance and financial management from the 33 regional organisations that make up our apex body.

I am totally committed to the concept of co-operative housing and still live in one today. It is a mid-size co-operative with 400 members. We come together every fortnight to cook and socialise. There is a yoga club, a choir and many activities for older people.

The retired members have just bought a wine cellar and they have a travel club as well.

In Sweden you can see the difference between rental housing and co-operative housing very clearly. Members get all the benefits of community-orientated living. This idea that your home - your most valuable asset - is looked after by your neighbours helps to shape the co-operative spirit in individuals.

Co-operatives in whatever form, the world over, are so important because they are the cradle for learning democratic behaviour."

Interview cont. pp 26-27

Canadian housing co-ops have 2020 vision

Housing

The Co-operative Housing Federation of Canada (CHF Canada), the peak body for housing co-ops in the region, has launched a new initiative to help housing co-ops face the challenges of an uncertain future.

The **2020 Vision** project recognises that the co-op housing movement in Canada is at a crossroads.

“The co-ops we live in are getting older. The needs of co-op members are changing. With very few exceptions, we are not adding new co-ops to our sector,” says CHF Canada.

In Canada almost all housing co-ops operate under government housing programs that provide financial assistance, limit their purposes to non-profit affordable rental housing and provide a safety net if co-ops fall into financial difficulty. Over the next decade these programs will end for many co-ops, leaving them to operate without government support.

CHF Canada wants to ensure that Canada’s investment in co-op housing is safeguarded and that the principles of member control and non-profit ownership are preserved. The **2020 Vision** project will help housing co-ops build a strong foundation for the future, based on shared co-operative values.

The Project’s name comes in part from a question CHF Canada is asking its members: “What kind of a co-op do you want to be in the year 2020?”



Arcadia Housing Co-operative in Toronto

To help housing co-ops prepare for the future, **2020 Vision** has developed a series of educational and training resources and a certification programme.

For co-ops that want to become designated as 2020 Co-ops, CHF Canada has developed a series of benchmarks - for example, a co-op must have a mission and vision that reflects the values of its members. It must uphold the international co-operative principles, keep its operations non-profit and offer housing that is as affordable as possible.

A 2020 Housing Co-op co-operates with other co-ops through membership in the co-operative housing sector. Sound financial planning and expert property maintenance are other prerequisites.

A 2020 Co-op demonstrates good governance and principled leadership and understands that sound management is key to operating successfully and offering its members good service.

Finally, a 2020 Co-op is committed to a sustainable future, both for the co-op itself and for the global community. Just like Arcadia Housing Co-operative, located on the Toronto waterfront, which won a City of Toronto Environmental Award of Excellence in 2006 for its efforts in water and energy conservation.

2020 Vision is in the early stages, but Canadian housing co-ops are enthusiastic and keen to get involved and to use the 2020 Vision tool kit as it is developed.

CHF Canada has started a **2020 Vision** website. It can be accessed by going to www.chfc.coop and clicking on the **2020 Vision** link.

“What kind of a co-op do you want to be, in the year 2020?”

CHF Canada

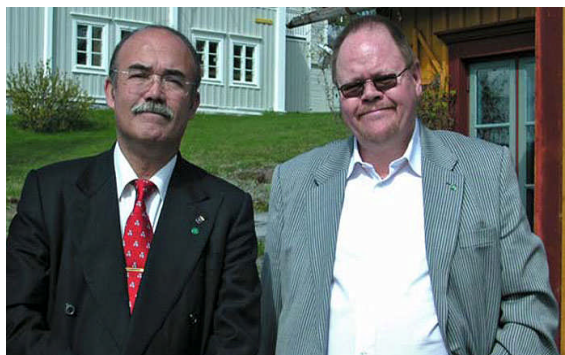


Co-operative Housing
Federation of Canada

Health

Asian co-ops boost IHCO

IHCO president, Dr Guisado and vice-president, Per-Olof Jönsson



The International Health Co-operative Organisation (IHCO) Board meeting in Mörsil, Sweden on 23 May, unanimously agreed to incorporate the Asia-Pacific Health Co-operative Organisation (APHCO) led by Dr Yasuyuki Takahashi, President of the Japanese Health Co-operative Association (JHCA).

IHCO President Dr José Carlos Guisado also reported on ICA strategic planning and

restructuring, and development of the American Co-operative and Mutual Network (ACYM) of which IHCO is a permanent member.

IHCO members adopted a protocol to facilitate development of an ambitious information gathering project on health co-operatives throughout the world, with the 1997 UN Report as the founding basis.

Public-private co-operation on health systems

Co-operation between public administrations and private agents, especially co-operatives, was the main topic of debate at a conference held in Östersund, Stockholm on May 22. The meeting organised by Swedish health co-operative, Medicoop and sponsored by IHCO brought more than forty medical professionals together to discuss, "Co-

operation, subcontracting and public procurement within healthcare and welfare".

A conference manifesto was produced that expressed the desire of health co-operatives to take an active part in improving the quality of healthcare available in their regions, and committed co-operatives to advancing public-private collaboration in order to develop more

just healthcare systems.

The Östersund document also warned: "At the same time, we wish to express our concern that [the] misinterpretation of procurement rules, historical differences and political rigidity risk[s] an impoverishment of public healthcare, and might eventually even lead to an outright oligopoly in this important social sector".

Way forward in Colombia



National meeting of health co-ops in Colombia

More than 300 people met to discuss current issues of concern in Colombian healthcare at a national meeting of health co-ops in Bogotá, Colombia on June 7-8. The meeting titled: "Towards the consolidation of a co-operative health model for Colombians", was

organised by the Confederation of Cooperatives of Colombia (CONFECOOP), with support from Saludcoop and Coomeva, leading Colombian healthcare co-ops.

