



ICA Digest 66

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Enduring legacy of a true co-operator

Following a long illness, ICA President, Ivano Barberini, died peacefully on 6 May 2009.

A commemorative service was held on 8 May 2009 at the Legacoop Emilia-Romagna in Bologna, Italy, followed by a private funeral, as requested by his family.

The ICA has received an outpouring of condolence messages and tributes published on the memorial page of the website. Mr Barberini was a pillar of the global co-operative movement, committed to its values and principles and working to promote the movement until the very end.

His enduring legacy and towering co-operative spirit echoes in the hundreds of messages received, a testimony to the high regard in which he was held and the friendships and respect he



gained throughout his life.

Messages are available to view on the tribute page of the ICA website:

www.ica.coop/presidentpage/tributes.html

Turn to pages 4 and 5 for our tribute.

Co-operatives resilient in face of crisis—report

Co-operative enterprises around the world are proving resilient to the global economic crisis, according to a new ILO report commissioned to the ICA in recognition of ICA as a centre of knowledge on co-operatives.

The report titled *Resilience of the co-operative business model in times of crisis* provides compelling evidence that co-operatives not only remain financially sound in the face of the current downturn, but are experiencing increased turnover and growth in many cases.

The report, written by Johnston Birchall, Professor of Social Policy at Stirling University, Scotland, and Lou Hammond Ketilson, Chair of ICA's Research Committee and Director, Centre for Co-operative Studies, University of Saskatchewan, Canada, was launched at the International Labour Conference in Geneva, Switzerland (3-20 June 2009). Its genesis came out of the vast information that the ICA was providing to the ILO from media sources and members' information resources that was indicating co-operative resilience. A noticeable im-

provement in the visibility of co-operatives, especially in unexpected places such as mainstream financial media coverage, was a motivating factor in the commissioning of the report.

The report sets out historical, and current empirical evidence, to explain the sustainability of co-operatives and why this form of enterprise can withstand crisis. It also makes recommendations for ways in which the ILO can strengthen its activities in the promotion of co-operatives. (cont'd on page 8)



Maria-Elena Chavez Hertig, ICA Deputy Director-General

From the Editor's desk

This issue of the Digest is focused on the increasing evidence base that co-operatives are truly a better model of business. The report on co-operative resilience in the face of crisis and the interest that media, academics and policy makers are showing in co-operatives, is an opportunity that will likely not present itself again in the near future. Thus the need to work fast to make sustained gains in co-operative visibility and profile.

Indeed, we report on one of these opportunities in this issue — the United Nations International Year of Co-operatives. The Year would allow us to sustain attention

on the movement, assist in making it better known while spearheading numerous concrete initiatives from policy reform to including co-operative education in all national curricula. ICA is calling on all its members to contact their governments so that we can keep co-operatives in the spotlight.

This issue also includes a tribute to Ivano Barberini. He has left us with a rich legacy of achievements and gains for the movement. We will honour him again at the General Assembly in November 2009, where he will receive the Rochdale Pioneer Award posthumously. However, despite all, we will continue

to feel the loss of his leadership for no doubt a very long time.

We also report on the various initiatives in the regions. They too are focusing on crisis and collecting evidence on how co-operative are faring in the recession.

We announce too, the release of the ICA message for the International Day of Co-operatives which fittingly addresses global recovery and co-operative enterprise. We look forward to hearing how co-operatives celebrate the Day.

Finally, we inform you of changes in the leadership in ICA members and welcome new members.

Latest news

'At the peak of the crisis co-operative banks were faced with an increase in membership and savings deposits and found it difficult to respond to this sudden growth in demand.'

Hagen Henry
Chief of ILO
COOP

ICA Presidency—Vice-Presidents to share responsibility

Following the death of Ivano Barberini, the position of ICA President was left vacant. The ICA Board at its meeting on 2-3 June 2009 in Tokyo (Japan) decided to give shared responsibility to the four ICA Vice-Presidents to fulfil the tasks of the ICA Presidency until elections for can be held at the upcoming

ICA General Assembly on 19-20 November 2009.

This interim arrangement is in line with the spirit of the *ICA Rules* which makes no particular provision for a permanent vacancy in the Presidency. It also allows sufficient time to member organisations to fully

consider nominations for the Presidency which will need to be submitted in September 2009. More information on nomination procedures will be available shortly.

More details at www.ica.coop/ica/people.html#president

ILO interview on co-ops picked up by global media

Co-operatives have been more resilient to the deepening global economic and jobs crisis than other sectors, according to Hagen Henry, Head of ILO's Co-operative Unit. Recently ILO Online spoke with Henry about the opportunities and challenges for co-operatives in a time of crisis.

'We [have] just commissioned a study, which will provide us with further, more in-depth information,' said Henry.

Henry's interview has been picked up by global news services, reflecting the current trend for increased visibility of co-operatives in the media.

Read the full interview:

www.ilo.org/global/About_the_ILO/Media_and_public_information/Feature_stories/lang--en/WCMS_105073/index.htm

To read more on the new report on co-operative resilience, turn to pages 8-9.

