



# Transforming our world: A cooperative 2030

Cooperative contributions to SDG 17

This brief is part of the Transforming our world: A cooperative 2030 series produced by the Committee for the Promotion and Advancement of Cooperatives (COPAC). Through a series of 17 briefs, one for each Sustainable Development Goal (SDG), COPAC hopes to raise awareness about the significant contributions of cooperative enterprises towards achieving the 2030 Agenda in a sustainable, inclusive and responsible way, and encourage continued support for their efforts.

This brief focuses on SDG 17 on strengthening the means of implementation and revitalizing the global partnership for sustainable development.

# About the Sustainable Development Goals

The 17 Sustainable Development Goals (SDGs) of the 2030 Agenda for Sustainable Development were adopted by world leaders in September 2015 during a historic summit at the United Nations. The SDGs set out a vision for countries to end all forms of poverty, fight inequalities and tackle climate change, while ensuring that no one is left behind.

For more information, visit www.un.org/sustainabledevelopment.

## About cooperatives

Cooperatives are defined as 'autonomous associations of persons united voluntarily to meet their common economic, social and cultural needs and aspirations through a jointly owned and democratically-controlled enterprises.'

Cooperatives subscribe to a set of operational principles and underlying values that support the social and people-focused nature of their activities. They are operated democratically by their members. Whether producers, users (consumers, residents, etc.) or workers, members have an equal say and a share of the profits.

They are present in most countries of the world, and in most sectors of the economy. The cooperative movement counts more than one billion members. Around 10 per cent of the world's employed population work or produce within the framework of cooperatives.<sup>2</sup>

<sup>1</sup> International Cooperative Alliance, Statement on the Cooperative Identity (Manchester, 1995). Available at https://ica.coop/en/whats-co-op/co-operative-identity-values-principles

<sup>2</sup> CICOPA, Cooperatives and employment: Second global report 2017. Available at https://www.cicopa.coop/wp-content/uploads/2018/01/Cooperatives-and-Employment-Second-Global-Report-2017.pdf

# The cooperative difference

Inclusive multi-stakeholder partnerships built upon the principles and values of effective cooperation play a vital role in achieving the 2030 Agenda and the SDGs, especially during these challenging times of health emergency. They constitute a fundamental component of the processes of eradicating poverty, democratizing development and ensure that it is sustainable from the economic, social and environmental point of view. They are based on the realization of peoples' fundamental rights and are a key tool to make development processes and institutions more effective and participatory, through the participation of all actors in policymaking, development planning, implementation and review.

SDG 17 calls for strengthening the means of implementation toward realizing sustainable development and revitalizing the global partnership for sustainable development. It contains 19 targets, the most of any SDG, that are divided into five categories: finance; technologies; capacity building; trade; and systemic issues. "Systemic issues" is divided further into targets that address policy and institutional coherence; multi-stakeholder partnerships; and data, monitoring and accountability. This brief reflects on how cooperatives engage with these target areas.

Cooperatives can strengthen the means of implementation toward the achievement of the SDGs. With their values and principles such as democratic ownership, transparency and accountability, cooperatives can be key partners in making development processes and institutions more effective and participatory. Principle six of the seven cooperative principles is 'cooperation among cooperatives.' In implementing this principle, cooperatives have created multiple partnerships within the cooperative movement. The seventh cooperative principle "concern for community" drives cooperatives to work for the sustainable development of their communities through actions approved by their members.<sup>4</sup>

The enhancement of policy coherence for sustainable development is one of the key features of SDG17. An enabling regulatory environment is essential for cooperatives, although supportive policies are lacking in many countries. More than 110 countries have used the ILO Promotion of Cooperatives Recommendation, 2002 (No. 193) to revise and develop their national policies and laws on cooperatives. Recommendation 193 has further contributed to regional and sub regional uniform model laws, like OHADA and Mercosur.<sup>5</sup> The recommendation also underlines the importance of partnerships between cooperative organizations and governments, employers' and workers' organizations for harmonious policies and practices around cooperatives.<sup>6</sup>

Another area highlighted under SDG 17 is measuring, monitoring and reporting of the efforts that development actors, such as cooperatives, display towards the achievement of the 2030 Agenda. Statistics on cooperatives are essential to quantify the impact of cooperatives on their members, workers and the economy. Currently reliable and comparable statistics on cooperatives are missing in most countries of the world.

