



**International Year
of Cooperatives**

Cooperatives Build
a Better World



Committee for
the promotion
and advancement
of cooperatives



**International
Cooperative
Alliance**

Building a Better World Together: Cooperative Contributions to the SDGs

**Ensure sustainable consumption
and production patterns**





SDG 12, “RESPONSIBLE CONSUMPTION AND PRODUCTION,” AIMS TO “DO MORE AND BETTER WITH LESS” BY DECOUPLING ECONOMIC GROWTH FROM ENVIRONMENTAL DEGRADATION.¹

It promotes a shift from a linear to circular growth model that prioritises reuse, repair, and recycling, while calling on businesses and governments to embed sustainability into their practices and enable informed consumer choice. Progress on SDG 12 underpins wider development outcomes, including climate action, food security, decent work, and reduced inequalities.

Global trends highlight the urgency of this transition. Material extraction has more than tripled since 1970, now exceeding 100 billion tonnes annually, while efficiency gains lag behind demand.² Around one third of all food produced is lost or wasted, contributing to emissions and undermining food security.³ At the same time, growing waste streams, particularly plastic and electronic waste, are shifting environmental and health burdens to low-income countries and informal workers.⁴ These outcomes reflect structural challenges in production systems. Global supply chains are often long and opaque, with limited traceability and weak accountability across multiple tiers. Market concentration and pricing pressures further reduce the influence of small producers, workers, and consumers, allowing environmental costs to be externalised and short-term efficiency to take precedence over long-term sustainability. Addressing these challenges requires more than technological solutions or changes in individual behaviour; it calls for ownership and governance models that embed responsibility, accountability, and long-term stewardship into economic decision-making, aligning production and consumption with shared social and environmental objectives.

THE COOPERATIVE DIFFERENCE

Cooperatives are uniquely positioned to advance responsible consumption and production because sustainability is embedded in their identity, governance, and operational logic. The seventh cooperative principle, concern for community, establishes a commitment to work for the sustainable development of their communities through policies approved by their members.⁵ This long-term, member-driven focus allows cooperatives to internalise the environmental and social costs that conventional business models often ignore or ‘externalize’ to the public. Research suggests that cooperatives are well placed to contribute to global circular economy roadmaps, as they benefit from specialized ecosystem support and legal frameworks tailored to their mission.⁶ Furthermore, a rising trend shows new, agile cooperatives launching with circularity as a core value from inception.

Cooperatives are therefore driven to contribute across the core dimensions and targets of SDG 12 by influencing how goods and services are produced, consumed, and recycled. Through collective action, cooperatives advance resource efficiency, circularity, and more sustainable value chains. Both agricultural and consumer cooperatives serve as a transformative force by leveraging collective actions to transition the agri-food and forestry sectors toward a circular, resource-efficient, and low-waste production model. Importantly, such practices are rarely implemented as isolated sustainability initiatives and instead emerge naturally from democratic ownership, collective decision-making, and long-term accountability to members and communities.

Sustainable production and efficient resource use (SDG Target 12.2)

Cooperatives support more sustainable production systems and the efficient use of natural resources by enabling collective investment in environmentally responsible practices. Producer cooperatives allow farmers, fishers, artisans, and small manufacturers to pool resources, access training, and adopt production methods that reduce chemical inputs, improve water and energy efficiency, and protect ecosystems while maintaining viable livelihoods. By strengthening bargaining power and stabilizing market access, cooperatives also reduce the pressures that often drive unsustainable extraction and overproduction. Collective governance enables members to agree on sustainable resource management practices that protect shared assets over the long term.