Director-General on the legacy of Ivano Barberini

DG's Report

Obviously this last period has been dominated by the death of Ivano Barberini. He was a much-loved President, and hugely respected around the globe. He leaves the international co-operative movement in a much healthier state than he found it.

This *Digest* of course, has a special tribute to the enormous contribution Ivano made to the ICA, and I am very pleased to report that our June Board meeting decided that Ivano should posthumously receive the Rochdale Pioneer Award. It is the least we could do considering the enormity of his lifetime contribution to the movement.

One of Ivano's legacies will be the increasing profile of co-operative enterprise compared with the investor-owned model. The continuing economic crisis screams out for a co-operative solution, and we are doing our utmost to bring the advantages of the co-operative difference to the forefront of the debate—indeed, the International Labour Organisation has recently commissioned the

ICA to produce a paper on the *Resilience of the co-operative business model in times of crisis*.

Following on from Ivano's initiative, the internationally renowned economist, Jeremy Rifkin, will be the keynote speaker at the ICA General Assembly in Geneva in November. Mr. Rifkin will elaborate on his ideas about how co-operatives can play a key role in addressing the global economic meltdown, energy security and climate change.

With the overall theme of *Global crisis, co-operative opportunity*—we should be right at the heart of radical alternative discussion. Ivano would have been delighted!

Finally, I had already discussed my own future with Ivano, and he had agreed with my intention to retire in the course of 2010. I know that I would still want to work for the co-operative movement, but perhaps with less intensity. This job has been immensely satisfying and rewarding, and I could not have imagined a better way to conclude my full-time career—but it is time to

move on. The Board is fully aware of my intentions, and is committed to ensuring that the new appointment is carried out in an open and transparent manner. This *Digest* carries information about that process in the article below.

'I feel I have lost a friend and colleague, as well as a mentor and fellow co-operator.'

Iain Macdonald



Ivano Barberini with ICA D-G in Rome in 2004

Director-General announces retirement

Iain Macdonald, ICA's Director-General for the last seven years, has advised the ICA Board of his intention to stand down from the position during 2010.

Iain Macdonald described the last seven years as, 'the most satisfying of my career'. 'I regard being Director-General of the ICA as the

best job in the co-operative world! However, I think 62 plus is quite old enough to be rushing round the globe, although I would hope to continue working for the co-operative movement in a less intensive capacity. There is still much work to be done, particularly in raising the profile of co-operative enterprise and showing how its superior

business model can be a solution to the world's economic problems', said Macdonald.

The Human Resources Committee of the ICA Board is reviewing the process for the appointment of a new Director-General. It is expected that a call for candidacies for the post will appear early in January 2010.

Tribute: Ivano Barberini

‘A co-operative life’

‘The present crisis and the widespread awareness that the economy cannot be divorced from ethics, offers co-operatives new opportunities for growth and a role, together with a growing responsibility, in confirming a new development model.’

Ivano Barberini
December, 2008



Ivano Barberini was elected to the ICA presidency in 2001 at the General Assembly in Seoul (Korea) and unanimously re-elected as ICA President in 2005 for a four-year term, which would have ended in November 2009. His leadership of the global peak co-operative body, the highest elected position in the co-operative world, was just one of many accolades awarded during a career in the global movement spanning more than 40 years.

Barberini's career started in the Italian co-operative movement, but he held many leading positions both in Italy and internationally. These

included the presidency of Legacoop, the Italian multi-sectoral organisation that represents over 10,000 co-operatives and more than five million members, a post which he held until 2002.

While ICA President, Barberini was also President of the Istituto di Ricerche Internazionali Archivio Disarmo (Institute of International Disarmament Research Archives), a research centre founded in 1982, which studies the problems of disarmament, peace and security, both nationally and internationally.

You can read more on Barberini's prestigious career in the biography on the ICA website:

www.ica.coop/presidentpage/

ICA Director-General, Iain Macdonald reflects, ‘As the leader of the global co-operative movement, he was unsurpassed’.

Barberini met with countless government officials around the world, international leaders including the United Nations Secretary-General, the Director-Generals of the

International Labour Organisation and UN Food and Agricultural Organisation as well as the European Commission and many more. He introduced co-operatives to innumerable opinion leaders including Nobel Prize winners such as Joseph Stiglitz, Amartya Sen, and Rita Levi Montalcino to name only a few.

Indeed, it was Barberini who set up the initial meetings with economist Jeremy Rifkin who will be the ICA General Assembly's keynote speaker. Barberini supported Rifkin's advocacy of an economy where the co-operative movement is a key player in shaping a new economic order based on ethics, mutual economic benefit and environmental concern.

Ivano Barberini sought to create champions for the movement, enlarging ICA institutional contacts often finding ways to partner with civil society organisations. He moved the ICA closer to academic institutions and research organisations recognising that the movement needed to be able to provide strong evidence to those who did not recognise the potential of the co-operative model of enterprise to improve people's lives.

Barberini's ‘utter commitment to co-operative values and principles was matched only by that for social justice and peace, and he clearly linked all three as one,’ said Macdonald.

ICA's *Campaign out of Poverty* can be attributed to Barberini who stressed solidarity as one of the underpinnings of the movement.



