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The Contribution of Cooperatives to the Implementation of the World Summit for Social Development Declaration and Programme of Action



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COMMITTEE FOR THE PROMOTION AND ADVANCEMENT OF COOPERATIVES (COPAC) 15, Route des Morillons, 1218 Grand Saconnex, Geneva, Switzerland Tel +41 22 929 8825 ~ Fax +41 22 798 4122 ~ E-mail: copac@coop.org ~ Web Site: http://www.copacgva.org The Committee for the Promotion and Advancement of Cooperatives COPAC is a successful and on-going partnership between representatives of the cooperative movement together with farmers' organizations, and the United Nations and its agencies. Members work together on equal terms to promote and coordinate sustainable cooperative development through policy dialogues, technical cooperation and information, and concrete collaborative activities. Its members include the Food and Agriculture Organization of the United Nations (FAO), International Co-operative Alliance (ICA), International Federation of Agricultural Producers (IFAP), International Labour Office (ILO), United Nations (UN), and World Council of Credit Unions (WOCCU).

Committee for the Promotion and Advancement of Cooperatives COPAC 15 Route des Morillons 1218 Grand-Saconnex, Geneva, Switzerland. May, 1999.

#### Introduction

# *This paper is being prepared to highlight the on-going contribution of the Cooperative Movement to the implementation of the Copenhagen Declaration and Programme of Action.*

A cooperative is an autonomous association of persons united voluntarily to meet their common economic, social, and cultural needs and aspirations through a jointly owned and democratically controlled enterprise. Cooperatives are peoplecentre business enterprises which operate in all areas of economic activity and in almost all countries of the world. Cooperatives can be large enterprises with millions of members or small community enterprises. However, common to all are the cooperative values of self-help, self-responsibility, democracy, equality, equity and solidarity. Cooperatives also believe in social responsibility and include as one of their principles the concern for the community in which they operate.

The cooperative movement is significant both in terms of membership and impact. The United Nations estimated in 1994 that the livelihoods of nearly 3 billion people, or half of the world's population, were made secure by cooperative enterprises. Nearly 800 million individuals are members of An important contribution of the cooperative movement continues to be its capacity for promoting and supporting entrepreneurial development in forms compatible with the principles and objectives of World Summit the for Social Development, held at Copenhagen from 6 to 12 March 1995...

United Nations Secretary-General in his report, Status and role of cooperatives in the light of new economic and social trends (A/51/267). 1996.

cooperatives. They provide an estimated 100 million jobs. They are economically significant in a large number of countries providing food stuffs, financial services as well as the provision of services to consumers.

Examples of the economic significance of cooperatives can be seen by the market shares they hold. In Burkina Faso, agricultural cooperatives are the largest producers of fruits and vegetables for the national market and in Côte d'Ivoire they are responsible for 77% of cotton production.<sup>1</sup> In Uruguay, cooperatives process 90% of national milk production and export 70% of the surplus wheat production.<sup>2</sup> In the United States, in 1998 33% of the agricultural market was comprised of cooperatives and rural electric cooperatives operated more than half of the electrical lines in US, providing power to more than 25 million people in 46 states.<sup>3</sup> In 1997, the contribution of cooperatives to Gross Domestic Product (GDP) in the Philippines was 16%.<sup>4</sup> During the same year, cooperatives in Denmark were responsible for 94% of milk processing, 69% of farm supply and 66% of cattleslaughtering.<sup>5</sup> Folksam, a Swedish insurance cooperative held 48.9% of the household insurance market and 50% of the group life and accident insurance.<sup>6</sup> In Korea 40% of

<sup>&</sup>lt;sup>1</sup> ACI-CTA-AIAFD-SOCODEVI **Rapport Provisoire du Séminaire sur la Promotion des Echanges entre et par** les organisations coopératives agricoles de l'Afrique de l'Ouest. Janvier, 1999. Pp.11

<sup>&</sup>lt;sup>2</sup> CUDECOOP Web site: http://www.cudecoop.org.uy/coopurug.htm

<sup>&</sup>lt;sup>3</sup> NCB Web Site: http://www.ncb.com/main/pubs/coop/coop100\_98/main/factoids.htm

<sup>&</sup>lt;sup>4</sup> Gawigawen, M. Jobs Creation by Cooperatives in Selected Asian Countries: Philippine Country Paper. ILO unpublished document. 1998.

