



Terms of References for National Practices in Developing Statistics on Cooperatives

Case studies on Brazil, Canada, Colombia, the Philippines, the Russian Federation, the United Kingdom

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Research design



Aim of the study

(1)

Understand the data collection processes and the roles of the institutions involved (producers and/or providers), the data sources and definitions, question sets, classification schemes, and methods and the tools applied in six countries around the world.

(2)

Build a common framework that synthesises these countries' practices, to provide recommendations and proposals on a standard definition for cooperatives, and standard classifications of cooperatives.

Countries selection

- made by the ILO Cooperatives Unit
- derived from the results obtained with the global mapping initiative conducted by the ILO covering 69 countries
- The six countries: Brazil, Canada, Colombia, the Philippines, the Russian Federation and the United Kingdom (UK).



Countries selection

	NSOs	Government agencies in charge of cooperatives	Cooperative movement organisations
Administrative register		Brazil, Canada, the Philippines	Colombia, UK
Statistical register	Russian Federation		
Survey		Brazil, Canada	UK
Census	Russian Federation		

Methodology

2 steps:

- desk research;
- interviews with key informants.

Desk research

Focused on:

- the context;
- the data providers;
- the definitions and classifications;
- the methodologies and tools.

Through the analysis of:

- information on the website of the data provider;
- methodological manuals , metadata webpages, online databases, and statistics reports.

and including the analysis of the law, if any, concerning cooperatives, and of the law that defers the creation of administrative registers on cooperatives.



Interviews

Aim: complete or crosscheck information collected through desk research.

Two types of key informants:

- people involved in the collection and analysis of the data, and data users, meaning researchers
- experts not directly involved in the data collection process but with a recognised knowledge of the data and strong and proven experience in its use.

Main results



Data providers

Country	Main data provider	Data provider type
Brazil	MTb/SENAES and DIEESE	Government agencies in charge of cooperatives
Canada	Innovation, Science and Economic Development Canada	Government agencies in charge of cooperatives
	Statistics Canada	NSOs
Colombia	Confecoop-Cenicoop	Cooperative movement organisations
Philippines	CDA	Government agencies in charge of cooperatives
Russian Federation	Rosstat	NSOs
UK	Co-operatives UK	Cooperative movement organisations

The three types present both strengths and weaknesses, to varying degrees



Data providers

	Strengths	Weakness
NSOs	<ul style="list-style-type: none"> • Independent institutions; • Produce official data; • Professional and rigorous in collecting and analysing data; • Acting in accordance with quality standards (often defined internationally). 	<ul style="list-style-type: none"> • May lack knowledge of specific characteristics and peculiarities of the cooperative sector.
Government agencies in charge of cooperatives	<ul style="list-style-type: none"> • Independent from the sector (although the administrative and bureaucratic type of organisation could influence the data collection process). • Good knowledge of the cooperative sector. 	<ul style="list-style-type: none"> • Rigor in collecting and analysing data, and maintenance of quality standards are not always guaranteed.
Cooperative movement organisations	<ul style="list-style-type: none"> • Good knowledge of the cooperative sector; • Direct contact with cooperatives. 	<ul style="list-style-type: none"> • Rigor in collecting and analysing data, and maintenance of quality standards are not always guaranteed; • Tendency to interpret the data with a positive bias or 'spin'.



Definition adopted

2 approaches: legal definition vs. statistical definition

Country	Definition adopted
Brazil	Statistical definition proposed by CONCLA
Canada	Legal definition, including cooperatives incorporated under provincial or federal law
Colombia	Legal definition according to Law 79/1988
Philippines	Legal definition according to Republic Act No. 9520
Russian Federation	Statistical definition based on OKOPF classification
UK	There is no single legal definition of cooperatives. Co-operatives UK defined criteria and a process to identify cooperatives

Statistical definition

2 different situations:

- Brazil & Russian Federation: official statistical system of classification of legal forms in the country, either released by the NSO or by a government agency in charge of statistical classifications.
- UK: the absence of a single definition of cooperatives in the law led Co-operatives UK to establish a step-by-step process based on a set of criteria to identify cooperatives across the legal forms of enterprises recognised by law.

Definitions: common traits across countries

The statistical unit for which statistics are compiled is the “enterprise” incorporated in the form of a cooperative according to the legislation of the country or, in the absence of a specific law, according to the cooperative tradition of the country.

4 common traits across the six countries:

1. Private legal entities
2. Carrying out an economic activity aimed at satisfying the needs of members
3. Voluntary membership
4. Democratic governance

Common traits: private legal entities

According to the 2008 System of National Accounts (2008 SNA; Eurostat et al., 2009), legal entities are “types of institutional units which are created for purposes of production ... capable of owning goods and assets, incurring liabilities and engaging in economic activities and transactions with other units in their own right”.

However, only legal entities of a private nature (corporations or non-profit organisations) should be considered, excluding public entities defined as government units or institutional units controlled, directly or indirectly, by one or more government units (Eurostat et al., 2009).

Common traits: Carrying out an economic activity aimed at satisfying the needs of members

- to satisfy members' needs, the cooperative engages in an activity “carried out under the responsibility, control and management of an institutional unit, that uses inputs of labour, capital, and goods and services to produce outputs of goods and services” (Eurostat et al., 2009).
- Cooperatives normally act in the marketplace, so they can be considered market producers as defined by the 2008 SNA: “producers that sell most or all of their output at prices that are economically significant, that is, at prices that have a significant influence on the amounts the producers are willing to supply and on the amounts purchasers wish to buy” (Eurostat et al., 2009).
- if the main goal of a cooperative is the satisfaction of the members' needs, there are no limitations to the types of activity that the cooperative can carry out.