Barberini with Kofi Annan, United Nations Secretary-General 2002

'A co-operative life' (cont'd)

Development was his key concern with Africa holding a special place in his heart. Many will remember him underlining the need for capacity building initiatives to strengthen the co-operative movement particularly in developing countries. ICA staff will fondly remember his insistence on the need for 'projects, projects'.



In Aceh after the Tsunami speaking with media on co-operative reconstruction initiatives in 2005

Barberini will undoubtedly be remembered as a tireless ambassador for the co-operative movement, who committed every waking hour to pursuing the global co-operative goals. He made it his priority to meet ICA members and travelled around the world to share his ideas, hear about the successes and concerns of co-operators and he always returned full of ideas on how ICA could address new challenges.



However, the avalanche of personal messages, posted to the ICA's tribute page, attests to Barberini's human qualities. In their messages, they have remarked on a

man of 'immense generosity', 'the sweetness of his character and his great sense of humour', 'a gentleman and a scholar'. He expected a lot from his collaborators, but it is apparent that he expected a lot more from himself.

The legacy of the Barberini presidency to the ICA is an ICA that is modern, progres-

sive and decentralised, with the centre, regions and sectors all working together and, a transparently fairer subscription system to ensure the sustainability of the organisation.

ICA's D-G reflects that how the depth of his belief in the co-operative model gave Barberini the capacity to see opportunities to grow and strengthen the global movement in the darkest moments of history: 'For Ivano the world economic crisis was not a surprise but an opportunity. He constantly pressed us to promote co-operation in a way which would show the world what we had to offer'.

He was a man committed to making the world a better place for humanity but he was also, according to another tribute, a co-operator in the full sense of the word: 'Not the least of his

accomplishments, in becoming and remaining [a co-operator], was the challenge met only through a life well lived.'

We reserve the concluding words for Ivano Barberini himself. In the last few months of his life, Ivano wrote a book on Co-operation which will be shortly published. Here are the concluding sentences of that book:

'The commitment, the spirit of sacrifice and the lack of personal interest have been rewarded with precious treasures—self-esteem, freedom to act, the feeling of being socially useful . . . And it is all this, that gives a meaning to life, makes it all worth living'.

Tribute: Ivano Barberini



Receiving the Sigillum Magnum from Bologna University, October 2008

2009 General Assembly

Rifkin and his Sustainable Development Team advise governments and global corporations on the latest in cutting-edge technologies and best practices designed to address the twin challenges of climate change and energy security.

New economic model, Rifkin says co-ops can lead

Renowned economist, author and President of the Foundation on Economic Trends, Jeremy Rifkin, will deliver the Keynote Address at the ICA General Assembly in Geneva on 19 November 2009.

Rifkin's groundbreaking thesis of a *Third Industrial Revolution* based on four pillars of renewable energy production, and smart, social energy distribution systems, is gaining high level political support and is being considered by the European Union.

His vision calls for buildings to become the generators of locally produced power from renewable sources (solar, wind, wave), stored in the form of hydrogen, and distributed via an intelligent 'peer-to-peer' power grid—just like digital media and the internet. The system involves partnerships with technology providers, capacity building

programmes and municipal support.

Sicily and municipalities in Spain have already joined the renewable energy programme. Discussions are underway on introducing the system in major European cities such as Rome, Barcelona and Madrid, and the first of Rifkin's smart inter-grids will be installed in the United States this year in Houston, Boulder Colorado and southern California.

Rifkin is also calling for a new economic model of 'distributive capitalism' that will enable a fairer distribution of resources. He views the co-operative movement as a potential lead agent in his revolutionary renewable energy programme, for its unique capacity to bring together the best of entrepreneurship with the values of social responsibility.

ICA Director-General, Iain Macdonald, and Deputy

Director-General, Maria Elena Chavez Hertig, recently met with Rifkin in Brussels, to discuss the opportunities for co-operatives to produce power and manage the distribution of energy, so that it can be shared at a local level in a more socially responsible way.

Co-operatives could also be the service providers to maintain the renewable energy, or be involved in building sustainability through architecture and housing co-operatives. Where support for infrastructure was required, they could form partnerships with public authorities and private enterprises to access capital, and the technology and services needed to start producing energy.

Rifkin's plan gives co-operatives the opportunity to control their energy production and consumption, and to have a positive role in climate change mitigation. It is also a means to put more power (energy and influence) in the hands of the community. Importantly it offers an innovative response to the economic, energy and food crises afflicting the globe.

The ICA will work with the Rifkin Foundation to ensure that local co-operative movements are engaged wherever the renewable energy plan is being considered. The ICA will promote Rifkin's ideas to members with a view to approving a work programme to implement this new vision, and perhaps a resolution that can be presented to delegates at the ICA General Assembly in Geneva in November.