<sup>&</sup>lt;sup>5</sup> Federation of Danish Cooperatives. **Annual Report 1997-1998**. P. 27.

<sup>&</sup>lt;sup>6</sup> Folksam. Annual Report 1997. Pp.11 and 19.

local agriculture was marketed through cooperatives.<sup>7</sup>. In 1996, 60% of the dairy products in Canada were marketed through cooperatives<sup>8</sup> and in Finland, cooperatives were responsible for 79% of agricultural and 31% of forestry production.<sup>9</sup>

However cooperatives, like other enterprises have seen their operations significantly affected by external challenges in the political and economic environment. These include the impact of structural adjustment, economic liberalization, democratization, globalization, changing government policies, new trade groupings, and pressures towards demutualization. Despite these, the the cooperative movement is convinced that there is a growing potential for cooperative development, and for cooperative renewal, in light of the limitations of the free market in regard to social responsibility and equity, the advantages of decentralisation of power, the importance of stakeholder and community involvement in economic and social life, and the growing role of the civil society.

Below are examples of how cooperatives have contributed to making the lives of people around the world more secure.

# 1. Cooperatives Create Productive Employment and Contribute to Poverty Eradication

The cooperative form of organizing a business enterprise assures any group of individuals an effective means to combine their resources, however small. It permits a larger resource mobilization than that within the capacity of most individuals and small enterprises. It is a catalyst for local entrepreneurial growth; cooperatives retain within the communities in which they operate the capital that they mobilize there, as well as surplus derived from outside transactions, both accumulating for further entrepreneurial development. As direct beneficiaries, cooperative members have a strong incentive for efficient operation and continuous innovation in response to changing business environments, achieving thereby high rates of both initial success and long-term viability. They favour long-term development of their enterprise compatible with the interests of the communities in which it operates. The stability they assure within local communities itself induces further entrepreneurial expansion.

The Secretary-General of the United Nations in his report, Status and role of cooperatives in the light of new economic and social trends. (A/51/267). 1996.

Both the Copenhagen Declaration (Commitment 9 h) and Programme of Action (paragraph 51 e) recognize the potential and contribution of cooperatives for the generation of productive employment. A recent report of the International Labour Office ILO confirms that, "Cooperatives continue to play an important role in employment promotion and poverty alleviation, both as production enterprises – mainly of the self-employed – and as providers of services to members".<sup>10</sup>

<sup>&</sup>lt;sup>7</sup> NACF. Annual Report. 1998

<sup>&</sup>lt;sup>8</sup> Government of Canada, Co-operatives Secretariat. Cooperatives in Canada. July 1998. Pp. 1

<sup>&</sup>lt;sup>9</sup> ICA. Statistics and Information on European Co-operatives. December, 1998. Pp.57.

<sup>&</sup>lt;sup>10</sup> ILO. The Role of the ILO in Technical Cooperation: Report VI to the 87<sup>th</sup> Session of the International Labour Conference. 1999. Pp.20.

Although cooperatives are not instruments of employment promotion, they do effectively create and maintain employment in both urban and rural areas around the world and thus provide income to both members and employees in the form of shares of surplus, wages and salaries or profits depending of the type of cooperative.

Cooperatives provide self-employment through millions of worker-owners of production and service cooperatives; financial cooperatives mobilize capital for productive investment and provide people with secure institutions for the deposit of savings; consumer cooperatives provide households with affordable goods and services reducing the proportion of income used for basic living costs, and similarly user-owned cooperatives such as housing, utility, health and social care cooperatives provide affordable access to basic services.

However, cooperatives too are also employers in their own right providing security of employment.