- 1 UN SDG 12 targets and indicators: <https://sdgs.un.org/goals/goal12>
- 2 United Nations Environment Programme (UNEP). *Global Resources Outlook 2024: Bend the Trend – Pathways to a Liveable Planet*. UNEP, 2024.
- 3 Food and Agriculture Organization of the United Nations (FAO). *The State of Food and Agriculture: Moving Forward on Food Loss and Waste Reduction*. FAO, 2019.
- 4 United Nations Institute for Training and Research (UNITAR). *Global E-waste Monitor 2024*.
- 5 International Co-operative Alliance. *Statement on the Co-operative Identity*. ICA, 1995.
- 6 Ziegler, R., J.Rey-Sierro, S.Novkovic, et al. 2025. “How Cooperatives Embed Circularity in Their Business Models and Governance—Results From an International Survey.” *Business Strategy and the Environment* 34, no. 7: 8832–8846. <https://doi.org/10.1002/bse.70045>



Food and Forest Development Finland has been supporting international cooperative development projects towards this goal in Tanzania and Nepal through FFD's Greener Tanzania project.⁷ **The Pastoral Women's Council (PWC)** has supported women in Monduli and Longido to build and replicate improved energy-saving stoves and insulated cookers using locally available materials. Although PWC is not a cooperative, the initiative directly benefits members of nearby producer organisations by reducing household fuelwood use, lowering emissions, and improving health and safety. Women have taken a lead role in training others, turning clean cooking into a community-driven model of sustainable consumption that complements the climate-resilient livelihood efforts of local farmer and pastoralist organisations. This partnership approach demonstrates how cooperative ecosystems can advance SDG 12 through practical, low-cost, and gender-responsive innovations. In Nepal, FFD supported 4 cooperatives to help women adopt [climate smart fish farming](#) and launch sal leaf and NTFP enterprises: sustainable, [low waste value chains](#) that reduce environmental pressure and strengthen women's incomes. Over 1,200 women members now influence production decisions and practices.

A complementary perspective emerges from consumer cooperatives that actively shape production systems upstream through their sourcing policies and long-term relationships with producers. In Japan, the [Japanese Consumers' Co-operative Union](#) has developed environmental production standards in collaboration with farmers, promoting reduced use of pesticides and chemical inputs while ensuring stable demand through cooperative purchasing systems. Similarly, in the Republic of Korea, [iCoop Korea](#) has built an integrated eco-food system linking production, processing, and retail. By investing in organic farming zones and environmentally responsible logistics, the cooperative reduces resource use across the value chain while supporting sustainable livelihoods for producers.

Another notable example is the Baja California Regional Federation of Fishing Cooperative Societies (FEDECOOP) in Mexico. Thirteen fishing cooperatives jointly manage ten Territorial Use Rights for Fishing zones along the Baja California coast. Through cooperative governance, FEDECOOP introduced catch limits for key species, beginning with the Baja spiny lobster in 1992 and later extending to other fisheries as stocks declined.⁸ This cooperative-led management system has contributed to the recovery and long-term sustainability of local fisheries while ensuring stable livelihoods for fishing communities.⁹



Jenny Öhman - FFD

7 Food and Forest Development Finland (FFD), [Greener Tanzania – The Story of a Clean Cooking Revolution](#).

8 Pronatura Noroeste, [The barred sand bass FIP gains ground in BCS: A previously underrated fishery now opens up markets and opportunities](#).

9 Environmental Defense Fund (EDF), [Mexican Baja California FEDECOOP Benthic Species Territorial Use Rights for Fishing System](#).

Responsible consumption and consumer awareness (SDG Target 12.8)

Consumer and retail cooperatives shape demand by prioritising responsibly sourced products, reducing unnecessary packaging, promoting fair trade, and increasing transparency in supply chains. Because they are owned by their members, the consumers themselves, they can align purchasing decisions with shared social and environmental values, while directly influencing product standards, sourcing policies, and sustainability commitments.

In the United Kingdom, the [Co-operative Group](#) (one of the largest consumer cooperatives in the world), has implemented significant packaging reduction and recycling initiatives. Since 2018, the cooperative has removed more than 6,600 tonnes of plastic from its own-brand products and packaging, achieved 100% “easy to recycle” packaging, and increased the use of recycled content to over 40% in its plastic packaging.¹⁰

In Spain, the award-winning agri-cooperative [Càmara Arrossera del Montsià](#), with its ORYZITE® project, transforms rice husks into a sustainable material that can replace a significant share of petroleum-based plastics. Being light and heat-resistant, this bio-based product has now entered high-tech supply chains in the automotive, furniture, and design sectors. These efforts demonstrate how consumer and agricultural cooperatives can use their purchasing power and governance structures to shift entire supply chains toward more sustainable practices. Furthermore, consumer cooperatives often invest in member education initiatives that promote sustainable lifestyles, responsible consumption, and greater awareness of environmental impacts, reinforcing behavioral change alongside market transformation.¹¹ An example is the [Escuela de Consumo Circular](#), designed by HISPACCOOP (ES) in 2022 to educate pupils from primary school through thematic videos on the principles of the circular model, its benefits, and how to put into practice more responsible and sustainable consumption.