<sup>3 &</sup>quot;Cooperatives serve their members most effectively and strengthen the cooperative movement by working together through local, national, regional and international structures." Available at https://www.ica.coop/en/cooperative-identity

<sup>4 &</sup>quot;Cooperatives work for the sustainable development of their communities through policies approved by their members."

<sup>5</sup> ILO. Resources on Cooperatives and Legislation and Policy. Available at https://www.ilo.org/global/topics/cooperatives/areas-of-work/WCMS\_550309/lang--en/index.htm

<sup>6</sup> See sections III "Implementation of public policies for the promotion of cooperatives" and IV "Role of employers' and workers' organizations and cooperative organizations, and relations between them"

Available at https://www.ilo.org/dyn/normlex/en/f?p=NORMLEXPUB:12100:0::NO::P12100\_ILO\_CODE:R193"

In this regard, the ILO has been promoting the development of statistics on cooperatives in a reliable and comparable manner across the globe. Most recently, the ILO, with support from COPAC and its members, prepared the Guidelines on Statistics of Cooperatives which were adopted in 2018 at the 20th International Conference of Labour Statisticians (ICLS) and approved by the governing body of the ILO in 2019.<sup>7</sup>

Collaboration between agricultural and consumer cooperatives can serve toward establishing fairer and more efficient supply chains. Agricultural cooperatives help their producer members access inputs and services on better terms to protect their livelihoods. Cooperatives have played a key role in fair trade. Currently 97 per cent of all fair trade certified coffee is produced by cooperatives.<sup>8</sup> The partnership between the cooperative movement and the fair trade movement provides further leverage to help producer organizations become more efficient, business savvy, responsible, and productive. In some cases, additional income from fair trade is used to plan or implement projects to enhance cooperative businesses and operations or to improve wellbeing of local communities.

Cooperatives can play a catalytic role to improve small scale farmers' access agricultural inputs, financial services and markets. They can perform multiple functions such as education for their members and the wider community and advocacy with public and private sector actors. They can contribute to the development of new and strengthening of existing cooperatives at all levels, promoting new services according to needs of the members.

In domestic resource mobilization, credit unions and financial cooperatives provide financial services for micro and small enterprises. They facilitate the flow of remittances among developed and less developed countries



<sup>7</sup> ILO, 'The Guidelines concerning Statistics of Cooperatives'. Available at https://www.ilo.org/global/topics/cooperatives/news/WCMS\_732326/lang--en/index. htm

<sup>8</sup> Fair Trade Certified, 'Strength in numbers: Cooperatives making a difference'. Available at https://www.fairtradecertified.org/news/honoring-fair-trade-producers





and territories. According to figures from 2016, remittances from the three million Salvadorans residing in the United States were US\$4.5 billion, the equivalent of 17 per cent of El Salvador's GDP, an important share of which is managed by credit unions and financial cooperatives.<sup>9</sup>

In rural areas, cooperatives also play an important role to strengthen the capacities of their members in a variety of areas, including the use of sustainable production and processing practices, entrepreneurial and business management skills, capacities to better engage in policymaking processes, especially by promoting direct, peer-to-peer exchanges between food producers. Cooperatives build capacities of their members and facilitate access to knowledge and information services, including through digital media, on issues such as shortening value chains that link producers to market; improving resilience and climate change adaptation through community-based early warning systems; and supporting farmer-lead advisory services for innovation.