In a number of countries in Africa, the cooperative movement has become the second largest employer, surpassed only by Government.<sup>11</sup> In this region, the majority of jobs have been created through the activities of agricultural cooperatives - production, marketing, processing, etc. UNCAS (Union of agricultural cooperatives of Senegal) reported that provided employment full-time to 535 individuals and offered an additional 5,000 people seasonal jobs.<sup>12</sup>

JOB CREATION IN AFRICA <sup>13</sup>							
Country	Year	Source of Info	Self-Employment	Salaried Employment	Induced Employment		
South Africa	1997	Government	220,713	58,468	90		
Ghana	1996	Government	91,035	3,235	751		
Madagascar	1996	Government	300	6,770	388		
Morocco	1996	Government	27,792	42,709	148		
Namibia	1996	Government	315	2,054	31		
Uganda	1996	UCA	32,168	8,455	303		
Zambia	1996	Government	9,500	2253	732		
Zimbabwe	1996	ZNCF	23,424	494	1,243		

In Latin America, it is estimated that 15,000 jobs were generated by consumer cooperatives.<sup>14</sup> In Brazil, the Organization of Brazilian Cooperatives OCB provided over 296,000 jobs throughout the country in 1996.<sup>15</sup> Unimed do Brasil (Confederação Nacional das Cooperativas Medicas), a health cooperative, provided employment to 148,252 individuals in 1996.<sup>16</sup> In Canada is it

<sup>&</sup>lt;sup>11</sup> ILO. Coopératives et Emploi en Afrique, 1998. Pp. 9.

<sup>&</sup>lt;sup>12</sup> ICA Web Site: http://ica.coop.org/members/uncas.html

<sup>&</sup>lt;sup>13</sup> ILO. Coopératives et Emploi en Afrique, 1998. Pp. 9.

<sup>&</sup>lt;sup>14</sup> Pachecho, J.D. Cooperativas y Generación de Empleo.

<sup>&</sup>lt;sup>15</sup> ICA Databank from OCB sources.

<sup>&</sup>lt;sup>16</sup> ICA Databank from UNIMED sources.

estimated that cooperatives employed over 70,000 persons in 1996.<sup>17</sup> In 1997 the Desjardins Movement of Quebec alone provided jobs for over 42,300 people, representing a total payroll of slightly over Canadian \$1.3 billion. It also is estimated to have indirectly created an additional 10,000 jobs. Desjardins is the largest private employer in the province of Ouebec.<sup>18</sup>

Cooperatives have created over 13.8 million jobs in India, with 92% of the jobs created through self-employment through worker cooperatives.<sup>19</sup> In Japan, the consumer cooperative movement provided 58,281 full-time and 95,374 part-time jobs in 1997. Although the number of full time jobs decreased by 409 from the previous year, part-time positions increased by 4.4%.<sup>20</sup> In the Republic of Korea, the agricultural cooperative movement employed 17,448 at the federation level and an additional 53,698 staff at member cooperative level at end of 1997.<sup>21</sup> In Sri Lanka cooperatives were responsible for 37,617 jobs in  $1997.^{22}$  In the Philippines, it is estimated that the contribution of the cooperative sector to the national workforce was 5.01 million or 16.24% of the total job market in 1997. Cooperatives are expected to provide over 20 million jobs by the year 2000.<sup>23</sup>

In Europe, cooperatives provided employment to over 5 million individuals in 1996.<sup>24</sup> In 1996 the German cooperative movement employed 502,700 persons, up from 487,300 in 1994.<sup>25</sup> In 1997 the Union of Agricultural Cooperatives and Societies in the Czech Republic employed over 92,000 persons, while the Union of Czech and Moravian producer Cooperatives employed over 40,000 persons.<sup>26</sup> During the same period Co-op Hungary reported that provide employment to 32,000 individuals compared to 1994 when it had employed 30,225 persons. In 1998, the Latvian Central Co-operative Union (TURIBA) reported it they employed 10,000 people of which 73% were women.<sup>27</sup> In Russia, the consumer co-operative movement reported 511,300 employees, of which 70% were women.<sup>28</sup> In Spain, the Mondragon workers' cooperative movement increased its capacity to provide employment. In 1996 it employed 31,963 persons, increasing its workforce by 7.6 % in 1997 to 34,397 and again in 1998 to 42,129 persons. The Co-operative Union of the United Kingdom reported that the number of full-time employees in 1997-1998 rose marginally

<sup>&</sup>lt;sup>17</sup> Government of Canada, Co-operatives Secretariat. **Cooperatives in Canada.** July 1998. Pp. 1.

<sup>&</sup>lt;sup>18</sup> Desjardins Web Site: http://www.desjardins.com/ang/le\_mouvt/coopera/develeqc.htm

<sup>&</sup>lt;sup>19</sup> Mohanan, H. Employment Creation through Cooperatives India. National Institute of Rural Development. (Hyderbad India). ILO unpublished document. 1998. Pp. 6-7.