Consumer cooperatives outside Europe further demonstrate how democratic ownership can transform consumption patterns. In Japan, the [Seikatsu Club Consumers' Co-operative Union](#) engages its members directly in product design and sourcing decisions, ensuring full transparency regarding ingredients, production processes, and environmental impacts. This participatory model enables consumers to actively shape more sustainable consumption practices.¹² In the United States, [National Co+op Grocers](#) supports a nationwide network of food cooperatives that combine retail with consumer education. Through in-store campaigns, product labelling, and community outreach, these cooperatives promote responsible purchasing decisions related to organic production, sustainable seafood, and non-GMO products, turning retail environments into platforms for sustainability awareness. In Argentina, [Cooperativa Obrera](#) combines retail operations with consumer education programmes that promote responsible purchasing, product awareness, and community engagement. Such models demonstrate how cooperative retail networks in emerging economies can play a critical role in shaping consumption

behaviours while ensuring accessibility and affordability, reinforcing the social dimension of sustainable consumption.

Waste reduction and circular economy solutions (SDG Target 12.5)

Cooperatives also play a significant role in reducing waste and advancing circular economy approaches. Recycling, waste picker, and reuse cooperatives improve waste collection and material recovery systems while providing dignified livelihoods for workers who are often part of the informal economy. In many cities around the world, waste picker cooperatives have become essential partners in municipal waste management systems. By organising informal waste workers into democratic enterprises, these cooperatives improve recycling rates, reduce landfill use, and reintegrate valuable materials such as plastics, metals, textiles, and electronic waste into local economies.

The experience of waste picker cooperatives in Belo Horizonte, Brazil, illustrates this contribution. In the early 1990s, informal waste collectors, known as catadores, organised themselves into cooperatives such as ASMARE and were subsequently integrated into the city's solid waste management system. Over time, these cooperatives formed regional federations and contributed to the creation of Brazil's National Movement of Recyclable Waste Pickers.¹³ Today, waste picker organisations across Brazil collectively divert an estimated one million tonnes of recyclable materials from landfills each year, while providing income, social protection, and improved working conditions for thousands of workers.¹⁴

Moreover, across Europe, many cooperatives are involved in national collection schemes for agricultural plastics, facilitating the collection, recycling, and recovery of materials used in farming activities. Their position within the agricultural supply chain, as distributors, service providers, and trusted partners of farmers, enables them to organise efficient systems and disseminate best practices. In Member States where such schemes are implemented, collection rates range between 75% and 95%, with the vast majority of materials subsequently recycled. In Germany, programmes supported by Deutscher Raiffeisenverband, such as ERDE, enable farmers to return used agricultural films and nets for recycling, while PAMIRA collects packaging from plant protection products and fertilisers. In France, the A.D.I.VALOR initiative has established a nationwide system for the recovery and recycling of agricultural plastics, collecting more than 93,000 tonnes annually with recycling rates exceeding 90%, with cooperatives operating a large share of collection points. These models demonstrate how circular economy systems can simultaneously deliver environmental benefits, social inclusion, and economic resilience.

Consumer cooperatives also advance circular economy solutions within retail systems. [iCoop Korea](#) has implemented zero-waste retail models, including reusable container systems and food waste recycling facilities that convert organic waste into agricultural inputs demonstrating how retail can close material loops and reduce waste at scale.

10 The Co-op Group Sustainability reporting: <https://www.co-operative.coop/sustainability-reporting-resource-use>

11 International Co-operative Alliance. *Co-operatives and Sustainability: An Investigation into the Relationship*. ICA, 2013.