Below are some examples of partnerships between cooperatives and their organizations and other regional and international organizations demonstrating the roles cooperatives can play toward contributing to trade, fair working conditions and global value chains.

# From the field: how do cooperatives contribute to SDG 17?

In 2016, the International Cooperative Alliance (ICA) and the European Commission signed a framework partnership agreement on "Cooperatives in development – people-centered businesses in action", to strengthen the capacity of the ICA and its Regional Organizations to engage effectively on international development. The ICA-EU partnership (#coops4dev) has been instrumental in facilitating the flow of information, creating a dynamic of advocacy and knowledge sharing through interregional cooperation. It has assisted the cooperative movement to strengthen its capacities to engage in institutionalized policy dialogue mechanisms in advocating for an enabling regulatory and policy environment for cooperatives in advancing sustainable development. More than 140 organizations from 80 countries have participated on thematic trainings that cover a wide spectrum of development issues including decent work, youth employment, cooperative entrepreneurship and women empowerment.

In line with the sixth cooperative principle "cooperation among cooperatives", a number of cooperative development and training programmes have been implemented voluntarily by apex cooperative organizations around the world. For instance, the ILO and the Japanese Consumers' Co-operative Union (JCCU), in collaboration with ICA Africa, have organized the African Cooperative Leaders' Study Tour since 2010 to promote the exchange of knowledge and experiences among African and Japanese cooperatives and explore opportunities for collaboration. Ten editions of the study tour have been organized with 43 cooperative leaders from 16 African countries who gained insights on cooperative businesses in different sectors (e.g. agriculture, energy, finance and insurance, healthcare, childcare and eldercare, retail, and other services) and the enabling environment in Japan.<sup>10</sup>

<sup>9</sup> Banco Central de Reserva de El Salvador, 'Las remesas familiares cierran 2016 con el monto más alto de la historia y el mayor crecimiento de los últimos diez años'. Available at https://www.bcr.gob.sv/esp/index.php?option=com\_k2&view=item&id=913:las-remesas-familiares-cierran-2016-con-el-monto-más-alto-de-la-historia-y-el-mayor-crecimiento-de-los-últimos-diez-años&ltemid=168https://www.bcr.gob.sv/esp/index.php?option=com\_k2&view=item&id=913:las-remesas-familiares-cierran-2016-con-el-monto-más-alto-de-la-historia-y-el-mayor-crecimiento-de-los-últimos-diez-años&ltemid=168

<sup>10</sup> ILO, 'African cooperative leaders share their observations on the 10th ILO-JCCU Study Tour'. Available at https://www.ilo.org/global/topics/cooperatives/news/WCMS\_725859/lang--en/index.htm

Since 2019, Cooperatives of the Americas has partnered with the Inter-American Institute for Cooperation on Agriculture (IICA), the specialized agency for agriculture of the Organization of American States (OAS) in order to articulate specific actions that contribute to fulfilling the goals and indicators of the 2030 Agenda.<sup>11</sup> The current partnership recognizes and promotes the cooperative sector as a key actor for the implementation of the 2030 Agenda in the region.

Following a market analysis, Save the Children and an alliance of 50,000 women home-based Retazo workers in the Philippines organized the bulk purchase of raw materials needed from the garments industry, resulting in a 15 per cent cost reduction for the alliance's members. They have also explored new, more regular and more secure markets among large companies, thereby providing economic benefits to their members.<sup>12</sup>

Founded in 1966, the Federation of Savings and Credit Cooperatives of Honduras (FACACH) incorporates 25 grassroots cooperatives with 150 offices in 17 of the 18 departments of Honduras. In 2016, FACAH formalized a partnership with various international financial organizations from different countries, incorporating amongst its services remittances to Honduras. As a result, the amount of remittances received from Honduran nationals living abroad increased from US\$93 million to more than US\$120 million With its branches across municipalities where banks were absent, cooperative members even in the least developed parts of the country gained access to remittances.<sup>13</sup>