<sup>&</sup>lt;sup>20</sup> Japanese Consumers' Co-operative Union. **Co-op Japan Information**, Vol 35, December 1998.

<sup>&</sup>lt;sup>21</sup> NACF Web Site: http://www.nacf.co.kr/report/report97/profile.htm

<sup>&</sup>lt;sup>22</sup> Herath, W.U.. Employment Creation by Cooperatives in Sri Lanka: A Country Study. ILO unpublished document, Geneva. 1998. Pp. 36.

<sup>&</sup>lt;sup>23</sup> Gawigawen, M. Jobs Creation by Cooperatives in Selected Asian Countries: Philippine Country Paper. ILO Unpublished Document. 1998. <sup>24</sup> ICA. Statistics and Information on European Co-operatives. December, 1998. Pp.8.

<sup>&</sup>lt;sup>25</sup> DG Bank. Die Deutschen Genossenschaften 1997 Statistik and Die Deutschen Genossenschaften 1995

**Statistik**. <sup>26</sup> Co-operative Association of the Czech Republic. Pamphlet "Information on the Co-operative Movement in the Czech Republic". 1998 <sup>27</sup> Turiba. **Report to the ICA Global Women's Committee: The Situation of Women in Latvia.** October, 1998.

<sup>(</sup>http://ica.coop.org/ica/sb/plenary98.html#latvia)

<sup>&</sup>lt;sup>28</sup> Centrosojuz. Report to the ICA Global Women's Committee: State Policy and the Role of Women in Society and Consumer Co-operatives in the Russia Federation. October, 1998.

<sup>(</sup>http://ica.coop.org/ica/sb/plenary98.html#russia)

over previous years. Cooperatives in the UK provided 113,400 full-time jobs and 71,600 parttime jobs.29

In addition to existing cooperatives providing employment, the cooperative movements of a number of Nordic countries and Italy have seen the creation of new cooperatives. These new cooperatives have been a response to rising unemployment. In Finland, over 700 cooperatives were created during the period 1993-1998 or which 330 where workers' cooperatives.

#### 2. Cooperatives Promote Social Integration

Given that cooperatives are people's organizations, they respond to the social challenges of their communities.

Social care cooperatives constitute new and a important reality in Italy and Sweden and are being established in increasing number of other Nordic countries, the United Kingdom and in East and Central Europe.

ICA: Statistics and Information on European Co-operatives. 1998.

Child-care and elderly-care cooperatives, cooperatives of the disabled, and other social service cooperatives are flourishing throughout the world. In Malaysia, cooperative day-care centres are being promoted by school cooperatives to benefit teachers and staff. In Myanmar, day-care cooperatives were set up to care for both children and the elderly.

In Sweden, more 66% of private day-care centres are cooperatives. In the United States it is estimated that over 50,000 families send their children to cooperative day-care centres.

In Germany, cooperatives as employers provide innovative models for providing support to people with children. Many pay bonuses to employees with children. Some provide on-site child-care facilities, while other provide special benefits with regard to working hours and holiday scheduling.<sup>30</sup>

"New" cooperatives are being formed at the local level in Italy and the United Kingdom as well as a number of Nordic countries. Many of these new cooperatives are being created in the social services and health care sectors. For example, new cooperatives have been established in the rural areas of Finland, providing children's day-care and offering health care and social services to the elderly. This has been in response to the cut in services previously provided by municipalities.<sup>31</sup> In Sweden it is also common that children's day-care centres, schools and nursing homes are being formed as new cooperatives.<sup>32</sup> In UK too cooperatives have been formed to take over institutions supported by local government. One example includes a resettlement centre for homeless single men which was run by the Department of Health and Social Security and was to be closed. It was taken over by its employees who formed a cooperative. After restructuring they were not able to extend the premises to accommodate more

<sup>&</sup>lt;sup>29</sup> Co-operative Union Ltd (UK). Co-operative Statistics 1997-1998. July, 1998. Pp. 1.

<sup>&</sup>lt;sup>30</sup> Särtre-Ahlander, AM. Women and the Development of the Social Economy. Paper presented to the ICA

Research Conference on Women, Entrepreneurship and Cooperatives. October, 1998. P.13.