12 <https://seikatsuclub.coop/>

13 International Labour Organization (ILO), *Redesol – Building sustainable and solidary links among waste pickers in the informal economy in Brazil*.

14 The National Movement of Waste Pickers (MNCR): <https://remal.nuacampus.org/index.php/the-national-movement-of-waste-pickers-mncr/>

In Canada, [Mountain Equipment Co-op](#) promotes product longevity through repair services, resale programmes, and recycling initiatives for outdoor equipment. By extending product life cycles and reducing the need for new resource extraction, such models contribute directly to waste reduction and more sustainable consumption patterns.

Transparent and sustainable supply chains (SDG Target 12.6)

Responsible supply chains and greater transparency are strengthened through cooperative governance structures. Because cooperatives are owned by their producer, worker, or consumer members, there is greater oversight of sourcing practices, labour conditions, and environmental performance. Cooperation among cooperatives can also shorten value chains, improve traceability, and ensure that value is distributed more equitably between producers and consumers. This is particularly important in sectors such as agriculture, fisheries, forestry, and retail, where cooperatives help connect producers directly with markets while maintaining sustainability standards.

Through cooperative networks, federations, and international partnerships, these responsible supply chain practices can be scaled across regions and sectors.¹⁵ For example, agricultural cooperatives are strengthening transparency and sustainability in global supply chains by organising smallholder producers and improving traceability from farm to market. The Malawi Zero Hunger project (2025-2028), implemented by the cooperative Fairtrade Italia, in partnership with Fairtrade Africa and Agricane, and funded by Agenzia Italiana per la Cooperazione allo Sviluppo (AICS), is supporting sugarcane producer organisations (SPOs) in Chikwawa and Nkhotakota that face climate vulnerability and income instability. Working with the Lakeshore Cane Growers Association, Kasinthula Cane Growers Association, and Phata Sugarcane Outgrowers Cooperative, they promote sustainable agricultural practices, including the use of organic fertilisers, soil management practices, and crop diversification. In a context marked by export restrictions, Fairtrade supports Small-scale Producers' Organisations in preparing for market reopening while supporting compliance with social and environmental standards.¹⁶

In Ethiopia, the [Oromia Coffee Farmers Cooperative Union](#), which represents more than 400,000 coffee farmers, enables members to collectively process and export coffee directly to international buyers while implementing traceability and certification systems that ensure compliance with environmental and labour standards. Similarly, cocoa cooperatives in Indonesia, supported by organisations such as [Rikolto](#), are adopting digital traceability tools and sustainable farming practices that allow supply chain partners to verify production methods, ensure fair payments to farmers, and promote responsible sourcing. Since obtaining SA8000 certification in 1998 (becoming the first company in Europe to do so), Coop Italia has embedded ethical sourcing standards across its supply chains, ensuring that social and labour criteria are integrated into procurement practices. Through initiatives such as the *"Buoni e Giusti"* (*"Good and Fair"*) campaign, Coop Italia promotes responsible production practices in agriculture and requires suppliers to register with Italy's Network for Quality Agricultural Work, a public system designed to prevent irregular labour practices and combat labour exploitation (currently 800 800 suppliers and sub-suppliers across food and non-food sectors covered). Ethical compliance forms part of contractual requirements for suppliers and is supported by audits, corrective action plans, and continuous monitoring of working conditions, wages, and health and safety standards. Together, these examples demonstrate how cooperative enterprises can improve accountability, strengthen sustainable value chains, and ensure that smallholder producers receive a more equitable share of value, contributing directly to the objectives of SDG Target 12.6 on responsible business practices and transparent supply chains.

Consumer cooperatives also play a critical role in strengthening transparency and accountability in supply chains. In North America, [Cooperative Coffees](#) connects consumer cooperatives with small-scale coffee producers through direct trade relationships that ensure fair pricing, long-term partnerships, and transparent value distribution. These models demonstrate how cooperative supply chains can reduce asymmetries of information and power while embedding sustainability criteria into commercial relationships.

¹⁵ International Labour Organization and International [Co-operative Alliance](#). *Cooperatives and the World of Work*. ILO, 2022.

¹⁶ Fairtrade International, [Malawi – Zero Hunger: Food Security for Sugar Cane Producers](#).