Dr Guisado spoke about the "Current situation of healthcare co-operatives in the world. Convergence and collaboration of co-operatives with governments in the field of healthcare", and described innovative models of collaboration between

healthcare co-ops and public administrations. The event sparked widespread interest in the healthcare sector and Colombian media.

Dr Josep Gras and Estanislau Simón from the Espriu Foundation, described the co-operative healthcare model operating in Spain. Almir Gentil, President Unimed Foundation, spoke about health and social reform in Brazil through medical co-operatives.

IHCO events

- IHCO GA & Board meeting, 17 Oct, Singapore.
- International Health Co-operative Forum & 50th anniversary of Japanese Health Co-operative Assoc (JHCA), 21-25 Oct, Tokyo.
- 1st meeting of Network América Cooperativa y Mutual (ACYM), 9 Nov, Montevideo.

Co-op archive recognised



Volunteer in Archive

and new status will help raise the profile and public awareness of these wonderful collections."

Designated collections should work towards the provision of high quality services and improve access

to their collections, and also co-operate with other institutions, sharing expertise and advice.

The Co-operative Group will provide an endowment of £3 million to support the preservation of the Movement's heritage. The Endowment will generate about £150,000 per year toward the running costs of the Archive and Museum.

The Co-operative Group and Co-operatives UK will be founders of the charitable Co-operative Heritage Trust. They are keen to discuss how other co-operatives can participate in and contribute fi-

nancially to the Trust's work.

Professor Stephen Yeo, Chair of the College Archive Committee said, "This is a really outstanding achievement by the College and the archive team. It shows the enormous distance they have travelled since integrating the major collections that now comprise the National Co-operative Archive. The movement can be confident that the stewardship of the Archive is now of the very highest standard and it should also be deeply proud that the significance of the collections has been recognised in this way."

The College Chief Executive and Principal, Mervyn Wilson thanked historians and academics from around the world who sent letters in support of the application. "I have no doubt that was a major factor in demonstrating to the panel the global significance of the collections," he said.

Contact [Gillian Loneragan](#) learning resources manager and archivist or visit the [Archive website](#)

Co-op heritage

"The movement can be confident that the stewardship of the Archive is now of the very highest standard."

Professor Stephen Yeo

The collections of the National Co-operative Archive at the Co-operative College UK have been recognised among the most important in England through the Museums, Libraries and Archives Council's Designation Scheme.

The scheme identifies pre-eminent collections of national and international importance based on their quality and significance.

Mark Wood, Chair of the MLA said, "The award of Designation is very hard to achieve and this success

China Co-ops Rising

International Dispatch is the new E-Newsletter of the Canadian Co-operative Association (CCA).

The second issue, contains an item on China's new co-operative law.

"July 1st marked the beginning of a new era in rural China. A new law ratified by the National People's Congress is now in effect for millions of small, household farmers seeking competitive advantages in China's red hot economy...

China co-op watchers hope the new law will enable farmers to establish, autonomous, member owned and managed co-operative enterprises helping them to achieve better positions and incomes— in the value chain." [More](#)



Co-op legislation

Europe

Social dialogue in Prague



Keynote: Pauline Green, Co-President Cooperatives Europe



Rainer Schluter, Director Cooperatives Europe



Etienne Pflimlin, Co-President Cooperatives Europe

The 3rd Co-operative Convention on European Social Dialogue, was held in Prague, on 18-19 June. The Convention received the support of EU Commissioner Vladimir Spidla and the Czech Government for the objective of creating social and economic change through co-operatives.

The President of the Czech Parliament, Miloslav Vlecek, the minister of employment and social affairs, Petr Necas and agriculture minister Petr Gandalovic, underlined the positive role of co-operative values and principles in the Czech national social dialogue.

The [interim results](#) of Cooperatives Europe's Social Partner Programme (SPP) were discussed. SPP will enable Cooperatives Europe to become a European Social Partner.

First data of SPP indicates that Cooperatives Europe represents 231,000 co-operative enterprises that have 120 million members and provide 4.6 million jobs in the agriculture, housing, worker and social co-ops,



L to R Miloslav Vlecek - president of Czech Parliament; Vit Vanicek - DACR Czech Union of Co-operators; Milan Stech -

consumers, pharmacies and insurance sectors.

A discussion on Europe's Social Dialogue explored the added value of Cooperatives Europe becoming a Social Partner.

Etienne Pflimlin, Co-President of Cooperatives Europe, concluded that there was much "food for thought" and perhaps more questions to answer than envisaged.

Best practice presentations for successful social dialogue can be viewed [here](#).



Ray Collins, communication, Cooperatives Europe



Agnes Mathis, deputy director Cooperatives Europe

EU defends co-ops

Cooperatives Europe has recently received important expressions of support for the co-operative sector from the EU Commission.

Commissioner Vladimir Spidla, exchanging views with Cooperatives Europe on an action plan to defend legal and fiscal frameworks of co-operatives, reaffirmed his support for the co-operative model of enterprise as part

of the Single Market and the wider European social reality.

He told the Board he would need their opinions for the continuing harmonisation of the Single Market procedures and was ready to enter into dialogue with Cooperatives Europe. [More.](#)

At a recent meeting with Cooperatives Europe, EU commissioner Günter Ver-

heugen (Enterprise & Industry) discussed the issues of most importance to the European co-operative sector.

Verheugen said he recognised the social and economic importance of the European co-operative sector and would like the 'co-operative difference' to be better articulated and understood better within the Commission. (cont. over-leaf)



EU commissioner Vladimir Spidla

EU defends co-ops cont.

(From pg 12)
Verheugen said the Competition Policy framework could benefit from 'operating guidelines for co-operatives' that are formulated in consultation with the Co-operative Movement, concerned national governments and

that are in line with co-operative principles.

