



International
Labour
Organization

ILO and Cooperatives

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Editorial

As you receive this newsletter, the 2012 UN International Year of Cooperatives (IYC) will have come to an end. Yet the energy generated throughout the year continues to reverberate throughout the world. Concrete steps are being undertaken by governments, social partners and cooperative movements. In December, the French Minister of Social Economy announced new legislation aiming to sustain cooperative development and double the number of worker cooperatives in the next five years to secure employment for workers and get the country out of the crisis. The French decision has resonated widely, including with workers' organizations and generated a discussion on workers' buyout of bankrupt enterprises as a viable model.

This month witnessed the holding of an Employee Ownership Summit and the launch of an independent review on how to spread employee owned and worker cooperatives lead by the Deputy Prime Minister of the UK. Similarly the Welsh Business Minister set up a Cooperatives and Mutuals Commission to better understand how these democratic, value-driven and locally-controlled businesses could grow and to develop and examine what interventions and support are needed.

It is not only European governments that are turning to cooperatives as a crisis resilient enterprise model in times of continued financial and economic distress.

The President of Uruguay joined a long line of leaders who praised cooperatives saying that they tend to face crisis better than other enterprises because they serve their members and are not solely driven by profit. Guided by the international standard on cooperatives, the ILO Recommendation on the Promotion of Cooperatives, 2002 (R.193), new cooperative legislations are being launched across the world, including more recently in India and Indonesia. Countries like Turkey launched national cooperative strategies, or embarked on the road to cooperative legislation reform and establishing national cooperative policies, like Egypt.

The ILO played a leading role during the IYC as a member of the Coordinating Committee. The ILO Director-General issued statements throughout the year highlighting the links between cooperative businesses and decent work. The ILO also ensured high-level participation in IYC events, including by the Executive Director of the Employment Sector and the Director of the Partnership Department. ILO staff contributed extensively to international events from Ethiopia to China. The official three-minute video clip for IYC was prepared by the ILO and viewed widely across the world. A number of evidence based research studies were published including six country studies on the situation of cooperatives in Latin America, and the third edition of the Guidelines for Cooperative Legislation.

A new publication, *Resilience in a downturn: The power of financial cooperatives*, is forthcoming shortly. Over a dozen news articles and analysis demonstrating how cooperatives 'build a better world' were released by the ILO. Staff also contributed extensively to media requests for interviews, articles and blogs. Historical and long lasting bonds were renewed at the leadership level when the ILO Director-General and the President of the International Cooperative Alliance met emphasizing the need for responding to crisis through cooperatives. The two leaders revived their commitment to working together starting with rural and informal employment with an emphasis on youth and women.

We hope that while reading this newsletter you will get a sense of the restored confidence that has been generated across the globe around cooperative enterprises through IYC. While much remains to be done in better understanding and communicating the learning on cooperative way of doing business, the ILO remains committed to moving forward, building on the momentum of IYC and in delivering on its Cooperative Strategy (2013-15) in support of its constituents and the cooperative movement.

Simel Esim, Chief, Cooperative Branch

Agricultural cooperatives: Key to feeding the world

World Food Day 2012 highlighted the role cooperatives play in improving food security and contributing to the eradication of hunger.

ILO Director-General on World Food Day, 18 October 2012

“Experience around the world shows that farmers, fisherfolk, foresters and herders have used cooperative organization to increase food production, gain market access, obtain better prices on agricultural inputs, participate more effectively in global value chains and also to manage natural resources and enhance food security”, said ILO’s Director-General, Mr Guy Ryder in his statement released for the Day. He added that cooperatives have also been channels for opening up access to financial services and social protection coverage.

“As the International Year of Cooperatives draws to a close, it is appropriate to reaffirm today the value of the cooperative model - and of agricultural cooperatives in particular in ensuring that all can enjoy the right to food - and as vehicles for decent lives, decent work and sustainable development.”

ILO Director-General

>> See full message at: http://www.ilo.org/global/about-the-ilo/who-we-are/ilo-director-general/statements-and-speeches/WCMS_191486/lang-en/index.htm

COPAC focuses on enabling agricultural cooperatives

The fact that the central role of agricultural cooperatives in eliminating hunger and rural poverty remains largely unknown is the reason that the Committee for the Promotion and Advancement of Cooperatives (COPAC) and the Food and Agriculture Organization of the United Nations (FAO) organized a joint side event during FAO’s Committee on World Food Security on 17 October in Rome.

“Cooperatives are a key partner for FAO to achieve its mission; they are a driving force in the economy”, said Ms Marcela Villareal, Acting Director of the Office for Communication, Partnerships and Advocacy. However, conditions are lacking for cooperatives to form, develop and thrive. New actions and heightened awareness of cooperatives are needed.

The event introduced the agricultural cooperative movements of France and Kenya showing that despite different approaches to cooperative development, both were strong movements sharing a number of challenges for growth, including increasing competition in the marketplace requiring improved performance and appropriate regulation.

Ms Simel Esim, Chief of ILO’s Cooperative Branch and COPAC Vice-Chair provided closing remarks noting, “cooperatives not only aggregate supply, and provide



marketing and processing services, they also enable access to collective bargaining and voice – building inclusive business”. Issues of good governance, enabling legal environment, education and training, and promoting sustainable business models were raised during the presentations, but she underlined that cooperative development is also dependent on peace and stability, policy coherence and enabling trade policies. On the way forward, she suggested that cooperatives “need to get the word out” saying that the discussions in preparation for the post Millennium Development Goals (MDG) development agenda 2015 provide a platform where the voices of cooperators need to be heard. She concluded reiterating the commitment of COPAC and its members to promoting cooperatives beyond the International Year of Cooperatives through the draft UN International Plan of Action, the Dunsany Declaration for Rural Cooperation and the Declaration emerging from the 2012 International Summit of Cooperatives in Québec (Canada) among others.