<sup>&</sup>lt;sup>31</sup> Lukkarinen, M. "New Co-ops Creating Jobs" in ICA Review of International Cooperation, Vol. 91, no. 3, 1998. Pp.54-59.

http://www.si.se/eng/esverige/cooperat.html

residents, thus not only did the cooperative providing better service to the community, but also secured the employment of its worker-members.<sup>33</sup>

Elderly care programmes are also being implemented by cooperatives in a variety of countries. In Germany and Sweden, housing cooperatives are ensuring that construction is appropriate for elderly residents as well as to families with children. In Canada, the Desjardins Movement is also actively promoting home services cooperatives for the elderly. The Japanese Consumer's Cooperative Union JCCU in addition to providing extensive services to the elderly drew attention to the contribution and needs of the older person in society by co-organizing a walk event with the World Health Organization WHO to celebrate the International Day of Older Persons. Agricultural cooperatives in Japan are also providing elderly care. Over 30,000 care helpers for the elderly have already been trained and 30 agricultural cooperatives have already signed partnership agreements with local health care authorities. Workers' cooperatives are also organizing cooperatives of the elderly to provide home care and day-care centres.<sup>34</sup>

In addition numerous worker-owned production and service provision cooperatives make special provisions for the extension of membership to the unemployed, the disabled and to immigrants. Cooperatives in other sectors including financial, insurance and consumer cooperatives, also provide specialized service to the elderly as well as the young people of their communities. Cooperatives from all sectors are involved in some was with social development, whether it be in social programmes countering domestic violence, integration of immigrants or the support for community programmes.

The World Council of Credit Unions WOCCU inaugurated the International Remittance Network Irnet in February, 1999. It provides credit union members with a safe, economical and rapid way to send money internationally. IRnet allows US immigrants to send money to their families in El Salvador, Guatemala and Mexico through credit unions at the low rate of US \$ 6.50 per transaction. The programme is expected to be extended to the Philippines shortly.

#### 3. Cooperative Health Care

The United Nations published a global survey of health and social care cooperatives in 1997 which showed the scope of the movement, and noted the opportunities for expanded engagement of the cooperative movement to providing high quality health services at reasonable cost.<sup>35</sup>

Further recognition of the contribution of cooperatives to promote health is included in the 1997 Jakarta Declaration on Leading Health Promotion into the 21<sup>st</sup> Century. The Declaration calls on the World Health Organization WHO to engage cooperatives in advancing the priorities for action in health promotion.

 <sup>&</sup>lt;sup>33</sup> Restakis, John. Government Restructuring and Implications for Civil Society: The Coop Alternative. Paper presented to the ICA Research Conference, October, 1997.
<sup>34</sup> Isbizuka Hidao. Chapta of Jonan's Society and Classical Cl

 <sup>&</sup>lt;sup>34</sup> Ishizuka Hideo. Change of Japan's Society and Chance of Cooperative Sector – Bridge between public and private sectors. Paper presented to the ICA Research Conference, October 1997.
<sup>35</sup> UN. Cooperative Enterprise in the Health and Social Care Sectors: A Global Survey. UN Publications Sales

<sup>&</sup>lt;sup>39</sup> UN. **Cooperative Enterprise in the Health and Social Care Sectors: A Global Survey**. UN Publications Sales No. E.96.IV.11. 1997.

Health cooperatives can take a variety of forms. User-or client-owned health cooperatives are set up by individuals in the same community to help them meet their own health care needs. Member-users determine goals and practices, thereby enabling ordinary citizens to empower themselves with respect to health care. In the United States these are referred to as "health maintenance organizations" or HMOs. Provider-owned health cooperatives have also been formed -usually by doctors- in both developed and developing countries. The advantages of a cooperative organization of this type are bulk purchasing, shared administrative and technical services, and the bringing together within a single network a variety of specialists who strengthen the range of services jointly offered within a community.

Medical	Coo	perative	in	Japan
mearcai	000	perative		Jupan

Year	No. of Medical Coops	No of Individual Members
1995	121	1,903,000
1996	124	1,998,000
1997	125	2,207,600

Health cooperatives nationally are significant in Japan and Brazil. They are regionally important in Spain and the in the United States where cooperative HMOs provide health care services to nearly 1.4 million American families. Health cooperatives exist in Benin, Belgium, Canada Chile Colombia. El Salvador.