CASE STUDIES FROM AROUND THE WORLD

Agricultural Cooperative Local Food Direct Sales Network (Targets 12.3 & 12.6)

In 2012, **NongHyup** (the National Agricultural Cooperative Federation of Korea) launched its first local food direct sales outlet through a member cooperative in Wanju County, North Jeolla Province, and has since expanded the model nationwide. The initiative establishes cooperative-managed short supply chains that connect smallholder farmers directly with local consumers, eliminating multi-tier intermediary distribution. Korea's conventional agricultural distribution system imposed high post-harvest losses and low market access for smallholders, 79 percent of whom farm less than 0.5 hectares. Each outlet operates under a same-day harvest protocol with mandatory producer identification on all products; unsold items are returned to the farm, reducing retail-stage food loss. By 2024, the network comprised 738 outlets serving 53,802 registered farm households, generating approximately KRW 545.5 billion in annual sales. Farmers realized KRW 178 billion in distribution cost savings in 2022 alone. This model demonstrates how agricultural cooperatives can operationalize SDG Targets 12.3 and 12.6 simultaneously, offering a transferable framework for countries with fragmented smallholder distribution systems.¹⁷

Circular Agricultural Input Management (Targets 12.2 & 12.5)

In January 2024, the **JA Group** and the **Tokyo Metropolitan Government** formalized an agreement to recover phosphorus from municipal sewage facilities for use as agricultural fertilizer. The initiative establishes closed-loop nutrient cycles to reduce Japan's dependence on imported fertilizer inputs.¹⁸ Global supply disruptions and declining food self-sufficiency have intensified

pressure to source agricultural inputs domestically. The framework integrates three mechanisms: conversion of livestock manure into compost for feed crop production; phosphorus recovery from urban sewage for fertilizer application; and domestic cultivation of grain corn as a feed ingredient, which also mitigates continuous cropping problems in soybean rotations. Together, these streams form a circular agricultural system in which waste outputs are systematically reintroduced as productive inputs. This model demonstrates how cooperative federations can advance SDG Targets 12.2 and 12.5 by closing domestic nutrient cycles, offering a replicable framework for countries managing urban-agricultural resource integration.

Circular Innovation in Agri-Cooperatives (Targets 12.2 & 12.5)

European agri-cooperatives are leading the circular transition within and across their sectors. By strengthening cooperation across the food chain and investing in innovation, European agri-cooperatives - represented by **COPA-COGECA** - help build more sustainable production systems while supporting responsible consumption patterns. The Italian wine cooperative **Caviro** has developed a fully integrated circular model through a "total use" model in the wine sector, where nearly all by-products from wine production are valorised. High-value compounds are extracted for food, industrial, and pharmaceutical uses, while the remaining biomass is converted into bioenergy. The resulting digestate is then transformed into organic fertilisers that are returned to member farmers, effectively closing the loop. Through this system, Caviro achieves a waste recovery rate close to 100% while generating renewable energy and reducing emissions. **Södra**, a cooperative of over 50,000 forest owners in Sweden, is a global leader in circularity specifically because it has bridged the gap between forestry and the fashion industry, solving the "blended fiber" problem that has historically sent millions of tonnes of clothes to landfills. Their flagship circular initiative is a world-

first technology called **OnceMore®**. **Södra** takes in post-consumer textile waste, like old hotel sheets or discarded clothing, that is typically a blend of cotton and polyester, and by using a unique chemical process at their Mörrum mill, they "dissolve" the textiles, separate the polyester, which is currently used for energy recovery, and extract the pure cellulose from the cotton. **Södra** then combines this recycled cotton cellulose with "virgin" wood cellulose from their members' Swedish forests (primarily birch and pine). The cooperative agri-food model therefore makes a tangible and scalable contribution to achieving SDG 12 by creating an additional revenue stream that benefits its owners.