>> See video of event at: <http://webcast.fao.org/20121017-ESW-256-floor> and read more on COPAC at: <http://www.copac.coop>

ILO co-organizes World Food Day observance in Kyrgyzstan

Hosted by the Krygыз Minister of Agriculture and Amelioration in Bishkek on 16 October and co-organized by the Ministry, FAO, ILO, and German Cooperative and Raiffeisen Confederation (DGRV), an international conference addressed the contribution of agricultural cooperatives to improving food security and providing opportunities for migrant workers. ILO COOP’s, Mr Igor Vocatch provided an overview of cooperatives and migrant workers. Over 70 people participated in the event with high level representation from the Government, international and national organizations, the donor community, other UN agencies, and other cooperative stakeholders. They identified measures on how to strengthen the cooperative movement in Kyrgyzstan.

>> More information at: <http://www.fao.org/getinvolved/worldwideevents/detail-events/en/item/162302/icode/>

ILO participation in International Year of Cooperatives' events

The ILO continued to participate in International, regional and national events held to observe the International Year of Cooperatives. These included:

A World of Rural Cooperation: Ms Simel Esim, Chief of the ILO Cooperative Branch joined the FAO, representatives of the cooperative movement and other actors in the rural economy to develop the Dunsany Declaration, an international plan for the future development of rural cooperatives. The Declaration calls for the endorsement of the Recommendation of the International Labour Organization on the [Promotion of Cooperatives 2002 \(No. 193\)](#); recognition of the unique nature of cooperatives as membership based democratically run organizations with a proven track record for creating employment; and assurance that national policies combat pseudo-cooperatives violating workers' rights by ensuring that labour legislation is applied in all enterprises. It was presented in a session at the International Cooperative Alliance (ICA) meeting meeting, Cooperatives United, in Manchester on 31 October 2012 where Ms Esim was one of the panelists. The Declaration was also adopted by the ICA's General Assembly as a contribution to the International Year of Cooperatives Plan of Action for 2012 and beyond.



>> The Declaration is available at: <http://www.plunkett.co.uk/templates/asset-relay.cfm?frmAssetFileID=1507>

International Cooperative Summit: The amazing power of cooperatives: ILO joined 2,800 participants from 91 countries to discuss cooperative best practices as well as address the barriers to cooperative development. Mr Jürgen Schwettmann, Director of Partnerships and Development Cooperation participated in the panel, Cooperatives and mutuals, a distinctive and effective business model - An alternative to the prevailing business model, and addressed a special event for future cooperative leaders. Ms Simel Esim Chief of ILO's Cooperative Branch who also participated, gave an interview on the power of cooperatives and their future potential in developing fair value chains that are sustainable, creating jobs for young people and being key advocates for social change. The Summit launched nine ground-breaking



studies which provide input to ILO's approach in supporting cooperatives. It also adopted a Declaration which lays out how to spur the growth of cooperatives. The event was held 8-11 October 2012 in Quebec, Canada.

>> Read interview with Mr Jürgen Schwettman at: <http://blogue.sommetinter2012.coop/2012/10/jurgen-schwettmann-we-need-to-show.html>

>> See interview with Ms Simel Esim at: <http://www.youtube.com/watch?v=5hc6hboho0g>

>> Read articles referencing ILO at: <http://www.ipsnews.net/2012/10/co-operatives-hold-their-own-in-free-market-jungle/> and <http://www.ipsnews.net/2012/10/cooperatives-summit-celebrates-power-in-diversity/>

>> See 2012 International Summit of Cooperatives Declaration at: <http://www.2012intlsummit.coop/site/communication/declaration/en>

First Summit for African SACCOs and Cooperatives: Ms Maria Elena Chavez Hertig of ILO COOP was one of the keynote speakers to the Summit in the capacity of Vice-Chair of the Committee for the Promotion and Advancement of Cooperatives (COPAC). She joined ministers in charge of cooperatives, cooperative development agencies, financial institutions and cooperative leaders from Africa to review alternative financing for cooperatives. The event was held in Nairobi, Kenya on 11-12 October 2012.

>> See more <http://www.coopsummit.com/>

11th Pharmacists Congress of Turkey: ILO COOP Branch Chief, Ms Simel Esim, participated and presented in a panel, Impact of Cooperatives in Social and Economic Development, organized by the Association of All Pharmacists Cooperatives in Turkey. The panel which included representatives of the Turkish government, cooperative movement and academia highlighted the need for cooperative enterprise education in universities for pharmacy students and beyond, the ways forward for the implementation of the Turkish Cooperative Strategy and the need for cooperative financing. The event was held on 19 October 2012 in Ankara.