Greece, India, Israel, Malaysia, Mexico, Mongolia, Myanmar, Nepal, Panama, Philippines, Singapore, Sri Lanka, Sweden and the United Kingdom. In Asia, it is estimated that over 465 health care cooperatives are presently functioning.<sup>36</sup>

In the health sector, a number of Governments have established partnerships with cooperatives for the provision of health care services. In Costa Rica, the Social Security Bureau began in 1988 to contract cooperatives of health providers to take over and expand public health services. In Malaysia, the Government has transferred part of the public health services to a comprehensive cooperative system, comprising a national network of doctors' cooperatives financed by cooperative banks, delivering services to members of the cooperative movement, with health insurance provided by the Malaysian Cooperative Insurance Society.<sup>37</sup>

#### 4. Cooperatives Promote Equality and Equity between Women and Men

Since the World Summit on Social Development and the Beijing Conference, the cooperative movement has increasingly sought to improve the status of women in cooperatives and in society. In 1995, the International Co-operative Alliance ICA, representing over 200 cooperative organizations (with nearly 760 million individual members) in nearly 100 countries passed a resolution on "Gender Equality on Cooperatives" in which the members of the ICA noted that gender equality was a global priority for the cooperative movement. A series of programmes and project were undertaken by the ICA at the global and regional levels to raise awareness of the issue as well as collect data to enable measurement of progress made. ICA members also committed themselves to take action.

<sup>&</sup>lt;sup>36</sup> Asia-Pacific Health Cooperative Organization (APHCO). **Cooperative Health Care: A sustainable alternative for communities.** 1998.

<sup>&</sup>lt;sup>37</sup> UN. Report of the Secretary-General: Status and role of cooperatives in the light of new economic and social trends. A/51/267. 1996.

International collaboration between the ICA and the ILO Coop Branch resulted in a series of activities on gender issues and cooperatives. For example, in 1995, a manual for trainers was published on gender issues, "Gender Issues in Cooperatives: An ILO-ICA Perspective". It was adapted into Spanish in 1996-97 and a French adaptation will be published in mid 1999.

Also important to note are the activities of the ICA Global Women's Committee which organizes a series of seminars and meetings on women and cooperatives. The Committee is an important lobby to the ICA management as well as an important collector of information on the advancement of women in cooperatives. Its latest initiative is to map the participation of women in the cooperative movement and to collect more comprehensive statistics to enable improved monitoring of progress.

At the regional level, ICA has also been active in promoting gender awareness to promote equality and equity between women and men. In the Americas region, the ICA Regional Office implemented a comprehensive gender programme which led to the adoption of a Platform for Action in 1996. In 1997 an ICA Continental Women's Committee was formed to enable women cooperators to exchange experiences. The Committee has worked closely with the regional office to ensure that the Platform is implemented.

In Europe, a Gender Plan was adopted in 1994 and in 1997 an informal network of women cooperators was formed to share information and experience on how to promote gender equality and mainstreaming. In 1998, members of the region adopted a Gender Strategy outlining specific actions to be taken.

In Asia, in 1996 cooperative members agreed to set up a Protem regional woman's committee with support from the national cooperative organization of Malaysia, ANGKASA. Consultations were organized and women's fora were held in a number of countries in preparation for a Regional Women's Forum which was held in October 1998. More than 130 women delegates participated at the Forum. The first meeting of the Regional Women's Committee was also held at that time. During the period and since then, women's participation level in cooperatives has increased considerably. Further activities are planned including and ICA-ILO manual on Cooperative Leadership Training for Women. The Regional Women's Committee is also planning in collaboration with member organizations a study on the legal status of women's participation in their countries.

In Africa, training programmes implemented by the ICA regional offices in West Africa with the collaboration with the ILO Coop Branch as well as with support from the Food and Agriculture Organizations of the United Nations have also resulted in advances for women in cooperatives.