ICA Director-General, Iain Macdonald, with Jeremy Rifkin, founder and President of the Foundation on Economic Trends

ICA participates in UN Expert Group Meeting on crisis

ICA leadership participated in an expert group meeting convened by the United Nations on the theme, "Co-operatives in a world in crisis". Sixteen co-operative experts including ICA Board members, Alban D'Amours and Paul Hazen, ICA's Director-General and Deputy D-G, co-operative leaders, policy makers and academics met to assess the contributions of co-operatives to socio-economic development with particular focus on the role of agricultural and financial co-operatives in light of the current food



Pete Crear of WOCUU, an ICA member, reporting on credit unions

and financial crises. The intense discussions resulted in a report entitled, *What can co-operatives contribute to mitigating the global crisis and ensuring longer term economic stability? Some policy recommendations.*

The report notes the stability of co-operatives during crisis and calls on government to 'recognise [that] co-operatives are very efficient, effective organisations within the market economy'. It makes numerous specific policy recommendations including stressing the need for comprehensive legislative frameworks that recognise co-operative nature and provide a level-playing field. It requests governments to provide preference to co-operatives when making decisions about funding programmes designed to mitigate the effects of the recession and assist the co-operative sector in ensuring that the co-operative form

of business is better understood. Experts also asked that governments consider the co-operative sector's values, principles and models in their restructuring of the current economic system.

The report will be made available at the 64th session of the UN General Assembly to assist UN member states in their deliberations on the 2009 UN Secretary-General's report on co-operatives which will address the crisis. The UN General Assembly will at that time also consider a resolution on co-operatives which should approve the declaration of a United Nations International Year of Co-operatives to further advance the understanding of co-operatives, and mobilise support for co-operative initiatives to improve livelihoods worldwide.

The meeting was held on 28-30 April 2009 at the United Nations Headquarters.

UN news



ICA participated in a UN Expert Group Meeting to address the financial and food crisis and co-operatives in April at UN headquarters in New York.



Alban D'Amours, ICA Board member at the UN Expert Group Meeting

United Nations considers International Year of Co-operatives

This year the United Nations will consider the declaration of a UN International Year of Co-operatives. This is yet one more confirmation of the trend to seek solutions to global and sustainable recovery through co-operatives.

The decision will be taken at the UN General Assembly at its 64th session and will be discussed in the context of follow-up to the upcoming United Nations Secretary-General's report expected to be released in coming weeks.

The ICA Board has already

supported the idea of the Year. It can be positive for the movement and lead to broader recognition of the co-operative model of enterprise, policy reform and increased support for co-operative development.

The ICA Board at its recent meeting on 2-3 June in Tokyo (Japan) constituted an advocacy committee to set out a strategy to assist ICA members in approaching their governments to secure support for the International Year at the United Nations. Further information and guidance will be shortly available.

However, for the Year to be approved, it will be important to secure broad support from UN member states from all regions and all economic groups.

For more information, contact Maria Elena Chavez Hertig, chavez@ica.coop.

ICA Message for International Day of Co-operatives, 'Driving global recovery through co-operative enterprise' is now available on the ICA website in English, French and Spanish. Other language versions will also be made available shortly. See www.ica.coop/activities/idc/2009.html



Feature

Resilience of the co-operative business model—ILO report



The report was widely distributed at the ILO Labour Conference which addressed the global job crisis

'The more visibility we gain, the more subject to attack we become, and we must be ready to counter this with an effective rebuttal.'

Lou Hammond Ketilson, Chair, ICA Research Committee and co-author of the report

Co-operative enterprises around the world are proving resilient to the global economic crisis, according to a new ILO report.

The report titled, *Resilience of the co-operative business model in times of crisis*, provides compelling evidence that co-operatives not only remain financially sound in the face of the current downturn, but are experiencing increased turnover and growth in many cases.

The ILO commissioned the report and ICA engaged researchers, Johnston Birchall, Professor of Social Policy at Stirling University, Scotland, and Lou Hammond Ketilson, Chair of ICA's Research Committee and Director, Centre for Co-operative Studies, University of Saskatchewan, Canada, to undertake the study. The report, launched at the ILO's International Labour Conference in Geneva (3-20 June), sets out historical and current empirical evidence supporting the sustainability of co-operatives and explains why co-operative enterprises can withstand crisis. The recommendations provide guidance on how the ILO can actively promote co-operatives.

Ketilson said 'The ICA has taken advantage of this new visibility, and the many reports about co-operatives performing strongly despite the economic climate, agreeing there was a need to aggregate this information into one document.'

She noted for example, 'Here in Canada the popular press was really taking note of the positive trends, not-

ing that although many publically listed companies were in bad shape, a large number of co-operative enterprises were posting their best results in many years.

Ketilson is also quick to point out the danger for co-operatives everywhere, due to their increased visibility. 'The more visibility we gain, the more subject to attack we become, and we must be ready to counter this with an effective rebuttal. This speaks to the importance of relevant and accessible research data, to help counter some of the fallacious reports about co-operatives—such as the claims made in a recent article in the *Ottawa Tribune*.'

'This article was really an attack on worker co-operatives and it's an example of the inaccuracies that can occur when journalists do not understand the specificities of different types of co-operatives. The Canadian Co-operative Association (CCA) responded quickly and strongly with a rebuttal to this article. It demonstrates the need to be ready to defend and counter attack—just one article like this can be very damaging and set the sector back.'