>> More at: http://www.ilo.org/global/about-the-ilo/news-room/features/WCMS_192935/lang-en/

ILO participation in International Year of Cooperatives' events *(continued)*

Nîmes and the International Year of Cooperatives: Mr Igor Vocatch of ILO COOP was a guest speaker at a colloquium entitled, "Cooperatives: A solution for a social and solidarity economy". He joined French cooperators and students leading a session on the future of the cooperative movement, but also participated in debates on the history of the movement with particular reference to Charles Gide, a leading French economist and historian of economic thought who was a champion of the cooperative movement in the early 1900s. The event was held in Nîmes, France on 24 October 2012. Organizers participated in a follow-up visit to Geneva to meet with the Cooperative Branch, Century Project and Bureau of Workers' Activities.

La coopérative, un modèle d'avenir?: Ms Maria Elena Chavez Hertig of ILO COOP presented a keynote speech to the interdisciplinary colloquium on the present and future of cooperatives in Switzerland. Organized by the University of Lausanne, the colloquium brought together the regional and national chief executives of the leading Swiss cooperatives in the consumer, transport and financial sectors including Migros, Vaudoise, La Mobilière, and Raiffeisen Switzerland. The event was held on 13 November 2012 in Lausanne, Switzerland.

>> More information at: <http://www.unil.ch/coop2012>

International Conference on Worker and Social Cooperatives: Mr Jürgen Schwettmann, Director for Partnerships and Development Cooperation represented the ILO DG at the International Conference of Worker and Social Cooperatives that took place in Marseilles, France on World Worker Cooperative Day (16 November). He was joined by Mr Pierre Laliberté of the Bureau of Workers' Activities. Mr Schwettmann addressed the more than 1,000 leaders and members of worker and social cooperatives from around the world at the opening session of the conference. Mr Laliberté participated in the 35th National Congress of worker cooperatives (Scop) of France where he provided a workers' organizations' perspective in a round-table discussion on business transfers into worker cooperative enterprises. France's Minister of Social and Solidarity Economy, Mr Benoît Hamon, unveiled a new law to support cooperatives during his presentation at the final session of the conference. The event was co-organized by the International Organization of Industrial, Artisanal and Service Producers' Cooperatives (CICOPA) and the Confédération générale des Scop (CG Scop) of France.

>> More information on the International Conference of Worker and Social Cooperatives at: <http://www.cecop.coop/International-conference-of-worker>

>> More on the new French law to support cooperatives at: <http://2012.coop/en/media/news/france-unveils-law-support-co-operatives>

Cooperative Theory Lecture Series, University of Kobe, Japan: Executive Director, José Manuel Salazar-Xirinachs was invited to deliver an inaugural speech on 28 November 2012 for the cooperative lecture series. Mr Salazar addressed 300 students of the Faculty of Economics providing a global perspective on the ILO and cooperatives during the International Year of Cooperatives. During his speech he emphasized the centrality of cooperative values to the ILO's decent work agenda, the resilience of cooperatives to crisis, including natural disasters, and their relevance to addressing youth employment issues. Mr Salazar's speech was the first of 14 lectures with the upcoming lectures to be given by leaders of the Japanese cooperative movement.



Mr Salazar delivering his lecture in Kobe.

>> See full speech on the ILO website at: http://www.ilo.org/wcmsp5/groups/public/---ed_emp/---ed_emp_msu/documents/statement/wcms_194050.pdf

"Genere per Generare Valore": ILO's Cooperative Branch Chief Simel Esim was invited to provide a global overview on women empowerment and gender equality in the world of cooperatives during an event organized jointly by two of the Italian apex cooperative organizations, Lega Nazionale delle Cooperative e Mutue (Legacoop) and Confederazione Cooperative Italiane (Confcooperative) in Florence on 17 December 2012. The speakers included cooperative representatives from women cooperatives and migrant worker cooperatives as well as local, national government representatives and parliamentarians in Italy, and staff from international organizations. The event was attended by over 50 participants from cooperatives in Tuscany region of Italy.

COOPERATIVE ENTERPRISES BUILD A BETTER WORLD



“Promoting Cooperatives Beyond 2012” marks the close of International Year of Cooperatives

Strengthening cooperatives beyond 2012 was the theme of a series of events held to mark the close of International Year of Cooperatives. Over 150 representatives met at United Nations headquarters to participate in sessions focusing on cooperatives current and future potential in addressing global food security, sustainable livelihoods, jobs creation and youth empowerment. The two-day event held on 19-20 November highlighted major outcomes of various observances of the Year both at the international and national levels. It showcased the great variety of ways that stakeholders increased awareness about cooperatives throughout the year and introduced the Plan of Action of Cooperatives for 2012.

Cooperatives and Youth: Empowerment, Employment and Engagement

One of the events held was the youth forum on ‘Cooperatives and Youth: Empowerment, Employment and Engagement’ at which ILO’s Simel Esim participated as panelist. She spoke not only of the importance of cooperatives including youth as members, workers and leaders among their midst, but also of the need for young women and men to actively engage with cooperatives and promote them including in the context of the on-going dialogue around the Post-2015 Development Agenda.



Youth forum participants at the IYC closing event.

>> Download the International Youth Cooperative Statement 2012 at: <http://social.un.org/coopsyear/documents/closing/YouthStatement.pdf>.

>> Watch the video of the panel session on food security, the Youth Forum, and the presentation of the IYC short film awards at: <http://social.un.org/coopsyear/iyc-closing-videos.htm>.

>> See issue brief, A better future for young people: What cooperatives can offer, available at: http://www.ilo.org/wcmsp5/groups/public/---ed_emp/---ed_emp_msu/documents/publication/wcms_195535.pdf

>> More information on International Year of Cooperatives closing events at: <http://social.un.org/coopsyear/iyc-closing.html>.