The key issues discussed at the meeting were: legal actions against some specific tax systems for co-operatives; proposed accounting standards for SMEs; and the promotion of co-

operative societies in Europe.

Regular meetings between the EU Commissioner and Cooperatives Europe will ensure improved follow up of important issues for the European co-operative sector.

Europe



EU commissioner
Günter Verheugen

Memo to Portuguese Presidency

Cooperatives Europe has written a memorandum to the Portuguese Presidency of the EU (Jul-Dec 2007) calling on the Presidency to ensure that the redrafted EU Treaty continues to identify 'co-operative societies' in any definition of 'companies or firms' as is written in Article 48 of the existing Treaty and is included in the constitutions of some Member States.

The Memorandum says: "As enterprises that are built on economic success with a social dimension, co-operatives across Europe call on the Portuguese Presidency to find a way to involve the social partners and stakeholders in the negotiation process and to establish the status of an enhanced social protocol."

Cooperatives Europe is ready to take part in any negotiating process."

[Read the full Memo.](#)

[More headlines](#)



Communications update

Cooperatives Europe has redesigned their [website](#). Ray Collins from Cooperatives Europe has called on members to e-mail their logos, news items and pictures of their activities to build a European-wide image database.

Member News

EuroCoop celebrated its 50th Anniversary with the conference titled: "Climate Change: The Major Challenge of the 21st Century: Maximising the response of consumer co-operatives", on 28 June. Further information: [50 Years of EuroCOOP](#)



New conferences

23rd International Co-operative Research Conference, Prague, Czech Republic, 14-15 Sept 2007, hosted by Czech University of Life Sciences, Prague and supported by the Co-operative Association of the Czech Republic. [Visit](#)

European Forum of Social Tourism, Riva del Garda, Italy, 2-5 Oct 2007, hosted by the International Bureau of Social Tourism (BITS) and the Trentino Federation of Cooperation. The theme is "Social tourism: Protagonist of economic and social development in Europe".



Maurizio Davolio, Chair
of TICA and BITS Board
member

ACI- Americas

Recent activities of ACI-Americas



Ramón Imperial

The ICA restructure was the main topic of the ACI-Americas Consultative Council meeting held in San Juan, Puerto Rico on 10 May. A C I - Americas regional director, Manuel Mariño and

Ramón Imperial, both members of the ICA Administrative Council, led discussion on the Restructuring Working

Group's proposal on membership, fees and sector committees.

The restructure will be discussed again at an ACI-Americas Council extraordinary meeting in San Jose in August.

A panel discussion: "Perspectives on Women's Role in Co-operative Movement Development in Puerto Rico" was held during the Council meeting.

In attendance was the President of the American Region Cooperative

Women's Committee (CRAMC), Maria Eugeni Perez Zea (COOMEVA-Colombia), the vice-president Edith Sanchez (COOPEUCH-Chile) and Nancy Botta (Cooperar-Argentina).

A Financial Cooperatives of America (COFIA) seminar was also held during the Council meeting. The Seminar was part of COFIA's effort to develop and promote finance education courses and technical assistance for financial co-operatives in Latin America.

Public politics in Panama

Representatives of the National Council of Cooperatives in Panama (CONALCOOP) and the Panamanian Cooperative Autonomous Institute (IPACOO) attended a Public Politics seminar on

23-24 May, to train members about how to prepare an incidence strategic plan.

This type of planning tool will allow members to take advantage of political,

social and economic opportunities at national and international level in order to benefit all countries in the region.



Manuel Mariño

Social economy in Dominican Republic

Manuel Mariño visited the Dominican Republic in the last week of June to assist preparations for a research project on the social economy of the Republic. This project forms part of a wider investigation into the social economy of Latin American countries - already completed for Guatemala, El Salvador and Nicaragua.

Dominican co-operative training and education body, ENECOOP, will appoint a Working Group to the project. This activity is part of the Incidence and Cooperative Development Project of ACI-Americas supported by the Swedish Cooperative Centre (SCC).



Reminder

The 15th ACI-Americas Regional Conference will be held in Santo Domingo, Dominican Republic, from 1-5 October 2007.

The theme is "Social cohesion and inclusion: Contribution of co-operatives to a world in balance". Visit aciamericas.coop/conferencia2007/ for more information (Spanish and English).

Focus on training

ACI
Americas



The 3rd Congress of MERCOSUR on training, promotion and co-operative education took place in Posadas, Argentina on 5-7 July.

Over 800 delegates from Argentina, Brazil, Uruguay and Paraguay came together to discuss training and promotion of the co-operative movement, leadership and public politics.

Manuel Mariño gave the opening address: "Governance, ethics and leadership in cooperatives". The next specialized meeting of cooperatives of MERCOSUR will take place 29-31 August in Montevideo.



Governor Rovira, minister of cooperative action, mutuals, commerce & integration, Province of Misiones, & ACI-Americas' Regional Director, Manuel Mariño.

Virtual learning centre coming

ACI-Americas will launch its new virtual learning centre which uses the Moodle technological platform to enable access to courses, forums, chatrooms, surveys, databases, video-conferences and a virtual library.

The Centre will provide online education similar to the teletutorial training initiated by the Colombian Cooperatives Confederation (CONFECOOP) which

also provides specialised qualifications and training online.

This initiative is a joint partnership between the University of Cordoba (Spain) and the international consulting firm, Innomades.

The courses are certified by the University of Cordoba, the European Computer Driver License (ECDL) sponsored by Informatics Technicians Association (ATI), FUNDE-

POS University (Costa Rica) and other academic institutions.

[E-mail](#) for more information.

ICA Americas will shortly launch its new virtual learning centre..."