To bridge the digital divide that is considered the new face of inequality, the IFFCO Kisan Sanchar Limited (IKSL), a tri-lateral venture between the Indian Farmers' Fertilizer Cooperative Ltd (IFFCO), Airtel and Star Global Resources Limited, promotes Airtel SIM cards branded "Green Sim". Users receive relevant and high-quality information in 11 different Indian languages, to ensure inclusion of rural communities. The information is received through recorded voice messages, free of charge that range from weather forecasts, market rates, agricultural market information, customized advisories, government schemes and disease alerts, as well as answers from experts in agriculture to any farming queries.<sup>14</sup>



<sup>11</sup> OAS, 'Who we are'. Available at http://www.oas.org/en/about/who\_we\_are.asp.

<sup>12</sup> ILO, Towards a better understanding of the role of cooperatives in the ready-made garment supply chain (2019). Available at https://www.ilo.org/global/topics/cooperatives/publications/WCMS\_665196/lang--en/index.htm

<sup>13</sup> Grupo Coen, 'Nueva Alianza de Airpak y FACACH: El sector cooperativo aumenta cobertura entrega de remesas'. Available at https://www.grupocoen.com/nueva-alianza-de-airpak-v-facach/

<sup>14</sup> For more information about IFFCO KISAN, see https://www.iffcokisan.com/home/services

Want to see more examples of how cooperatives contribute to SDG 17? Visit the Coops for 2030 campaign at www.coopsfor2030.coop

Set up in Democratic Republic of Congo (DRC) in 2001, Sopacdi Cooperative is working to improve livelihoods by bringing Congo-grown coffees into global markets. The cooperative that started out with only 274 members now has 3,600 members from different ethnic groups, 20 per cent of whom are women. With support from the international Fairtrade movement, Sopacdi Coffee gained Fairtrade certification in 2011. Women benefit from a special price premium for their coffee. To date, this has raised around US\$15,000 to support a women's committee and small women-led business ventures. This allows the women to have a stronger voice at the cooperative level and an indicative representation on the cooperative's Board.<sup>15</sup>

Strengthening National Capacities of Producer Organizations in the NENA Region (Oman, Sudan and Lebanon) is a regional project that aims to support the strengthening of POs through inclusive policies and programmes that reflect the needs of small-scale family farmers and contribute to their empowerment. The project focused on three countries: Lebanon, Oman and Sudan with the objective of providing a basis for the formulation of a programme and national plans of action for developing capacities to strengthen POs and to improve their performanceperformance and their linkages with markets. The project worked through a combination of capacity development, partnership and cooperative-to-cooperative exchanges, creating opportunities for sub-regional dialogue, analysis and collective reflection on conducive legislations, organizational strengthening and empowerment and is implemented under the umbrella of the FAO Regional Initiative on Small-scale Family Farming in the NENA region.<sup>16</sup>



<sup>15</sup> Cooperatives Europe Development Platform, Building Inclusive Enterprises in Africa: Cooperative Case Studies (2015). Available at https://coopseurope.coop/development/sites/default/files/building\_inclusive\_enterprises\_in\_africa\_lr.compressed\_0.pdf
16 FAO, Strengthening national capacities of producer organizations in the NENA region (2020). Available at http://www.fao.org/3/ca8795en/CA8795EN.pdf







International Labour Organization





# **About COPAC**

COPAC is a multi-stakeholder partnership of global public and private institutions that promotes and advances people-centered, self-sustaining cooperative enterprises, guided by the principles of sustainable development - economic, social and environmental - in all aspects of its work. The Committee's current members are the UN Department of Economic and Social Affairs (DESA), the International Labour Organization (ILO), the Food and Agriculture Organization of the United Nations (FAO), the International Co-operative Alliance and the World Farmers' Organisation.

For more information, please visit www.copac.coop.