Plan of action 2012 and beyond

The official closing ceremony featured the introduction of a proposed plan of action to guide activities in the follow-up to the Year. Such a road map was foreseen in the UN General Assembly resolution that proclaimed the International Year to ensure effective follow-up. H.E. Ambassador Od Och, Permanent Representative of Mongolia to the United Nations introduced the plan saying that, “Mongolia believes that the option of a plan of action will improve cooperative collaboration and activities, and extend awareness and support from stakeholders and Member States”.

The draft plan outlines specific actions to promote cooperatives around four main goals:

- Encourage governments to establish policies, laws and regulation conducive to the formation, stability and growth of cooperatives,
- Increase public awareness about cooperatives and their contribution to sustainable development in the achievement of internationally agreed development goals,
- Promote the formation and growth of independent and sustainable cooperatives for socio-economic empowerment and the improved well-being of cooperative members and communities that they serve, and
- Promote research on cooperatives, establish an information database in order to support sound policies and regulation and encourage good practice among cooperatives.

Ambassador Och announced that Mongolia will seek the adoption of the Plan of Action at the 68th UN General Assembly in 2013 by engaging with a core group of countries from each region to build the consensus needed. He said that Mongolia will encourage UN agencies and cooperatives to provide feedback on the proposed plan as it is being negotiated.

The event was organized by the Division for Social Policy and Development (DSPD) of the United Nations Department of Economic and Social Affairs in collaboration with the International Labour Organization, the Permanent Mission of Mongolia and Rabobank of the Netherlands.

Financial cooperatives as efficient and profitable as their competitors

Resilience of financial cooperatives was the topic of a presentation and discussion at ILO headquarters in Geneva on 26 October 2012. Author, Prof Johnston Birchall of Stirling University in the United Kingdom was joined by Jean-Louis Bancel, President of Crédit Coopératif of France and of the International Banking Cooperative Association (ICBA) and Bouke de Vries, Head of Financial Sector Research of Rabobank, Netherlands to engage in discussion with ILO colleagues.

According to the International Monetary Fund and World Bank financial cooperatives were as efficient and profitable as their competitors before the crisis. What about post 2008? The ILO's Cooperative Branch asked Prof Birchall to review the data for a new study, *Resilience in a downturn: The Power of financial cooperatives*.

Evidence shows that notwithstanding selected cases, the majority of financial cooperatives suffered far less than other banks and that they were growing again, said Prof Birchall. He attributed the reasons for their resilience to the cooperative structure (member ownership and benefit) and the comparative advantages of financial cooperatives. "What were considered disadvantages of the financial cooperatives – risk aversion, lack of stock option/remuneration incentives to attract talent, and lack

of access to capital – turned out to be advantages that helped cooperatives weather the crisis", he said.

Both Mr Bancel and Mr De Vries noted that trust and the special relationship that financial cooperatives have with their customers are also important to their resilience. Regulators and others actors do not often understand the model. For example, despite the significance of financial cooperatives, the International Accounting Standards afforded only a footnote to cooperative capital structures. Mr. De Vries noted, other financial regulations, the so-called 'know your customer' rules were also negatively impacting cooperatives. As regulators limit the ability for differentiation among financial actors, this requires cooperative banks to ask for exemptions to continue to serve their members according to their set policies and practices – policies and practices that have stood the test of time.

The report was commissioned by ILO as a contribution to United Nations International Year of Cooperatives 2012. It will be available in the first quarter of 2013.

>> Read interview with the author of the report at: http://www.ilo.org/global/about-the-ilo/newsroom/comment-analysis/WCMS_192406/lang--en/index.htm

ILO and the ICA: Over a century of collaboration

Promoting cooperatives for decent work and social justice are objectives shared by the ILO and the International Cooperative Alliance (ICA), the one billion member strong global representative organization for cooperatives worldwide. ILO and ICA have worked together since 1920

when the Cooperative Branch was established. ICA also formally holds consultative status with the ILO. Their collaboration takes many forms, and includes high-level dialogue, evidence based advocacy, joint research and more.

ILO DG meets ICA President

The ILO's Director-General, Mr Guy Ryder and ICA President, Dame Pauline Green met for the first time in Brussels in early December. Coming from national movements in the UK, and having both worked in Brussels for many years, Mr Ryder and Dame Pauline share common trajectories in terms of their backgrounds and visions. As the first woman president of the ICA in 116 years, Dame Pauline was elected in November 2009 on an agenda of change.

The discussion between Mr Ryder and Dame Pauline focused on joining forces to unleash the potential of cooperatives in addressing youth employment including in the context of Europe, informal economy and food security issues in coordination with ILO constituents and sister UN agencies.

>> Read more on the meeting of the two leaders at: <http://ica.coop/en/media/news/leaders-ilo-and-ica-strengthen-bond>



ILO and the ICA: Over a century of collaboration (continued)

Cooperatives United

ILO joined nearly 10,000 delegates at the “Cooperatives United” event in Manchester, England from 31 October to 2 November 2012 where ICA marked the end of International Year of Cooperatives. Participants discussed and adopted its *Blueprint for a Cooperative Decade* marking the beginning of a worldwide campaign to take the cooperative way of doing business to a new level. The document addresses five major challenges for cooperatives: improve participation within membership and governance, position cooperatives as builders of sustainability, promote the cooperative message and secure the cooperative identity, ensure supportive legal frameworks for cooperative growth and secure reliable cooperative capital while guaranteeing member control.