Biblioteca Virtual
ACI - Américas

Events

Confecoop Antioquia supported by ACI-Americas held a course on the new online learning platform of ACI-Americas on 26 July in Medellín, Colombia.

The main objective was to promote the new distance-education tools as well as to equip the participants

to be part of the online tutorial team. For more information e-mail proyectos@aciamericas.coop

A seminar on "Gender equity in decision-making in organisations" will be held on 27 August at COOP-NAE R.L.

The seminar will work to-

wards a proposal for a Gender Equity Stamp in the Co-operative Movement.

For more information e-mail proyectos@aciamericas.coop

"... the main objective of the course was to promote the new distance education tools"

Asia-Pacific Trade fair targets small producers



Indonesia's president launches National Co-operative Day



Opening of Bali Trade Fair

The beautiful tourist destination of Bali, Indonesia, was the location for an international co-operative trade fair on 12-15 July. It was organised by ICA-AP in collaboration with DEKOPIN, the Indonesian Cooperative Council. The Fair was opened by ICA deputy director-general, Maria-Elena Chavez, Adi Sasono, president of DEKOPIN and ICA-AP regional director, Shil Kwan Lee.

The Expo celebrated six decades of the Co-operative Movement in Indonesia. Co-ops from Indonesia, Iran, Sri Lanka, Thailand, India, Malaysia and the Philippines exhibited.

On the opening day of the Fair, President of Indonesia, Susilo Bambang Yudhoyono, launched National Co-operative Day of Indonesia, at a celebration at-

tended by more than 5000 delegates from 15 countries.

A program of seminars and meetings was held in conjunction with the Fair. The "Capacity building of co-operatives through HRD networking" seminar and a meeting of the ICA Committee on HRD for Asia-Pacific were held on 10-11 July.

A conference on "Poverty reduction and advantage of co-operatives in protecting small farmers and rural entrepreneurs" was held on 13 July.

On 14 July there was a symposium on trade networking, to encourage and motivate co-operatives in the region to establish business contacts with overseas co-ops to take advantage of market-driven economies.

Gulf region advances co-ops

Our last issue of the Digest carried a brief report on the first Forum for Enhancing Co-operative work in GCC (Gulf Co-operation Council) countries was held in Dubai, United Arab Emirates (UAE) on 12-13 June.

This month we provide further details. The Forum attracted more than 100 delegates from UAE, Bahrain, Saudi Arabia, Oman, Qatar and Kuwait.

The Meeting was hosted by the UAE ministry of social affairs in collaboration with ICA and was opened by

Mariam Mohammed Khal-fan Al Roomi, minister of social affairs, UAE and Ivano Barberini, president of ICA.

The Forum heard from a number of global co-operative specialists including the regional director of ICA-AP, Shil Kwan Lee; Dr Hans Muenkner from Germany; Kim Yook Kon, NACF Korea; Bhagwati Prasad, NCUI India; Zulkfli Mohd, SNCF Singapore; Tsubasa Nakamura, ICA-AP Japan; Rajiv Mehta, director of development ICA-AP; and Dr Mishra,

India.

The need for more dialogue between the Co-operative Movement and the governments in GCC countries to enhance the potential of co-operatives in this region was discussed.

The Forum acknowledged that the environment for developing policy in the Gulf region reflected inequalities between the corporate and co-operative sectors.

(cont. overleaf)

Gulf region advances co-ops cont.

(From pg 16)

The Forum acknowledged that the environment for developing policy in the Gulf region reflected inequalities between the corporate and co-operative sectors.

There is an urgent need to build the capacity of co-operatives at primary and secondary levels through public awareness and

knowledge building as well as developing management and strategic operations to use the capital and human resources of co-ops effectively.

ICA-AP indicated it could provide necessary technical support in the process of capacity building.

The AP regional office also said it would be happy to co-ordinate the visit of

Gulf state co-operative representatives to successful co-operatives in other parts of Asia, to enhance the exchange of ideas and best practice.



Dubai Co-op Forum

Co-op banks help rural poor

The Strengthening Rural Credit Co-operatives Project supports the Indian Government's program to reform the country's vast network of rural credit co-operative banks (CCBs).

CCBs will be transformed into commercially viable institutions responsive to the financial needs of farmers, with the approval of a US\$600 million loan from

the World Bank.

India's poorest farmers have limited access to finance from formal sources, relying instead on extortionate money lenders. "Better access to finance for India's rural poor is absolutely critical for higher rural growth, for reducing inequality, and ultimately, alleviating poverty," said Isabel Guerrero, World Bank

country director for India.

The project will provide technical assistance to strengthen CCB governance, management and operation. CCB members, particularly small and marginal farmers, will receive training in financial literacy, project management, monitoring and evaluation.



Shil Kwan Lee, ICA
Asia-Pacific Regional
Director

India sets good example for co-op movement in other regions

With the aim of promoting co-operatives in Afghanistan, Bhutan, Maldives and Pakistan, ICA-AP organised a study visit to India for co-op leaders and government representatives from these regions.

The National Co-operative Union of India (NCUI) and Vaikunth Mehta National Institute of Co-operative Management (VAMNICOM) helped organise the tour and

training program on 21-26 May, for the six participants, who held ministerial positions with responsibility for co-operative development in their own regions.