Kigro Recyclers

Waste Reduction through Cooperative Recycling and Reuse (Target 12.5)

Kigro Recyclers, established in 2019 in Nairobi as a self-help group and later registered as one of Kenya's first worker cooperatives, is owned and managed by informal waste collectors, most of whom are youth. With support from organisations such as Global Communities under USAID's Cooperative Development Programme, the cooperative provides garbage collection, recycling, and cleaning services while promoting more sustainable waste management practices. It collects and sorts waste from local communities into reusable and recyclable materials, generating income through resale while ensuring that residual waste is disposed of responsibly. The case highlights how cooperative models can reduce waste generation, strengthen recycling systems, and support environmentally sound waste management through locally driven solutions.¹⁹

17 Korea Agri-food New Distribution Research Institute (2023); *Farmer's Newspaper* (10 February 2025).

18 JA Group official communication (2024)

19 Roelants, B. (2026) *Cooperativism at Work. 'Bringing workers out of the informal economy'* Pamela Kaburu & Ashley Holst. Routledge.

Sustainable Agriculture and Eco-Production Standards (Targets 12.2 & 12.6)

Through its long-standing partnerships with farmers, the **Japanese Consumers' Co-operative Union (JCCU)** has developed environmental production standards that promote reduced use of pesticides, chemical fertilizers, and other resource-intensive inputs. By integrating these standards into its procurement policies, JCCU ensures stable demand for sustainably produced goods while supporting producers in transitioning toward more resource-efficient farming systems. The cooperative model enables long-term contracts and shared risk between consumers and producers, reducing pressures for overproduction and unsustainable practices. By aligning consumption with sustainable production requirements and strengthening traceability across supply chains, JCCU demonstrates how consumer cooperatives can influence upstream production systems and contribute to more efficient resource use in line with SDG Targets 12.2 and 12.6.

Integrated Eco-Food System (Targets 12.2 & 12.5)

iCoop Korea has developed an integrated eco-food system that connects agricultural production, food processing, distribution, and consumption within a single cooperative network. The model prioritizes organic farming, environmentally responsible logistics, and reduced resource use across the value chain. A key component of this system is the establishment of food recycling centres that convert organic waste into agricultural inputs, effectively closing material loops between consumption and production. By combining sustainable production practices with circular resource management, iCoop Korea reduces environmental impacts while strengthening the resilience of local food systems. This integrated approach demonstrates how consumer cooperatives can simultaneously advance efficient resource use and circular economy solutions in line with SDG Targets 12.2 and 12.5.²⁰

Consumer Education through Cooperative Retail Networks (Target 12.8)

National Co-op Grocers (NCG) supports a network of community-owned food cooperatives across the United States that integrate retail operations with consumer education on sustainable consumption. Through coordinated campaigns, product labelling initiatives, and in-store information systems, NCG promotes responsible purchasing decisions related to organic production, non-GMO foods, and sustainably sourced products such as seafood. These cooperatives serve as platforms for raising awareness about the environmental and social impacts of consumption while enabling members to align their purchasing choices with shared values. This approach demonstrates how consumer cooperatives can influence demand patterns and foster sustainable lifestyles in line with SDG Target 12.8.



Progana Project, NCBA CLUSA

Sustainable Resource Management and Food Loss Reduction (Targets 12.2 & 12.3)

In the Dominican Republic, cooperative and producer-association models have played an important role in strengthening more sustainable agricultural production systems through the USDA Safe Agriculture/Food Export Program (SAFE), locally known as Progana. Implemented by NCBA CLUSA with support from the United States Department of Agriculture, the programme operated from 2015 to 2023 to improve the competitiveness, quality, and sustainability of the country's beef and dairy sectors. With more than 66,000 direct beneficiaries, the initiative sought to improve agricultural productivity through better farm management, stronger producer organisations, expanded access to inputs and financial

services, and enhanced institutional capacity across national value chains. Its broader objective was to strengthen domestic food systems while supporting compliance with international quality standards, including preparation for beef exports to the United States. A notable example is the **Association of Cattle Ranchers of Santiago Rodríguez (AGASAR)**, which used targeted technical support and a matching grant to improve milk quality among its members after persistent low-grade production had reduced incomes. Through farm-based training on hygienic milking, container sterilisation, mastitis detection, and herd management, producers improved product quality, reduced losses, and strengthened compliance with market standards required by buyers such as Nestlé. The initiative shows how collective organisation, local extension services, and cooperative coordination can promote more efficient resource use, reduce waste, improve value retention for farmers, and build more responsible and resilient food supply chains.