'We need researchers and research like this report, to support national peak organisations, in the work of advocacy and promotion. Provincial organisations also need to address these attacks with examples and documentation at the local level. I think the ICA can play a really important role in this. The *Global 300* is one example of a very important

initiative, providing data across a range of indicators in relation to co-operative performance. But, it must be kept relevant and timely,' said Ketilson.

'The banking crisis is evidence that we need an alternative to the investor-owned banking system. Many people are surprised to learn that the alternative already exists; the member-based, equitable, risk-averse retail banking system, provided by co-operative banks and credit unions. Does this need promoting? I think it promotes itself, by demonstrating that there is a better way of doing banking. Customers are transferring to the member-owned sector in large numbers, and the problem will be how to handle this sudden surge of growth,' said Johnston Birchall, co-author of the report.

To test the claim that co-operative banks and credit unions are better able to withstand the banking crisis and economic recession than the investor-owned banks, the report presents arguments for the advantages and disadvantages of member-owned banks and tests these against the evidence. Findings so far, show that co-operatives are in an unusually strong position.

'The news is not all good - our apex finance organisations, closely tied to the market, have been hit hard. The lesson is that the credit unions and co-operative banks that worked locally and were more fiscally conservative in their activity, were doing well, and were quite inured to the economic

Resilience of the co-operative business model—*cont'd.*

shocks that have brought down some of the world's largest financial institutions. Where the ownership and capitalization structure reflects this local link, the enterprise appears to be far more resilient,' said Ketilson.

The impact of the co-operative banking sector's strong performance cannot be underestimated, not least because of its size. The World Council of Credit Unions (WOCCU) has 177 million individual members in 96 countries. The International Raiffeisen Union estimates it has 900,000 co-operatives with around 500 million members in over 100 countries. In Europe, local co-operative banks have a market share of 20%. The largest agricultural bank in the world, Rabobank, a co-operative with 50% of Dutch citizens in membership is rated the world's third safest bank.

The report sets out the ways co-operatives can lessen the impact of the recession. Co-operative banks can help by the mere fact that they survive and continue to carry out business. This is even more important because the credit freeze will disproportionately hurt those considered a credit risk and lead to even greater financial marginalisation. Finding ways to foster financial inclusion is an essential part in alleviating poverty.

The sound health of the co-operative banks and credit unions is also good news for employment creation. They are crucial for enabling Small and Medium Enterprises (SMEs) to expand. In Europe, 29% of co-operative

bank lending is to SMEs and the main focus is on local, domestic markets.

The evidence so far, in the current recession, is that there has been an increase in the numbers of co-operatives formed, and they tend to last longer than other types of business. In Germany, 250 co-operatives were created in 2008, double the number started in 2007. In Spain, where there are over 18,000 worker co-ops employing 300,000 people, there was a slight fall (1.7%), in the number of new co-operatives in 2008. However, the fall in start-ups for conventional companies was 7%.

'Co-operatives have stepped in as major players in the revitalisation processes, where businesses and the economy have failed people, and jobs have been lost,' said Ketilson.

The report provides examples from developing and developed regions of organised and effective responses to the fallout from the crisis.

Argentina and the success of the worker co-operative buyouts is one example of an effective local response. In Montreal, Canada, co-operatives and the social enterprise sector have played a key role in rebuilding the employment opportunities and social structure in the wake of the pull-out by Canadian Pacific Railways, a major local employer. 'The Montreal example demonstrates the importance of research and case studies which evidence the ways

the co-operative model can reinvigorate local economies,' said Ketilson.

While the global picture is of a co-operative banking sector, not as yet seriously affected by the crisis, as the recession deepens, it may have to deal with increased loan delinquency, and a falling off in deposits as members' incomes decline. Also, perversely, co-operatives have to compete with bankrupt investor-owned banks, recapitalised by governments.

'Banks, bailed out by governments, have been told to begin lending again at low interest rates. Paradoxically, this could disadvantage financial co-operatives that have not been bailed out,' said Birchall.

'We are demanding a level playing field with fair competition. In the longer term, tighter regulation will be imposed on the whole banking system and we need to ensure this is drafted in such a way that it recognises the naturally risk-averse nature of co-operatives. There is a danger, particularly in developing countries that governments may want to lend large amounts of money through credit unions and savings and credit co-operatives (SACCOS). This can be destabilising, and co-operative leaders need to resist "quick fixes" that undermine their autonomy'.

Birchall believes capacity building is vital to promote the growth of the co-operative business form. *Article continued overleaf*

Feature



Report co-author, Lou Hammond Ketilson

The largest agricultural bank in the world, Rabobank, a co-operative with 50% of Dutch citizens in membership, is rated the world's third safest bank.

Sectors

Co-operative advantage in transition economies



Delegates at the “Challenges and Opportunities of Agricultural Co-operatives in Transition Economies” Conference

The International Co-operative Agricultural Organization (ICAO) and the National Co-operative Council (NCC) of Poland held a joint conference in Cracow, Poland on 24-25 March 2009, to discuss:

Challenges and Opportunities of Agricultural Cooperatives in Transition Economies.