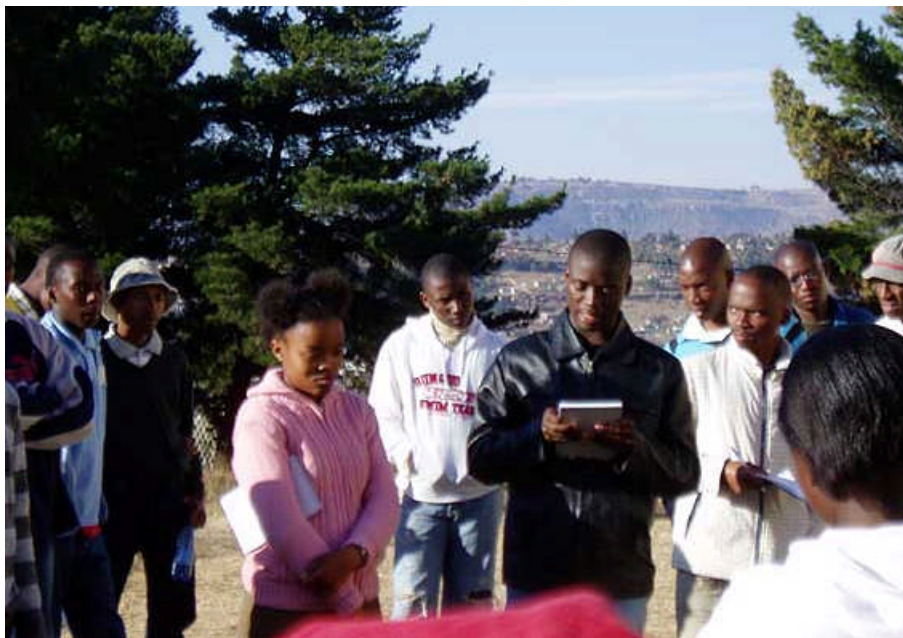
Program costs were sponsored by ICA Domus Trust and NCUI/VAMNICOM.

Organisers and participants
of Indian study tour



Africa

Co-operative youth inspire in Lesotho



Group work at the Forum

“Student co-operatives offer a model for youth groups that want to combine enterprise with ethics.”

Khotso Matla



UK Co-op College, Principal Mervyn Wilson lead discussions on how to encourage co-ops

2007 International Co-operative Day celebrations were followed by a Student Co-operatives Forum at the Lesotho Co-operative College in Maseru, capital of the mountain kingdom of Lesotho. Developing co-operation in the curriculum and establishing youth and student co-operatives was the clear message.

Two hundred students, teachers and government ministers attended as well as representatives from ICA Regional Office in Nairobi, Professor Suleman Chambo, Principal of Moshi University College of Co-operation and Business Studies, Tanzania and Mervyn Wilson, Chief Executive of the Co-operative College UK.

In his opening address, Khotso Matla, assistant minister Lesotho Department of Trade, Industry, Co-ops and Marketing said, “Student co-

operatives offer a model for youth groups that want to combine enterprise with ethics. It is an enterprise with added benefits, requiring young people to trade ethically and work democratically.”

Youth co-ops were flourishing in Lesotho said Mr Matla. “All of us here are going to witness the turning of a new chapter in the structure of the Co-operative Movement in Lesotho, where for the first time we have fourteen co-operatives owned and governed by young people between the age of 15 and 25,” he said.

Matla contrasted this with the problem of aging membership in many established co-ops and spoke about the government’s concern to main-

tain succession in co-operatives through the involvement of young people.

A highlight of the Forum was the presentation of over twenty case studies by school and youth co-operatives including a co-op whose local language name translates as “youth is the flower”. This co-op provides services to their school and community such as catering, equipment hire, banking and raising poultry - a common income generator among poorer communities in Lesotho.

Another co-op based at a school in Maseru is the *Poverty Fighters Multi-Purpose Co-operative*. It registered in 2004 and is now addressing the challenge of how to sustain the co-op when student-members go on to further education or return to remote mountain villages during the holidays.

(cont. overleaf)

Student co-op member reports to the Forum



Lesotho co-op youth cont.

Africa

(From pg 20)

A school co-op in Malealea makes a range of products from stone to sell into the tourist industry. When they discovered the skills they needed to work the stone were found among prisoners, they negotiated with the department for correction to train within the prison service.

The Young Farmers Development Society began back in 2002 with six members to create jobs and alleviate poverty through income generation. It has grown to fifteen members and like many other co-ops it has a wider social objective - a focus on HIV/AIDS education, vital because Lesotho has one of the highest HIV infection rates in sub-Saharan Africa.

The *Elephant and Eagle Society* chose their name because the eagle flies higher and can see further while the might of the elephant can make things happen. They have already applied for funding to support a fishery project because they want their co-operative to create jobs and generate income.

Mervyn Wilson, Chief Executive of the UK's Co-operative College, led discussion about what actions were needed by government, schools, established co-ops and young people to create an environment in which co-operatives can flourish.

ish.

He congratulated the Lesotho government for taking the initiative to register student co-operatives and drew on examples from the UK to demonstrate how to get 'co-operation' across a wide range of curriculum areas.

"We will now look at how to build links between the network of business and enterprise colleges supported by the Co-operative Group and the youth co-operatives in Lesotho," he told the gathering.

"More than anything, the involvement of teachers and so many young people committed to bringing about change through co-operative action, and their determination that through self-help they can address the huge challenges their communities face, deserves our support," said Mr Wilson.



port," said Mr Wilson.

"The collaboration between the three co-operative colleges to make this programme possible, and is the type of activity we hope will increase as the new DFID/ILO Co-operative Facility for Africa becomes operational," he said.

Khotso Matla, assistant Minister for Co-ops at the Mutuality Works conference earlier this year

Students outside Lesotho Co-operative College



Co-op people



Kent-Olof Stigh elected to HSB

Kent-Olof Stigh, has been appointed to chair HSB, Sweden's largest apex organisation for co-operative housing. He succeeds ICA board member, Gun-Britt Mårtensson. Stigh has a long association with HSB having been chair of the board for HSB Gothenburg for the last four years and a member for the last 24 years. A criminal lawyer by profession, Stigh will leave

legal practice to undertake his HSB duties fulltime: "Gun-Britt has given 200% to HSB during her time as chair and president, and I hope to honour that commitment by working as hard."