Consumer Awareness and Community Education (Target 12.8)

Cooperativa Obrera, one of the largest consumer cooperatives in Argentina, has developed a long-standing model that integrates retail activity with consumer education and community engagement. Through its "Educación Cooperativa" programmes and in-store communication initiatives, the cooperative promotes responsible consumption, nutritional awareness, and sustainable purchasing decisions among its members. By leveraging its extensive retail network, Cooperativa Obrera disseminates information on product quality, origin, and responsible use, while encouraging more conscious consumption patterns. This approach demonstrates how consumer cooperatives in emerging economies can act as key enablers of behavioural change, contributing to SDG Target 12.8 by aligning consumer awareness with sustainable consumption practices.

CHALLENGES AND OPPORTUNITIES

As demonstrated above, cooperatives offer practical models for responsible consumption and production, yet they often operate within systems that do not fully support their potential. Legal and regulatory frameworks frequently lag behind emerging sectors such as recycling, renewable energy, and digital platforms, limiting their ability to innovate and scale. Existing cooperative models also highlight clear pathways for expansion. In Japan, the Consumers' Cooperative Union shows how consumer-driven standards can shape production practices at scale, while in the Republic of Korea, iCOOP demonstrates how vertically integrated systems can internalise environmental costs across value chains. Strengthening policy support for such models could accelerate broader transitions toward more sustainable and inclusive economies.

Access to finance remains a persistent constraint. Many cooperatives seek to invest in sustainable technologies, traceability, and circular solutions but struggle to secure long-term, patient capital, as financial systems often undervalue their social and environmental returns. Experiences such as Mountain Equipment Co-op highlight how investments in repair, reuse, and product lifecycle extension can generate both environmental and economic value. Scaling these approaches will require tailored financial instruments, including cooperative development funds and blended finance mechanisms, to support investment in reuse, recycling, and sustainable infrastructure.

Cooperatives also face pressures from concentrated supply chains, volatile markets, and short-term incentives that challenge fair pricing and long-term stewardship. Cooperative

trade networks provide a pathway to address these imbalances. Initiatives such as Cooperative Coffees show how direct relationships between consumer cooperatives and small-scale producers can improve price stability, enhance transparency, and support more equitable value distribution across supply chains.

Cooperatives remain underrepresented in circular economy strategies, and support from cooperative federations, consortia, and apex organisations remains limited. At the same time, growing global momentum around circularity and responsible consumption presents important opportunities. Québec's provincial roadmap, for example, recognises social economy actors as key drivers of repair, reuse, and resource efficiency in the textile sector, highlighting the importance of aligning cooperative and circular economy policies to support a just transition. Consumer cooperatives are particularly well positioned to act as intermediaries between producers and consumers, with networks such as National Co+op Grocers demonstrating how retail platforms can promote responsible consumption through labelling, education, and values-based purchasing. Expanding these approaches to include refill systems, product take-back schemes, and zero-waste models could further accelerate progress.

The transition toward more sustainable economies is increasingly aligned with the cooperative model. With the right support, cooperatives can play a stronger role in building systems that reduce waste and use resources more efficiently. Digitalisation further strengthens this potential, with advances in traceability, data-sharing, and member engagement enhancing transparency, improving resource management, and enabling cooperatives to scale sustainable practices across sectors and regions.

CALL TO ACTION

Achieving responsible consumption and production will require more than technological change; it will require economic models that place people, communities, and long-term sustainability at the centre of decision-making. Cooperatives already embody these principles in practice. What is needed now is a stronger enabling environment that allows cooperative solutions to grow and reach their full potential.