ICA Director-General, Iain Macdonald and Hagen Henry, Chief of the International Labour

Organisation (ILO) Co-operative Unit, joined speakers focusing on the important roles agricultural co-operatives play in bringing about the successful transition, not only of countries’ agricultural and rural economies, but of the concurrent social and political demands. Delegates had the opportunity to consider their role in the developing situations within Central and Eastern Europe and East Asia regions.

Professor Hans-H Munker chaired the closing debate on the opportunities for agricultural co-operatives to capitalise on their co-operative advantages in the current economic situation. Conference update and programme at: www.agricoop.org

Feature *cont’d*Resilience of the co-operative business model—*cont’d*

‘In our recent study of co-operatives in Tanzania and Sri Lanka, co-operative managers reaffirmed that they were not looking for aid handouts, but the skills and knowledge to do business more effectively,’ said Birchall.

ILO Recommendation 193 on the Promotion of Co-operatives, recognises that governments should provide a supportive framework for co-operative development, but insists that co-operatives are autonomous associations of persons that have their own values and principles. This means that promotion should not involve direct

support to the business but capacity building that enables members to make the co-operative succeed for them. First and foremost, co-operatives must be established with the intent of being viable businesses.

Governments should develop policies that recognise the particular nature of co-operatives. They should not be over-regulated, and their essentially risk-averse nature should be understood. A consistent and well articulated policy response is crucial to ensure they are not disadvantaged as governments scramble to enact tighter controls on the

banking sector, to avoid a repeat of the current crisis.

‘The need is for recognition – of the size of the co-operative banking and credit union sectors, and their importance in stabilising the banking system and reaching the financially excluded.

‘With this deeper recognition of the value of the co-operative business form, policy outcomes favourable to co-operatives will flow naturally. This implies a large and sustained education programme among government officials!’ said Birchall.

African Ministerial Conference

The ninth African Ministerial Co-operative Conference will be held in Nairobi, Kenya on 22- 24 October 2009.

Since 1984, ministers responsible for co-operative development have been meeting every three years to review co-operative development in Africa. The challenges for the co-operative movement in alleviating poverty and achieving the Millennium Goals were discussed at the last Ministerial Conference

in Maseru, Lesotho, in September 2005. Another area of shared interest and exchange has been policy and legislation.

The Ministerial Conference Technical Committee (MCTC) will meet in Kampala on 13-15 July 2009. The MCTC is responsible for preparing the agenda for the Nairobi conference. Representatives from government, co-operatives and training institutions will discuss the important issues

affecting co-operative growth, such as the current financial and food crises, as well as the progress on co-operative development in each of their respective countries. They will review co-operative development in the region since the last Ministerial Conference, and each country will present a regional report.

The outcomes from the October conference will help chart the way forward for co-operatives in Africa.

Egypt movement welcomes ICA

ICA Africa interim Regional Director, Jan-Eirik Imbsen, recently visited Egypt, with Hassan Kashef from ICA Central Office, to hold discussions with representatives from the Egyptian co-operative movement.

A presentation on the ICA, covering the restructuring, new Rules and *Strategic Plan*, and the ICA's regional and global priorities, was well received.

The meeting had constructive outcomes both in terms of membership and a commitment from the Egyptian movement to become

more involved, regionally and globally.

ICA Africa's request for an Egyptian representative to join the ICA Africa Regional Board was also approved.

Also discussed was the opportunity to collaborate on co-operative development activities in the Aswan region, with partners from Norway.

These activities aim to establish sustainable livelihoods through the production and use of clean energy. This will support the ICA's ambition to promote



ICA Regional-Director, Jan-Eirik Imbsen, and members of the Egyptian co-operative movement

environmentally-friendly activities through sustainable and replicable co-operative models. A visit to the Aswan region was also undertaken during the visit.

ICA Americas newsletter in English launched

The first edition of *ICA Americas Newsletter* in English is available online. The newsletter is a practical tool for information exchange. It enhances communication to co-operatives based in English-speaking countries in the Americas and is a new approach to

building and fostering relationships in the region.

In his introductory editorial, ICA Americas Regional Director, Manuel Mariño said, 'The economic crisis continues to be the major concern for all. Thus we focus in this issue, on an

article about how to build a sustainable world economy through co-operatives and the urgent need for co-operatives to promote their business model worldwide.'

To view the newsletter: www.aciamericas.coop/IMG/Issue1.pdf



Regions

First Co-operative Summit of the Americas



The ICA Americas conference entitled, *The co-operative model: answers to the global crisis*, will be held at Guadalajara, Mexico on

21-25 September 2009.

The main objective of this first Co-operative Summit of the Americas is to undertake an in-depth analysis of the global crisis through direct and active participation.

Topics that affect and benefit co-operatives in the different countries and co-operative sectors of the Americas will be analysed in the lead-up to the conference.

A consensual statement of agreement and resolutions will be drawn up to provide a reference framework for the implementation of actions aimed at strengthening the co-operative sector on the American Continent.