Common traits: voluntary membership & democratic governance

- membership in a cooperative must be voluntary, it cannot be compulsory, whether for legal reasons or for any other cause;
- Regarding democratic governance, in cooperatives, control is distributed among members on a democratic basis, commonly in the form of voting rights allocated either according to the volume of transactions or simply as ‘one member, one vote’.

Classifications

- several criteria: geographic area, size - based on revenues, assets or the number of employees -, age of the cooperative, the economic activities carried out by the cooperative and the nature of the cooperative's membership;
- Focus on the economic activities carried out by the cooperative and the nature of the cooperative's membership.



Classifications

Country	Economic activity	Membership
Brazil	CNAE	-
Canada	NAICS	Consumer, producer, worker, multi-stakeholder
Colombia	ISIC Rev. 3	-
Philippines	Credit, consumers, producers, marketing, service, multipurpose, advocacy, agrarian reform, bank, dairy, education, electric, financial service, fishing, health services, housing, insurance, transport, water service, workers, other types as may be determined by the Authority	
Russian Federation	OKVED	Productive, consumer
UK	SIC	Co-operatives, community of interest, consumers, employee trust, enterprises, multi-stakeholder, self-employed, tenants



Classifications: economic activity

- In 5 out of 6 countries, the official national classifications of economic activities are used, which are comparable with the International Standard Industrial Classification (ISIC) promoted by the UNSD, or for which there are correspondence tables with ISIC;
- the adoption of these classifications ensures the comparability of statistics both nationally and internationally, and with statistics of other forms of enterprises.



Classifications: membership

in 4 of the 6 countries; two important limitations affect the comparison of the rankings:

- the criterion according to which the classification is defined;
- even if the same criterion is adopted, the degree of detail of the categories in such classifications varies greatly from country to country.



Classifications: membership

Cooperative type	Definition
User cooperative	Cooperatives created and managed to minimise intermediation costs for the users of the products or services of the cooperative (Hansmann, 1996; Zamagni, 2012).
Producer cooperative	Cooperatives formed by members who have their own private companies in which they produce something that is then conferred to a cooperative, which is in charge of buying inputs, marketing and often processing the output to increase market power (Hansmann, 1996; Zamagni, 2012).
Worker cooperative	Cooperatives created and managed by workers to provide employment for their members (Ben-Ner, A., 1987; Zamagni, 2012).
Multi-stakeholder cooperative	Cooperatives based on collective dynamics and the involvement of different stakeholders in their governance (Defourny and Nyssens, 2013).
Second level cooperative	Cooperatives made up of cooperatives with a dual purpose: to carry out an economic activity to produce goods or provide services of common interest for their members and to conduct lobbying, advocacy and promotion of the activities of their members



Methods to collect data

Country	
Brazil	company register + survey
Canada	cooperative register + cooperative survey
Colombia	company register
Philippines	cooperative register
Russian Federation	statistical register + census
UK	company register + cooperative survey



Methods to collect data

Method	Strengths	Weaknesses
Administrative register	<ul style="list-style-type: none"> Often the register is public, so it should be easy to access the data. 	<ul style="list-style-type: none"> Low quality: errors in data entry and data cleaning and update procedures not always defined and implemented; Small range of variables covered.
Statistical register	<ul style="list-style-type: none"> Combines multiple administrative registers; Good coverage of the population; Statistical procedures for cleaning and data integration defined according to standards of quality; Metadata available; Allows comparison with other enterprises. 	<ul style="list-style-type: none"> Generally, these contain only variables available in administrative registers. It might be necessary to integrate data with other methods (surveys/census).
Census	<ul style="list-style-type: none"> Good coverage of the population; Wide range of variables collected; Provides a real measurement (not affected by sampling error) of the population; Allows comparison with other enterprises. 	<ul style="list-style-type: none"> Release of the information takes a long time; High costs in terms of both economic and human resources.
Survey	<ul style="list-style-type: none"> Wide range of variables collected; Lower cost than a census; Allows comparison with other enterprises. 	<ul style="list-style-type: none"> Sampling errors can affect the results.



Variables released

Country	Number of organisations	Employees	Members	Economic variables
Brazil	X	X	-	-
Canada	X	X	X	X
Colombia	X	X	X	X
Philippines	X	X	X	X
Russian Federation	X	X	-	X
UK	X	X	X	X



Timing

- The timing of data releases varies from country to country;
- It is necessary to guarantee periodic release of the data at pre-determined intervals.

Conclusions

Conclusions

- no single ideal model exists, which could be applied in different contexts throughout the world;
- some common features underlying the measurement of cooperatives, which could be helpful in defining and implementing appropriate processes elsewhere;
- data providers: the role of NSO and other institutions;
- definition of the target population: statistics should be released for cooperative enterprises, but the boundary of the study population could be extended;
- classifications: by economic activity and a classification based on the relationship between members and the cooperative.
- methods: no single ideal method, a combination of several methods is often necessary.
- variables: check definitions
- timing: it is necessary to guarantee periodic release of the data at pre-determined intervals.



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