Ms Simel Esim, Chief of the Cooperative Branch participated in the event as a panellist introducing the *Dunsany Declaration on the future development of rural cooperatives* of which the ILO is a contributor along with the FAO. She was a speaker at the side event on ‘Cooperatives and Informal Workers’, organized by Women in Informal Employment: Globalizing and Organizing (WIEGO) and the Cooperative College UK. She also joined cooperative leaders in “The Big Debate” where panellists were invited to look forward to how cooperatives can help build a new world. Presented by Ms Stephanie McGovern of BBC TV, the webcasted event enabled cooperators from around the globe to put questions to representatives about the future of cooperatives in light of the financial and food crises. Ms Esim highlighted in particular the need for young people to be introduced to cooperative during their education. She said, “We need to get cooperatives education - the philosophy of the cooperative way of doing business into our schools from a very early age”.

>> Download the ICA Blueprint for Cooperative Development at: http://2012.coop/sites/default/files/ICA_Blueprint_draft_English_single%20pages_LR.pdf

>> Read more on the session on the Dunsany Declaration at: <http://www.thenews.coop/article/dunsany-declaration-feeds-icas-blueprint-co-operative-decade>

>> Read more on the WIEGO and Cooperative College session on cooperatives of workers in the informal economy at: http://wiego.org/sites/wiego.org/files/resources/files/WIEGO_MBO_Newsletter_December_2012_English.pdf

>> See more on the “Big Debate” at: <http://www.thenews.coop/article/big-debate-closes-co-operatives-united>

10th ICA Asia-Pacific Regional Forum and Assembly

ILO highlighted the important role of cooperatives in recovery from natural disasters at the ICA’s regional meetings held in Kobe, Japan on 26-30 November 2012. In his keynote speech, Mr José Manuel Salazar-Xirinachs, ILO’s



Executive Director of the Employment Sector, told delegates that, “Cooperatives are very well placed to strengthen human security in all its dimensions”. He commended the Japanese cooperative movement in particular for the way that they had been particularly efficient in resuming activity after the 1995 Kobe earthquake and again after the tragic East Japan earthquake and tsunami of March 2011. He underlined the clear comparative advantage in crisis response that cooperatives can have. He said that the cooperative value of solidarity, gives the cooperative movement a fundamental role to play in the post disaster humanitarian response; the cooperative values of social responsibility and caring for others enable cooperatives to provide solid social protection that mitigates crises impact on the most vulnerable groups; their educational capacities are a powerful channel to promote and implement crisis prevention and disaster risk reduction, and thanks to strong organizational capacities and proximity to the communities, cooperatives are very well placed to build preparedness for further response.



ILO Executive Director with ICA President at ICA regional meeting in Kobe, Japan.

>> See full speech on the ILO website at: http://www.ilo.org/wcmsp5/groups/public/---ed_emp/---ed_emp_msu/documents/statement/wcms_194050.pdf

Executive Director meets members of Rokin Bank – the labour bank of Japan

Rokin Bank is an excellent example of the role of trade unions and what financial institutions can do to protect workers, said ILO's Executive Director for Employment, Mr José Manuel Salazar-Xirinachs. Speaking to members of the Rokin Association and Rokin Kinji in Japan, Mr Salazar addressed the Rokin Symposium in Osaka, followed by a meeting in Kobe to discuss ILO's recent working paper, *The story of workers' organizations that successfully promote financial inclusion*.

In his presentation in Kobe, Mr Salazar noted that the strong relationship between Rokin banks and trade unions enable them to respond effectively to the financial needs of workers. The fact that members chose the cooperative legal structure has contributed to Rokin Banks' stability and resilience to crisis while demonstrating that banking with a social conscience is possible even in the toughest of economic situations.

"We are using the case of the Rokin Banks to build the capacity of unions towards financial inclusion of workers" reported Mr Salazar as he introduced the ILO training programme, *Inclusive Finance for Workers* which is currently being used in Africa.

He concluded welcoming a further partnership with the Rokin Banks in these capacity building activities.

>> See full speech on the ILO website at: http://www.ilo.org/wcmsp5/groups/public/---ed_emp/---ed_emp_msu/documents/statement/wcms_194048.pdf



ILO Executive Director addressing members of the Rokin Bank in Kobe.

Asia & Pacific high-level cooperative leaders' roundtable on business cooperation

As a response to the challenges and opportunities brought about by the global economic recession and regional economic integration, the All China Federation of Supply and Marketing Cooperatives (ACFSMC) organized a high-level cooperative leaders' roundtable on business cooperation to mobilize business and trade cooperation initiatives between International Cooperative Alliance (ICA) member organizations in Asia and the Pacific. The roundtable brought together 33 cooperators representing 15 ICA member organizations from 11 countries in the Asia and Pacific region and was held on 10 November 2012 in Kunming, China.

ILO's Cooperative Branch Chief, Ms Simel Esim was a keynote speaker at the event. She also facilitated two sessions of cooperative presentations and discussions and made a wrap-up presentation of the emerging issues from the day.

Although the initial objective of the roundtable was cooperative to cooperative business and trade in the region, there were several other clusters of issues emphasized by the participants on regional development cooperation through cooperative education and sector specific regional cooperative networks such as financial cooperatives.