Stigh said housing co-ops are a growing sector in Sweden. "Housing co-ops are a very good way of living. You have your neighbours close and you can get to know them quickly. You don't have to take care of tasks like property maintenance by yourself.

You have the chance to do something collectively," he said.



Stigh has been elected for a four year term. The new president will be Eva Nordström.

HSB has 33 regional associations and more than half a million members of HSB housing co-ops in Sweden.

CCA Board re-elects Sitaram president



The Canadian Co-operative Association (CCA) Board has re-elected Dave Sitaram, from Credit Union Central of Ontario, as President of the association. This is Mr Sitaram's third year as CCA President.

"I appreciate the confidence the Board has shown in my leadership by re-electing me its president," says Sitaram. "I am very pleased with the work of the Board over the past few years and believe that with the dedication and commitment of

our directors, we will continue to strengthen CCA and the Canadian Co-operative Movement."

Sitaram has been a member of Oshawa, Ontario's Auto Workers Community Credit Union (AWCCU) for over 25 years and he is currently their Vice President. He sits on Ontario Central's Audit and Pension Committees, and he is an executive member of the Credit Union Directors of Ontario. Sitaram is the Canadian representative on ICA America's Assembly.

The CCA is a national association for co-operatives in Canada, representing more than seven million co-operative and credit union members from over 3,000 organisations.



Obituary—Respected Australian co-operator dies

The founding executive officer of the Co-operative Federation of New South Wales (CFNSW), Don Kinnersley, has died. Don retired from his position as CEO of the Dairyfarmers Co-operative in 1993 and was approached by the then Minister for Co-operatives, Gerry Peacock. The Government saw the continuing need for an organisation to represent co-operatives to replace the Australian Association of Co-operatives, which had just gone into liquidation.

"He was executive officer until 2001 and then became Federation Chair for more than two years to assist me to settle into the position and to avoid the sudden loss of all that sectoral knowledge that he had accumulated over a lifetime," said Helen McCall, current executive officer CFNSW. "Even after his retirement from the Board, Don was always available to offer advice and a different perspective - although his attention became healthily diverted by his involvement in Probus and, lately, especially, his fundraising for cochlear implants," said Helen.

India's first billion-dollar co-op

Indian co-op giant, Gujarat Cooperative Milk Marketing Federation (GCMMF) ranked 279 in the **Global 300** listing, exports dairy products to the US, the Gulf Countries and Singapore. The largest food business in India, GCMMF markets the well-known brand Amul. GCMMF is also the largest producer of pouched milk brand in the world and has 2.5 million producer-members.

GCMMF recently reported a jump of 13.4% in revenue

making it India's first billion-dollar co-operative. "This is an extremely impressive growth when viewed against the ban on exports of skimmed milk powder and massive losses suffered by farmers, due to floods during the last monsoon season," said Parthibhai Bhatol, chairman of GCMMF.

Amul recently launched **Amul TV**, which streams Amul's own feature films, television shows and advertise-

ments. This is an innovative way of marketing co-operatives because these film and television shows have a co-operative theme.



Member news

JCCU celebrates 57th GA

The 57th annual general assembly of the Japanese Consumers' Co-operative Union (JCCU) was held in Tokyo on 14-15 June.

JCCU has been a member of ICA since 1977. ICA president, Ivano Barberini issued a congratulatory message to 830 delegates at the Assembly. JCCU president, Shugo Ogura congratulated mem-

bers, public officials and other parties for passing a bill to amend the *Consumers' Livelihood Co-operative Society Law*.

Vice president, Toshifumi Yamashita was appointed the new president of JCCU. JCCU medium-term plan clarifies their intention to serve the everyday lives of members; to live together

with local communities by seeking more open organisation; and to maximise the co-operative role as a consumer organisation. [more](#)



57th general assembly

Italian co-ops go global

In a major development for the Italian co-operative movement, the Ministry of Foreign Trade and Confcoop, the two main Italian member organisations of ICA, signed an Agreement on the 3 July.

Legacoop and Confcooperative successfully lobbied the Ministry to recognise that the co-operative model is one of the most suitable tools to allow small to medium enterprises (SMEs) to face international markets.

Italian co-operatives can take advantage, for the first time, of a specific Agreement in the field of internationalisation. To improve international trade activities, areas identified for development include networking skills, industrial collaboration, commercial alliances, technology transfer, access to credit, technical assistance for projects aimed at creating productive chains and collaborations using the Italian model of SMEs and industrial clusters.



Legacoop and Confcooperative have submitted the first round of project proposals to be implemented in the framework of the Agreement. Most of the proposals include as possible partners, enterprises and co-operative organisations belonging to the ICA network.

Special Report

Farmer-owned co-operatives in a globalised food system

Professor Fabio Chaddad, Assistant Professor, IBMEC Business School, Sao Paulo, Brazil, was keynote speaker at the annual Agribusiness Co-operative Leadership and Governance Forum in Sydney, Australia, in November last year.

Fabio Chaddad is an internationally recognised authority on structural change in co-operatives that have adapted to competitive challenges. A graduate of the University of Sao Paulo in Brazil and the University of Missouri- Columbia, USA, he completed his PhD on agricultural co-operatives with Professor Michael Cook at the University of Missouri and was awarded the Edward G. Nourse Award for Outstanding Doctoral Dissertation from the National Council of Farmer Co-operatives in the USA. He has researched and consulted to co-operatives throughout the world particularly in relation to governance structures, investment behaviour and supply chain management. Here, he sets out the challenges and obstacles for co-operatives in a globalised food system. In this article he draws on Australian examples.