1. Recognise cooperatives as partners in sustainable consumption and production

Governments should recognise cooperatives as key partners in shaping and implementing national strategies for sustainable consumption and production. Whether through circular economy roadmaps, food systems

policies, waste management strategies, or sustainable procurement frameworks, cooperatives can bring practical experience and community-based solutions to policy implementation. Including cooperatives in national SDG planning and reporting processes can help ensure their contributions are visible and fully integrated into sustainable development efforts.²¹



2. Update legal frameworks to support cooperative innovation

Develop concessional loans, blended finance facilities, revolving funds, loan-to-grant schemes, guarantees to de-risk lending by banks, and results-based funding tailored to cooperatives. Support investments in renewable generation, mini-grids, transmission, storage, renewable thermal energy supply chains, and energy efficiency programs while ensuring long-term financial sustainability.

21 Policymakers and policy advocates can benefit from the circular economy collection of tools, case studies, and research at the intersection of cooperatives and the circular economy on PortailCoop (free access via online registration).



3. Expand access to finance for sustainable cooperative investment

Investing in sustainability often requires upfront capital for new technologies, improved infrastructure, certification systems, or circular economy facilities. Financial institutions, development banks, and international partners can play a critical role by developing financing instruments tailored to cooperative enterprises. Dedicated funding mechanisms, guarantees, and blended finance models can help cooperatives implement environmentally responsible practices while continuing to provide decent work and inclusive economic participation.



4. Use public and social procurement to support responsible markets

Governments and large institutions can accelerate the transition to responsible consumption and production by using their purchasing power strategically. Public procurement policies that prioritise sustainable and socially responsible suppliers can help cooperatives expand markets, stabilise demand, and invest in greener production methods. Such policies can be particularly impactful in sectors such as food systems, waste management, community services, and renewable energy.



5. Invest in skills, data, and knowledge systems for sustainable cooperative ecosystems

Strengthening cooperative contributions to SDG 12 also requires investment in education, training, and knowledge sharing. Cooperative members and managers need access to skills related to sustainable production methods, circular business models, digital traceability systems, and sustainability reporting. In parallel, national statistical systems should better capture the environmental and social contributions of cooperatives so that policymakers can recognise their role in building sustainable economies.



6. Strengthen partnerships and international cooperation

The challenges of responsible consumption and production are global in nature, and cooperative solutions can benefit from stronger international collaboration. Development partners, governments, UN agencies, and cooperative organisations can work together to support knowledge exchange, North-South and South-South cooperation, and partnerships that strengthen sustainable value chains. By sharing experiences and innovations across countries and sectors, cooperative enterprises can scale solutions that benefit both people and the planet.

Building economies that respect planetary boundaries while ensuring dignity and opportunity for all will require new ways of organising economic activity. Cooperatives offer one such pathway. By bringing people together to collectively manage resources, shape markets, and share value more equitably, cooperative enterprises demonstrate that responsible consumption and production are not only possible but are already happening in communities around the world. As the International Year of Cooperatives 2025 highlighted, cooperatives are not simply alternatives within existing economic systems; they are practical and proven partners in building a more sustainable, inclusive, and resilient global economy.



This brief is part of the ***Building a Better World Together: Cooperative Contributions to the SDGs*** series, produced by the [Committee for the Promotion and Advancement of Cooperatives \(COPAC\)](#) and the [International Co-operative Alliance \(ICA\)](#), together with its regional organizations: [Cooperatives Europe](#), [ICA Africa](#), [ICA Americas](#), and [ICA Asia Pacific](#) and its sectoral organisation: [International Co-operative Agricultural Organisation \(ICAO\)](#) and [Consumer Cooperatives Worldwide \(CCW\)](#). This series aims to raise awareness, promote growth, and inspire leadership in the cooperative movement. This series explores how cooperatives drive progress toward the 17 Sustainable Development Goals (SDGs) by fostering economic inclusion, democratic participation, and social solidarity for over one billion members worldwide.

Established in 1971, the Committee for the Promotion and Advancement of Cooperatives (COPAC) is a multi-stakeholder partnership that champions and supports people-centered and self-sustaining cooperative enterprises. Its current members include the International Cooperative Alliance (ICA), the International Labour Organization (ILO), the United Nations Department of Economic and Social Affairs (UNDESA), the Food and Agriculture Organization of the United Nations (FAO), and the International Trade Centre (ITC).



This publication has been co-funded by the European Union. The contents of this publication are the sole responsibility of the International Co-operative Alliance and can in no way be taken to reflect the views of the European Union.