Among the ideas proposed was the establishment of a cooperative to cooperative trade network facility in Asia that could be taken forward jointly by ACFSMC, ICA Asia-Pacific Regional Office and ILO's Cooperative Branch. Based on lessons learned from similar initiatives in the past, this effort would be supported through a technical cooperation project allowing for the allocation of staff and other resources needed. A report of the roundtable and its conclusions were presented at the ICA Asia-Pacific Regional Board Meeting and Assembly in Kobe, Japan, toward bringing about coordinated action and commitment at the regional level.

ILO collaboration with the Japanese Consumer Cooperatives Union

A delegation from the Japanese Consumer Cooperatives Union (JCCU) met the ILO Executive Director for Employment, Mr José Manuel Salazar-Xirinachs and members of the Cooperative Branch. They reviewed the three years of the ILO-JCCU collaboration in organizing a joint study tour for cooperative leaders from Africa, and discussed new areas of potential cooperation including engaging in research, receiving secondments to the ILO, and translation and adaptation of cooperative training tools.

During this meeting, it was suggested that an assessment of the three years of the joint study tour could be undertaken in order to inform its future direction. Since then, an assessment has been initiated and its results are expected in March to guide discussions between the ILO COOP Branch, ILO Tokyo office and JCCU.

>> See coverage of the JCCU visit to the ILO at: http://jccu.coop/eng/jccunews/pdf/201212_jccunews.pdf

Egypt: ILO contributes to the cooperative reform process

In 2010, the United Nations Development Programme (UNDP), the United Nations Industrial Development Organization (UNIDO), the United Nations Entity for Gender Equality and the Empowerment of Women (UN WOMEN) and the ILO started working in collaboration with national stakeholders to implement a programme on pro-poor horticultural value chains in Upper Egypt (SALASEL). Funded through the MDG Achievement Fund (MDG-F), the project responds to increasingly high rates of rural poverty in Upper Egypt. The programme focuses on enhancing the efficiency and productivity of Upper Egypt's small farmers and agricultural workers, thereby improving their position in both national and international markets. It pays special attention to strengthening capacities of small farmers associations and to gender equality and women's economic participation. To date, it has successfully reached more than 1,500 beneficiaries in 17 farmers' associations in 6 governorates.

Currently, a series of training activities are being organized for farmers to develop their cooperatives through extension services and improve management performance of cooperatives. For this purpose, My.COOP modules, which have been translated into Arabic, will be reviewed with a group of trainers before being pilot tested by local trainers.

An ILO consultant is working on developing a situation analysis of cooperatives with a special emphasis on horticulture along with a summary report on cooperative policy and regulatory framework and a road map on cooperative reform process with various components including policy and legislation, cooperative enterprise development and management training. These products will be presented and discussed through a validation workshop with key stakeholders in mid-January 2013.

>> See SALASEL website for more information on the project including the latest newsletter (issue 9) which reports on cooperative reform at: <http://mdg-hvc-eg.org/>

Turkey: Government adopts cooperative strategy and plan of action 2012–2016

Prime Minister of the Republic of Turkey, Recep Tayyip Erdogan launched a national cooperative strategy and plan of action. He noted that cooperatives provide an important economic enterprise model fulfilling economic and social functions in the country today, but that a fundamental restructuring was needed if cooperatives were to reach their full potential. The plan, an outcome of a participatory consultative process involving a range of cooperative sectors, defines this vision of Turkish cooperatives for the future. Its aim is to create a more efficient environment for the cooperatives, increase confidence in cooperatives by removing ineffective and poor practices, encourage sustainability, competitiveness and innovation and secure new momentum for cooperative growth.

The strategy is part of a document which includes a review of the global, European and national cooperative

movement. It reports that Turkey counts 84,232 cooperatives in 26 different sectors with a membership of over 8.1 million people. Seven specific areas for action are identified including expanding public service delivery through cooperatives, providing support for cooperative governance, education, research, auditing, and access to credit and capital. Legislative reform is also cited and ILO Recommendation No. 193 on the Promotion of Cooperatives is referenced as a guide for the reform process.

Over 5,000 people attended the event in Ankara on 17 October 2012.

>> See Turkish cooperative strategy and plan of action at: <http://www.turkiye2012koop.org/images/haber61/tcsap.pdf>

Sri Lanka: ILO supports cooperative development policy formulation

The ILO Local Empowerment through Economic Development (LEED) project, initiated in 2011 in three of the five districts of Northern Province in Sri Lanka, has partnered with a number of cooperatives to support the revival of the fruit, vegetable, paddy and fisheries sub-sectors. While the initial emphasis of the project was on infrastructure, re-equipping mills, stores, and boatyards, it has recently focused on strengthening cooperative enterprises. A situation assessment was undertaken to look into the state of the cooperative movement, the position of the government, donors and the problems and expectations of cooperatives and their unions. A participatory workplan and roadmap were developed between October and December to inform follow up activities under the current project as well as

in the context of a future phase specific to cooperative development. In late December, a planning workshop was undertaken to finalize the Ministry's Cooperative Plan (2013-15) and to initiate the discussion on a National Cooperative Policy. The policy is intended to create a favourable environment for cooperative development, limit the regulatory role of the state to that of a lawmaker setting the rules, and creating macro-economic conditions for cooperative societies in a democratic society and a free market economy. In addition, a two-day planning workshop will take place in late February in Jaffna to support the selected cooperative societies in the Northern Province in developing their development plans with short, medium and long term goals and objectives.