These activities have lead to increased in the participation of women in ICA governing structures which reflect advances made at the national level. For example, in 1997, four of the sixteen members of the ICA Board were women. This represented a major breakthrough for ICA governing structures, since the Board had previously had only one woman member. In 1998, a more women participated in ICA statutory meetings than in previous years. In the ICA regional assemblies for the Americas and Europe 14% of the voting representatives were women. In Asia-Pacific only 2% of the voting representatives were women however, 44% of observers to

the meeting were women. In Africa, 20% of the participants were women. At the global level, the participation of women voting delegates doubled. Although the overall percentage is still small, advances are being made.

## 5. Legal frameworks

Cooperatives are only able to provide optimal services to their members and therefore contribute to national development if they are able to operate in appropriate legal environments. Note was made of this by the United Nations Secretary-General in his report on cooperatives in 1996 and ensuing General Assembly resolution which called on Governments to review legislative and administrative provisions concerning cooperatives.<sup>38</sup>

The cooperative movement has been working with Governments and international organizations to assist in making appropriate changes to facilitate the operations and development of cooperatives. For example, in 1994, the World Council of Credit Unions WOCCU published a Content Guide for Laws Governing Credit Unions, as an aid to legislators, regulators and credit union leaders in preparing and seeking approval of laws that would strengthen the safety and soundness of credit unions. The International Co-operative Alliance ICA regularly organizes ministerial conferences in Asia and Africa where representatives of government ministries responsible for cooperatives meet to discuss policy issues concerning cooperatives. The latest ministerial conference was held in Chiangmai (Thailand) with ministers from the Asia-Pacific region on the theme Cooperatives in a Changing Socio-Economic Environment". The conclusions and recommendations of that meeting identified areas where policy could be reviewed. The next ministerial will focus specifically on legislative issues.

Note should also be made that both the ILO and FAO continue to be active in providing policy advice to governments on legislation concerning cooperatives. The ILO CoopReform programme advocates the principle of participatory policy and law-making through a process that involves all parties concerned, including cooperative members at grassroot level.

The recent UN Secretary-General report on cooperatives (A/54/57) reviewed Government initiatives to ensure that legal and administrative provisions governing the activities of cooperatives provided a supportive environment for cooperatives so that cooperatives are able to contribute to the goals of national development and meeting basic human needs. It was reported that changes to cooperative legal and administrative frameworks had been made numerous countries in the last few years including Portugal, Canada, Italy, Iceland, Austria, Greece, Finland, Germany, Slovenia, Bosnia and Herzegovina, Yugoslavia, Burkina Faso, Mauritius, Fiji, Jordan, Singapore, and Vietnam. It also noted that revisions were likely to be undertaken in Bangladesh, Chile, Ghana and Morocco. The cooperative movement was able to participate in the revisions in some of the countries, while in others, the Governments did not invite the participation of the movement in the review process.

In addition to the review on legal practices, UN resolution (A/RES/51/58) requested the Secretary-General to ascertain in cooperation with the Committee for the Promotion and

<sup>&</sup>lt;sup>38</sup> A/51/267 and A/RES/51/58.

Advancement of Cooperatives COPAC, the desirability and feasibility of elaborating UN guidelines aimed at creating a supportive environment for the development of cooperatives. These Guidelines are included as annex to the Secretary-General's report (A/54/57) and will be considered by the General Assembly in the autumn of 1999.

The importance of policy to the development of the cooperative movement was most recently highlighted by the decision of the ILO Governing Body with the joint approval of the Workers' and Employers' groups and support from the majority of Government members, agreed to place Recommendation No. 127 concerning the Role of Cooperatives in the Economic and Social Development of Developing Countries on the agenda of the International Labour Conference in the years 2000 and 2001, for revision and up-dating. The ILO Cooperative Branch will ascertain best legal practices and compile legal reports for consideration by ILO member States.

Finally, the ICA is highlighting the need for proper policy conditions for the development of cooperatives in its message for the United Nations International Day of Cooperatives. The ICA is calling on its members to inform their governments that they support the Report of the UN Secretary-General on the Status and Role of Cooperatives (A/54/57), and to urge them to support the adoption of Guidelines.

## Conclusion

The cooperative movement has respected its commitment to advance the implementation of the World Summit for Social Development. Activities in employment creation, poverty alleviation and social integration have contributed and will continue to contribute to implementation of the aims of the Summit.

The cooperative movement reiterates its willingness to work with governments and international organizations to further implementation of the aims of the World Summit for Social Development.