“Are co-operatives well-positioned to survive and prosper in an increasingly dynamic, complex, vertically integrated and capital-intensive industry?”

Fabio Chaddad

It is argued by both academics and non-academics that the importance of farmer-owned co-operatives will decline as the agrifood sector becomes increasingly industrialised and global.

Moreover, co-operatives have financial and governance constraints that their for-profit, proprietary counterparts do not have.

Alternatively, co-operatives might increase their participation in the agrifood sector to ameliorate market failures, reduce transaction costs and add value to farmers' incomes. Thus,

co-operatives could increasingly become farmers' 'integrating agencies.'

Agriculture is now integrated with upstream and downstream agrifood chain participants due to rising incomes and urbanisation in the developing world, affluent and demanding food consumers in the developed world and rapid technological change and globalisation.

Generally, these private sector tightly-coordinated supply chains (particularly large multinational food processors, fast-food restaurant chains and global retail chains) have increasingly differentiated markets.

Agri-food markets have high food quality and safety demands, are more concentrated and integrated and are more open to international competition. These changes offer new opportunities to highly competitive farmers' organisations but are a serious threat to less competitive farmers' organisations.

More importantly, the capital-intensive nature of agroindustrialisation can be explained by the increased scale of farms,

agribusiness firms and food processors; the growing importance of intangible and knowledge assets; employment of professional managers; and the increased domestic and international competition fostered by trade liberalisation and reduced government involvement in agriculture.

Traditional co-operative ownership, capitalisation, management, and governance might limit adjustment for agricultural co-operatives during transition periods.

At the same time, globalisation, consolidation and vertical integration are associated with market failures and suggest the need for defensive-oriented collective action in agriculture such as Australia's Murray Goulburn Co-operative Co. Ltd.

In addition, changes in food demand (such as high quality food products with information about guaranteed origin, environmental sustain-

Farmer-owned co-operatives ...cont.

Special Report



ability and fair trade) in both the developed and developing worlds suggest opportunities for value-added strategies for farmer-owned co-operatives such as the Dairy Farmers Group in Australia.

Are co-operatives well-positioned to survive and prosper in an increasingly dynamic, complex, vertically integrated and capital-intensive industry? They might be if able to leverage proximity and trust with their own farmer-members, and find innovative solutions to their structural weaknesses.

The property rights structure of traditional co-operatives often leads to conflicts over residual claims and decision control. In particular, financial management issues (such as acquiring and redeeming members' equity capital) are major constraints to co-operative growth and sustainability.

Traditional co-operatives in advanced agricultural countries are adapting to changes in their institutional and competitive environment by following three broad capi-

tal-seeking strategies:

- 1) the proportionality strategy of internally generated capital;
- 2) the amelioration of the vaguely defined property rights constraints featured by traditional co-operatives, including the emergence of 'new generation' co-operatives with tradable and/or appreciable shares; and
- 3) the acquisition of outside, non-member equity and quasi-equity capital.

Yet, some co-operatives have been forced or have opted to restructure as proprietary firms, have liquidated their businesses, merged with other co-operatives or become targets of a corporate acquisition.

Many co-operative and mutual organisations have converted because they were unable to resolve internal problems such as a disruptive business environment, weak governance systems, a lack of member control, and providing limited horizon members with access to unallocated equity and reserves.

In the future, the success of agricultural co-operatives responding to agricultural industrialisation will depend on competitive strategy, modern organisational structure and the strategy-structure align-

ment.

Yet, it is important for co-operative leaders contemplating organisational change to realise that the choice of organisational form depends on the fundamental orientation of the producer-members especially their communication model.



Feature Interview cont.

Gun-Britt Mårtensson - (from page 10)



Gun-Britt Mårtensson

“People need to be involved in something bigger than the individual.”

Co-operative housing members socialising

Digest: What has your work in the co-operative sector encompassed?

GM: “I was mayor for many years in Östersund a town in Northern Sweden known for its co-operatives. This region has an above average level of co-operative housing as well as co-ops in other sectors like childcare and aged care.

As part of my mayoral work, I was active in the co-operative movement, and as a housing policies politician in the national arena. I was asked to become chair and president of Sweden's biggest apex organisation for co-operative housing, HSB.

I thought this was a great idea and I took up the position in 1997. Like the ICA, which has the mission to give voice to all co-operatives, to market the co-operative difference, and to foster networking between co-operatives, HSB also seeks to unite and represent and, together with members, to establish better ways of working together.

I was also appointed vice-chair of the Swedish Co-operative Centre (SCC), a role I will continue when Kent-Olof Stigh, my successor at HSB, takes over. SCC is an organisation that provides co-operativism as a tool to third world countries.

SCC aims at giving people different ways to co-operate out of poverty. This idea of self-help (not charity) through empowerment is similar to what happened in Sweden in the early 1900s with the setting up of the welfare state.

A hundred years ago, Sweden and Norway were the poorest countries in Europe. What really changed this was the peoples' democratic movements. The welfare state was founded on the idea that welfare is just as much about how the wealth of a society is distributed to all citizens, as it is about the economic state of the nation. It was a question of people coming together, learning how to work as a group and doing it better than as individuals.

I believe that you have to educate the individual through involvement. You can have a lot of 'wealth' in a society without having 'welfare', and co-operativism is a great tool to teach people how to spread the wealth to each other.

Digest: Describe your involvement in the ICA over the years.

GM: In Sweden there are over 535 000 members of HSB housing co-ops so we need a unified vision. But, without the international experience gained through working for the ICA, I could not have brought my organisation as far.



My first ICA General Assembly was in Quebec in 1999. I heard about “marketing the co-operative difference” and I learnt about the importance of a code of governance. I took the chairs of my 33 regional organisations to Manchester to learn about it too. For me, being part of the international movement is like going to a co-operative university.