For information including registration information and the preliminary programme, visit the Summit website:

www.cumbreaci.coop

Farmers' co-operative capacity-building



Participants of the Third ICA-Japan Training Course

The third ICA-Japan training course on *Enhancement of Farmers' Income and Poverty Reduction Through Co-operatives*, focused on strengthening together, marketing, safety and increasing the quality of farm products.

The programme was implemented by ICA Asia-Pacific in collaboration with Indian Farmers' Fertiliser Co-

operative (IFFCO), Institute of Rural Management (IRMA), Institute for the Development of Agricultural Co-operation in Asia (IDACA), and ICA Asia-Pacific members. Twelve participants from Cambodia, China, India, Indonesia, Iran, Malaysia, Myanmar, Nepal and Vietnam undertook their training in India, Iran and Japan. The course ran from December 2008 to April 2009.

Development of consumer co-operatives in Vietnam



Participants on the ICA Asia-Pacific and VCA consumer co-operative workshop

ICA Asia-Pacific and Vietnam Co-operative Alliance (VCA) jointly hosted a workshop on *Development of Consumer Co-operatives*, on 8-9 April 2009, in Hue City, Vietnam.

Guest presenters from co-operatives from Singapore and Japan spoke about the basic principles of operating small stores, the methodology of store comparison and home delivery

businesses operated by consumer co-operatives in Japan.

Forty-five participants from fifteen co-operatives discussed current challenges for consumer co-operatives in Vietnam, and considered long and short-term solutions to cope with the difficult situation ahead.

More information from ICA Asia-Pacific.

Co-operative interests put to new European Parliament

The newly elected European Parliament, will have a central role in helping the European Union (EU) build a sustainable and value based economy, and will be called upon to decide on proposals that may have a deep impact on co-operative societies.

Cooperatives Europe published an *Election Memorandum* calling for dialogue and partnership with members of the European Parliament (MEPs) to promote the recognition and mainstreaming of the co-operative business model in EU policies on an equal

basis with that of the company model. The Memorandum ensures that the new EU parliamentarians understand the issues of concern to co-operatives.

Read the full memorandum:

www.coopseurope.coop/spip.php?rubrique329

Regions

'Now, more than ever, the actions of co-operatives are relevant to building a future beyond the crisis. Hence its contributions must be supported and promoted ... we are now looking to the [European] Commission to support our demand to be recognized as a social partner. And we promise you that we will bring the quite different approach and thought processes inherent in our model of business, to the table.' Pauline Green, Co-President, Cooperatives Europe, Plenary speech to the *International European Conference on the Social Economy and Social Enterprise*.

Read the full speech:

www.coopseurope.coop/spip.php?article706



Pauline Green, Co-President, Cooperatives Europe

Promoting the benefits of networking

Cooperatives Europe is promoting a networking model that will assist local co-operatives to meet the needs of EU citizens, while offering business to business (B2B) opportunities for those enterprises taking part.

Recently, Cooperatives Europe brought co-

operatives in the same business sector together, to network and explore opportunities to build common strategies.

A seminar for the energy co-operatives sector was held in Brussels on 30 April 2009. See:

www.coopseurope.coop/spip.php?rubrique326

A seminar for the co-operative pharmacies sector was held in Rome on 30 and 31 March 2009.

See:

www.coopseurope.coop/spip.php?rubrique324



Europe Conference and General Assembly

Cooperatives Europe will held its Conference and General Assembly on 22-23 June 2009, in Sofia, Bulgaria.

The theme of the conference was: *The co-operative response to the economic downturn – co-operating*

together for social interest, trust and innovation.

Information is available from the Cooperatives Europe website: www.coopseurope.coop/spip.php?rubrique321

The Sofia event was the

final conference of the SPP-C project (Social Partner Programme Consolidation) and aims to assert the strengths of co-operative enterprises that, even in a period of crisis, provide a democratic regulation and an innovative dimension.



Member news

Restructure strengthens Desjardins' co-operative advantage

Canadian co-operative credit union leader and ICA member, Desjardins, has announced an organisational restructure, intended to optimise the Group's overall performance and bolster its risk management to ensure continued growth in the financial services market.

Announcing the new structure on 15 May 2009, Desjardins Chair, President and CEO, Monique Leroux, said changes were in line with Desjardins' Development Plan, launched last fall. The plan provides for Desjardins Group to get closer to its branches, while drawing on the strength of its human capital and reaffirming its co-operative values.

'The new structure will bring about many advantages for our institution and its close

to six million members and clients,' said Leroux.

A group entitled 'Support for Co-operative Development and Democratic Bodies' has been created with the aim of bringing management and the co-operative network together. This group will drive a dynamic democracy through ongoing support to officers and fluid communication.

More: www.desjardins.com



Desjardins

Migros takes top honours



Swiss consumer co-operative group and ICA member, Migros, was awarded Responsible Retailer of the Year at the World Retailer Congress held on 7 May 2009.

The prize focuses on the work retailers do to ensure that their brands and organisations deliver to the very

highest standards of corporate responsibility. Despite the downturn, retailers are in no doubt that this is a vital part of their strategy and makes for good business.