Social enterprises to play a key role in the Europe 2020 strategy

Social enterprises are a largely untapped source of inclusive growth and sustainable jobs; they are able to bring innovative solutions for social cohesion and inclusion, job creation, growth and the promotion of active citizenship. This was the conclusion of the conference organized by the European Economic and Social Committee (EESC), entitled, *Social enterprises and the Europe 2020 Strategy: Innovative solutions for a sustainable Europe*.

ILO's Mr Jürgen Schwettmann, Director for Partnerships and Development Cooperation, joined over 200 participants in Brussels, Belgium to discuss how to ensure that social enterprises are able to better contribute to Europe's exit from the crisis, but more importantly ensure that they contribute to the European Union's ambition to become a smart, sustainable, inclusive and innovative economy and society as per its 2020 Strategy. Participating in the panel session, "Social enterprises as instrument of social cohesion and growth beyond frontiers", Mr Schwettmann presented ILO's involvement in the promotion of the social economy worldwide. He concurred with the Commissioner László Andor, European Commissioner responsible for Employment, Social Affairs and Inclusion, that the social economy can not only offer job creation opportunities, but also social justice and solidarity.

The social economy sector already employs more than 14 million people in the EU, which amounts to more than 6 per cent of all workers. The social economy is a key element of the European social model, especially in times of crisis. However, social enterprises do not enjoy a level playing field with traditional economic operators. Without overcoming legal, administrative, financial and political obstacles, social enterprises will not be able to fully enjoy the benefits of the single market, despite the richness and the innovative leadership which exists at all levels of the sector.

European Economic and Social Commission Press Release No 60/2012, 4 October 2012

One of the objectives of the conference was to address the barriers for social enterprises and the larger social economy. They agreed that the multiplicity of definitions and concepts of the social economy and limited public awareness of the sector has had negative impacts on legislation and regulation, access credit and other support a hindering growth.

Mr Schwettmann noted that the ILO is addressing some of the obstacles to social enterprise growth through a number of on-going initiatives. The ILO Social and Solidarity Academy and its Readers provide capacity building

and encourage knowledge sharing and the work of the Cooperative Branch in addressing cooperative specific issues including legal and regulatory reform.

The conference issued a series of recommendations on how to strengthen social enterprises. These include better promotional measures for social enterprises and social businesses including providing access to finance and investment, improving the visibility of social enterprise through mapping and information, improving the legal environment of social businesses including simplifying the regulation on the Statute for a European Cooperative Society, and reviewing public procurement policies especially in the case of social and health services.

The event was held as an observance of the United Nations International Year of Cooperatives, 2012.



Group III "Various Interests" European Economic and Social Committee

CONFERENCE ON SOCIAL ENTERPRISES AND THE EUROPE 2020 STRATEGY: 3/10/2012 9.30 a.m. – 6.30 p.m.

innovative solutions for a sustainable Europe

European Economic and Social Committee
Van Maerlant Building
Room VMA 3

>> More information on the conference at: <http://www.eesc.europa.eu/?i=portal.en.events-and-activities-social-enterprises-europe-2020> including a link to the ILO video produced for International Year of Cooperatives.

>> Download ILO Readers on Social and Solidarity Economy available at: <http://socialeconomy.itcilo.org/>

Morocco venue of the Social and Solidarity Academy 2013

ILO's Academy on Social and Solidarity Economy will be held in Agadir (Morocco) from 8 to 12 April 2013. It will focus on the theme, enhancing youth creativity.

The event is being co-organized with contributions from the ILO's Regional Office for Africa, its Cairo Office, ILO's Cooperative Branch, the International Training Centre (ILO-ITC) and REMESS (Réseau Marocaine de l'Economie Sociale) - the main partner of the event. Organizations such as CIRIEC (Centre International de Recherches et d'Information sur l'Economie Publique, Sociale et Coopérative), the European Economic and Social Committee (EESC), EURICSE (European Research Institute on Cooperative and Social Enterprises) and Confederación Empresarial de Economía Social (CEPES) will also participate in this session of the academy.

>> More information on the Academy at: <http://www.itcilo.org/socialeconomy>



Trade unions and cooperatives: Call for papers and workshop

The ILO Bureau for Workers Activities (ACTRAV) and Cooperative Branch issued a call for papers that show how trade unions have been using the cooperative model and working with the cooperative movement to achieve economic, social and political objectives. Contributions that document recent development and provide lessons for trade union practitioners and cooperators internationally are being sought for possible publication

New ILO briefs on cooperatives

ILO's issue brief, *The Cooperative way of doing business*, is now available in Chinese. It joins the English, French and Spanish versions.

>> All language versions available at: http://www.ilo.org/empent/Publications/WCMS_175504/lang--en/index.htm

Two new issue briefs have been prepared by the ILO Cooperative Branch for the International Year of Cooperatives (IYC). *A better future for young people: What cooperatives can offer* was released for the United Nations forum, Cooperatives and Youth: Employment, Engagement, held during the closing event of the IYC in

MedESS – Conference on Social and Solidarity Economy in the Mediterranean basin

Other efforts on promoting social economy are underway, such as MedESS, an initiative by groups Macif and Crédit Coopératif of France which will take place in Tunis between 2-4 May 2013. Targeting the Mediterranean basin, the event will highlight successful examples of social enterprise initiatives from Algeria to Libya in the South and Portugal to Greece in the North.