I became a member of the ICA Housing committee in 1999 and later the chair of the Auditing and Control Committee. In 2003, I was elected to the ICA Board. The opportunity to take part in global meetings made me realise the importance of a focussed and unified ICA if we truly want the global body to be a custodian of the idea of democratic control.

It is more important than ever to have a strong co-operative movement. People need to be involved in something bigger than the individual.

Digest: *What are your thoughts about the current ICA restructuring process?*

GM: “It is important to do what we are doing now, working with the governance and restructuring issues, to cope with a rapidly changing world. We have the same goals as the past, but we need to find new means of reaching those objectives. We are working to find other ways of helping people understand the value of a world-wide co-operative movement and, importantly, to understand that this is worth paying for.

We need to find new ways to involve members and to give something back. Activities like the **Digest**, **Global 300** and exchange of best practice are very important in this regard. **Global 300**, for example, is an excellent way to highlight the fiscal importance of co-operativism in global economies, but its real value is in making people ‘alive’ to the value of working collectively.

Former UN secretary-general, Kofi Annan, spoke often about the rising importance of CSR, or corporate citizenship - and the biggest capitalist enterprises are recognising this too. Young people today are looking for organisations that have values other than making money. While many of the world’s largest companies are desperate to attach themselves to one or other of these ‘human’ values, co-operatives express these values *already*, but they have not been good at publicising them. There are a lot of co-operative “wanabees” out there - and if we are not able to make evident the difference between the original and the copy we are in trouble. We have both the hardware and software, but too little “soulware”. We do not tell the story of co-operativism very well.

Digest: *What are your thoughts on the current global co-operative movement?*

GM: “If we want all people to have welfare, then I believe that there is only one way and that is through co-operativism. From South Africa to Honduras I have seen co-operativism as a tool for spreading welfare in many parts of the world.

When people come together and realise the strength of collectivism, they are able to do things you wouldn’t have imagined possible - they can save money and build housing, leading to other forms of co-



operative activity such as child-care, aged care and the spread of gender equality. Cooperativism was founded on the idea of “one member one vote” at a time when the political ideal was “one *man* one vote”, so it has always encompassed the idea of gender equality.

I think the challenge for the global movement is twofold. We need to spread cooperativism to the third world, to get it out there to everybody. Secondly, we need to get better at exchanging best practice.

To me, the most important co-operative principle, in addition to democratic control, is the sixth principle: co-operation among co-operatives. We need to learn from each other, and the more we learn from each other, the better we get together at spreading the co-operative message.

Hence, rather than dispensing aid, which is a ‘here and now’ solution, we have a long-term learning situation for building a better world.”

Feature Interview cont.

Playground at housing co-op

“For me, being part of the international movement is like going to a co-operative university.”

Gardens in Swedish housing co-op



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more extensive
calendar of ICA
and related
events can be
found on our
website

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

2007 Calendar of ICA events and related co-operative activities

- 24-29 Sept** ICMIF World Congress, Brussels, Belgium. Contact: Shaun Tarbuck, shaun@ICMIF.org
- 25 Sep** ICMIF Board Meeting, Brussels, Belgium. Hosted by P&V Contact: Shaun Tarbuck, shaun@ICMIF.org
- 2-5 Oct** European Forum of Social Tourism, Riva del Garda, Italy. Hosted by the International Bureau of Social Tourism (BITS) and the Trentino Federation of Cooperation.
- 9 Oct** Simposio Internacional: Cooperativismo en Alemania y Venezuela. Reflexiones en Ahorro y Crédito, Vivienda y Agricultura. Auditorio Naranja de la Facultad de Ciencias Económicas y Sociales – FaCES de la UCV. [See program \(only in Spanish\)](#)
- 13-14 Oct** Series of pre General Assembly ICA meetings, Singapore. See full programme of all General Assembly events at www.icasingapore.coop/, including those below
- 14-15 Oct** ICA Youth Conference: "Co-operative business innovation through youth", Singapore. [Information](#)
- 15 Oct** Meeting of ICA Sectoral Organisations Chair, Singapore Contact [Dr Kim](#)
- 16-17 Oct** Meeting of sectoral organisations and thematic committees. ICA General Assembly, Singapore.
- 18-19 Oct** ICA General Assembly, Singapore. See www.icasingapore.coop/
- 22-24 Oct** 1st World CIRIEC research conference on the Social Economy, Victoria, British Columbia.
- 8 Nov** Meeting for co-operative development agencies, UK Co-operative College. Contact: Mervyn Wilson, Mervyn@co-op.ac.uk
- 9 Nov** 1st Meeting of the network América Cooperativa y Mutual (ACYM), Montevideo

Reminder - European Research Conference



The 2007 ICACCR European Research Conference will be held in Prague on 14-15 Sept. The theme is "New Directions for Co-operative Development." Professor Yohanan Stryjan said, "Our previous conferences in this part of Europe were held amidst the turmoil of transformation, and with European Union enlargement still around the bend...Much has changed since then. The prime focus of the conference is, naturally, on development, and proactive strategies for the future." A limited number of fellowships are available to cover conference fees and accommodation. E-mail Yohanan.Stryjan@sh.se for further information, also see www.ica.coop/icaccr/index.html

Recruitment: research centre seeks new director

The University of Victoria, Canada invites applications for the position of Director of the British Columbia Institute for Co-operative Studies (BCICS). The appointment to begin in July 2008 is for a five-year term (renewable). BCICS fosters enquiry into, and enhances the teaching of courses about co-operatives and co-operative thought. It is also the home of the Canadian Social Economy Hub. More information about the Institute and the CSE Hub is available on its [website](#). The closing date for applications Friday, 16 Nov 2007. Please e-mail cecilia@uvic.ca