Migros took top honours from the other shortlisted finalists, including supermarket conglomerates Marks

and Spencer, Tesco, WM Morrison and Woolworths.

Since 2007, the World Retail Awards have set benchmarks for excellence in modern retailing.

Last year, another co-operative, Recreational Equipment Inc. (REI), received the Employer of the Year award.

JA-Zenchu of Japan new address



The Central Union of Agricultural Co-operatives (JA-Zenchu) recently inaugurated its new offices. The ICA Board, which was hosted for its meeting by JA-Zenchu, was invited to the opening of the Agriculture and Farm Gallery Village in the new building (photo).



Pauline Green at the opening of the Agriculture and Farm Gallery

The new contact details are:

JA-Zenchu
1-3-1, Otemachi, Chiyoda-ku, Tokyo, 100-6837, Japan
Tel: +81-3-6665-6003
Fax: +81-3-3217-5071

Email contacts remain unchanged.

Office renovation—Crédit Coopératif of France new address

Crédit Coopératif of France has moved to temporary offices for the a three-year period awaiting the renovation of their premises.

During this time, telephone, fax and email contacts remain unchanged.

For visits and mailings, the new address:

Crédit Coopératif
Immeuble Le Pablo Picasso - 72, avenue de la Liberté
BP 211
92002 Nanterre Cedex
France

Francisco Luis Jiménez Arcila, Rochdale Award winner, dies

It is with sadness that ICA learned the passing of Dr Francisco Luis Jiménez Arcila, recipient of the ICA Rochdale Pioneer Award in 2003. Dr Jiménez Arcila devoted his entire life to strengthening the co-operative movement in Colombia. However, he was

also an international leader making innumerable contributions to promoting and protecting the co-operative movement. As a co-operative lawyer, he laid down the basis of the Colombian co-operative law. Author of numerous books and articles, he was active

not only in the ICA but also in the Organisation of Co-operatives of the Americas (OCA), the ILO, and numerous Colombian organisations.

ICA send its deepest condolences to his family, friends and colleagues.

Co-op people



Francisco Luis Jiménez Arcila in 2005

New appointments

The Co-operative Association of the Czech Republic elected Mr Zdenek Juracka as President of the Board. He currently also serves as President of the Union of Czech and Moravian Consumer Co-operatives.

Mr Jean-Louis Bancel, chair of ICA's International Co-operative Banking Association (ICBA) was elected President of Crédit



Coopératif of France. He succeeds Jean-Claude Detilleux who has been appointed special advisor.

The new Managing Director of the Central Union of Rural and Agricultural Co-operatives of Iran (CURACI) is Mohammad Reza Raeisi Nejad. Mr Raeisi Nejad has a strong background in rural co-operative development and was CURACI's Deputy Managing Director of Trade



and Director-General of CURACI's national land affairs organisation.

The National Co-operative Business Association's Board of Directors unanimously selected Dr Martin Lowery, Vice-President, External Affairs of the National Rural Electric Co-operative Association (NRECA) to succeed Kathy Brick as the NCBA's chair.



New ICA associate members

The National Labour Co-operatives Federation of India Ltd (NLCF) has joined the ICA. NLCF is the apex organization for the co-operative labour movement in India. Its membership includes contract, construction and forestry co-operatives. It has 66 federations, 123 member societies and represents 8200 individual members.

NLCF is affiliated with two ICA members; the National Co-operative Union of India (NCUI) and the National Co-operative Development

Corporation (NCDC). More: www.labcofed.com



ICA welcomes Abaco, savings and credit co-operative in Peru. Abaco's mission is to provide financial solutions for the healthy development of its members

and to deliver savings and loans programmes to families and companies.

In 2007, Abaco assets totaled USD 115.3 million. It had social capital of USD 9 million and USD 97.7 million in deposits. Abaco represents around 8000 family members. For more information, go to www.abaco.com.pe



The new ICA membership statistics are: 222 member organisations (198 members and 24 associate members) from 85 countries.

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

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

2009 Calendar of ICA events and related co-operative activities

2009

- 4 July *International Day of Co-operatives* www.ica.coop/activities/idc.html
- 2-4 September ICA Research Conference, *People before profit: the response of co-operatives to the global financial crisis and economic recession*, Oxford (UK) www.ica.coop/icaccr/
- 9-11 September ICA Board Meeting, Norway
- 21-25 September ICA Americas Co-operative Summit for the Americas, Guadalajara (Mexico) www.aciamericas.coop
- 1-3 October ICMIF 2009 Biennial Conference, Toronto, (Canada) www.icmif.org/toronto2009
- 22-24 October 9th ICA Africa Co-operative Ministerial Conference, Nairobi (Kenya) imbsen@ica.coop
- 15-16 November ICA Board Meeting, Geneva (Switzerland) www.ica.coop
- 16-18 November Meetings of ICA Sectoral Organisations & Thematic Committees in conjunction with ICA General Assembly, Geneva (Switzerland) www.ica.coop/calendar/ for full listing.
- 19-20 November ICA General Assembly, *Global Crisis: Co-operative Opportunity*, Geneva (Switzerland) www.ica.coop



**ica general assembly
geneva 2009**