>> More information on MedESS at: <http://medess.org/2013/en/medess-2013-event/>

Excellent response to UNRISD call for papers on social and solidarity economy

The United Nations Research Institute for Social Development (UNRISD) call for papers invited researchers to submit proposals that examine key themes related to Social and Solidarity Economy (SEE). The received more than 370 proposals from 479 authors in 70 countries. Interest in the project came from all parts of the world, with a large number of submissions from Argentina, Brazil, India, Mexico and Nigeria, as well as Canada, France, Spain and the United States. UNRISD's Deputy Director, said, "such a response from academia and experts in the field demonstrates that these questions are highly relevant to people's concerns. They now need to be more prominent on the policy agenda". The conference on the potential and limits of social and solidarity economy is scheduled to take place in Geneva in May 2013. Information on the articles selected and the conference will be made available on the UNRISD website.

>> More information at: <http://www.unrisd.org>

in the International Labour Review in the fall of 2013. Proposals are requested by 2 February 2013. Authors of the selected papers will be invited to present these at a workshop in Geneva in May 2013

>> More information at: http://www.ilo.org/wcmsp5/groups/public/---ed_dialogue/---actrav/documents/news-item/wcms_195967.pdf

New York on 19 November 2012. The brief, *A cooperative future for people with disabilities*, was released on the occasion of the United Nations International Day of Persons with Disabilities - 3 December 2012.

>> See brief on youth and cooperatives available at: http://www.ilo.org/wcmsp5/groups/public/---ed_emp/---ed_emp_msu/documents/publication/wcms_195535.pdf

>> See brief on people with disabilities and cooperatives at: http://www.ilo.org/wcmsp5/groups/public/---ed_emp/---ifp_skills/documents/publication/wcms_194822.pdf

ILO COOP in the media

ILO's Cooperative Branch has sought to provide inputs on cooperative issues by journalists working with online media outlets such as *stories.coop* and the *Global news hub for cooperatives*. As a result, a number of articles and interviews appeared with extensive references to the ILO and its work on cooperatives.

www.stories.coop

- Benefits of Women-Led Cooperatives in Arab States (21 December, 2012): <http://stories.coop/stories/written/benefits-women-led-co-ops-arab-states>
- Cooperative legislation finds a home in more nations (13 December 2012): <http://www.stories.coop/stories/written/co-operative-legislation-finds-home-more-nations>
- Turning waste fruit into a profitable business (27 November 2012): <http://stories.coop/stories/written/turning-waste-fruit-profitable-business>
- Providing security through SACCOs in Ethiopia (27 October 2012): <http://stories.coop/stories/written/providing-security-through-saccos-ethiopia>
- Empowering women through their own SACCOS (26 October 2012): <http://stories.coop/stories/written/empowering-women-through-their-own-saccos>
- A Model for Small-Scale Farmers in Zanzibar (23 October 2012): <http://stories.coop/stories/written/model-small-scale-farmers-zanzibar>
- Interview with Simel Esim on the power of cooperatives (12 October 2012): <http://stories.coop/stories/video/simel-esim-power-cooperatives>

www.thenews.coop

- ILO highlights co-ops' important role in Japan's recovery from natural disasters (4 December, 2012): <http://www.thenews.coop/article/ilo-highlights-co-ops-important-role-japan%E2%80%99s-recovery-natural-disasters>
- Co-ops help to promote gender equality, says Simel Esim (29 November, 2012): <http://www.thenews.coop/article/co-ops-help-promote-gender-equality-says-simel-esim>

- Simel Esim speaks of the ILO's Cooperative Branch key projects (22 November 2012): <http://www.thenews.coop/it/node/11108>
- 1,000 co-operators celebrate Global Worker Co-op Day (21 November, 2012): <http://www.thenews.coop/article/1000-co-operators-celebrate-global-worker-co-op-day>
- Simel Esim on the importance of getting the youth in co-ops (20 November 2012): <http://www.thenews.coop/blog/simel-esim-importance-getting-youth-co-ops>
- What world do we want as cooperators? And is the work done? (20 November 2012): <http://www.thenews.coop/blog/what-world-do-we-want-cooperators-and-work-done>
- Two UN agencies support co-ops role in alleviating youth unemployment crisis (20 November, 2012): <http://www.thenews.coop/article/two-un-agencies-support-co-ops-role-alleviating-youth-unemployment-crisis>
- Dunsany Declaration feeds into the ICA's Blueprint for a Cooperative Decade (1 November 2012): <http://www.thenews.coop/article/dunsany-declaration-feeds-icas-blueprint-co-operative-decade>
- ILO Director-General explains why co-ops are key to feeding the world (16 October 2012): <http://www.thenews.coop/it/node/10474?page=0%2C0%2C7>
- Cooperative Youth Forum: Empowerment, Employment and Engagement: <http://www.thenews.coop/video/co-operative-youth-forum-empowerment-employment-and-engagement>

Simel Esim, the Chief of ILO's Cooperative Branch has contributed to the ILO Blog sharing her observations from the Cooperatives United event with the participation of over 10,000 cooperators from around the world. She also provided an interview to ICA America's newsletter, *Integración Cooperativa*.

>> See blog entry at: <http://www.thenews.coop/blog/what-world-do-we-want-cooperators-and-work-done>

>> See ICA Americas newsletter in Spanish at: http://www.aciamericas.coop/public_files/intcoop9.pdf

This issue was prepared with contributions from Ms Maria Elena Chavez Hertig, Mr Roberto Di Meglio, Ms Simel Esim, Mr Huseyin Polat, Mr Jürgen Schwettmann and Mr Igor Vocatch.

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