



International
Labour
Office



STATISTICS ON COOPERATIVES

COUNTRY IN FOCUS: THE PHILIPPINES¹

This country in focus note is part of the **Statistics on Cooperatives series** produced by the *International Labour Organization (ILO)* and the *Committee for the Promotion and Advancement of Cooperatives (COPAC)* in support of a larger initiative to increase understanding of the ways in which countries around the world are producing and using statistics on cooperatives. Currently reliable and comparable statistics on cooperatives are missing in most countries of the world. These statistics are essential to measuring the impact of cooperatives on members, workers and the economy as a whole.

Cooperatives in the Philippines

Cooperatives are well-integrated into the legal environment of the Philippines. The constitution provides a concrete definition for cooperatives, and **Republic Acts No. 9520 (Philippine Cooperative Code of 2008)** and **6939** elaborate on that definition and how cooperatives are regulated. Cooperatives in the Philippines are differentiated by category (primary, secondary and tertiary, according to the legal nature of the membership) and classified according to the sector of economic activity and membership type. In total, there are twenty distinct legally recognised classifications.

The **Cooperative Development Authority (CDA)** has a wide range of regulatory, promotional and developmental responsibilities related to cooperatives. It is the key organisation responsible for compiling statistics on cooperatives, where information on cooperatives in the country is centralised. The CDA uses an internationally accepted definition of cooperatives based on ownership, governance and the distribution of profits. Additionally the CDA keeps track of federations and unions of cooperatives. In the Philippines, cooperative federations are established to strengthen cooperative members' activities through educational and operational means. Unions represent the interests of cooperatives locally, regionally and nationally.

How are statistics on cooperatives generated in the Philippines?

Republic Act No. 6939 requires all cooperatives to submit their financial statements and a Cooperative Annual Progress Report (CAPR) to the CDA. Cooperative federations and unions must submit additional annual reports on how they strengthen member cooperatives. The CDA publishes data collected from all registered cooperatives that meet the definition in Philippine Cooperative Code of 2008. Annual reports are published one year after data has been received. Despite the reporting requirement, the CDA experiences challenges in compiling complete information. For example, only 12,000 cooperatives out of 25,000 reported data for 2014.

¹ The information is extracted from Carini, C., Borzaga, C. & Carpita, M. (2017) *Case studies on Brazil, Canada, Colombia, the Philippines, the Russian Federation, the United Kingdom*. Geneva: ILO.





What statistics are available?

The CDA annual report on cooperatives is accessible **online**. The annual report covers four areas: 1) number of cooperatives, 2) number of members, 3) number of employees and 4) economic performance. The CDA has been publishing this information since 2011.

The **CAPR** covers relevant information that is not included in a financial statement, such as a social audit report, performance audit report, a list of cooperative officers, information on the sector of economic activity, human resources (including gender disaggregated data) and branches and satellite offices. Republic Act No. 9520 also requires all cooperatives to provide their 'articles of cooperation', which include information on, among others, the managing directors, the scope and purpose of the cooperative and the mutual bond among members.

Reflections on the Philippines' approach to cooperative statistics

In the Philippines there is a strong regulatory framework for collecting data on cooperatives. The government's initiative to centralise data collection within the CDA simplifies the process and requires minimal cross-agency collaboration. Moreover, legal obligations for cooperatives to report information (primarily through Republic Acts No. 6939 and 9520) result in consistent economic, membership and employee-related information. The CDA annual reports are accessible online in English, and new reports are published a year after the end of the reporting period, allowing for time to improve accuracy and reduce potential inconsistencies.

The 19th Session of the **International Conference of Labour Statisticians (ICLS)** in 2013 included cooperatives in the Conference agenda for the first time in its history. The discussion converged towards the need for accurate, reliable, relevant and comparable statistics on the economic and social impact of cooperatives on the economies. A Resolution was passed with a view to carry out further developmental work on the measurement of cooperatives and carry out pilot studies in a number of countries to test various measurement approaches on collecting data on cooperatives.

The initiative on statistics on cooperatives is a collaboration between the ILO, COPAC, the cooperative movement, UN agencies, national statistics offices, government agencies and academic institutions to improve the quality and accessibility of statistical data on cooperatives. The outcome of this work will be guidelines for discussion at the 20th ICLS in October 2018.

COPAC is a multi-stakeholder partnership of global public and private institutions that promotes and advocates for people-centred, self-sustaining cooperative enterprises, guided by the principles of economic, social and environmental sustainable development. The current members of COPAC are the ILO, the UN Department of Economic and Social Affairs, the Food and Agriculture Organization of the United Nations, the International Co-operative Alliance and the World Farmers' Organisation.

To find out more, please visit the **ILO COOP**, **ILO Department of Statistics** or **COPAC** websites.

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