Laboratorio di impresa cooperativa nella progettazione per lo sviluppo
Anno Accademico 2017-2018

Modulo I – The Cooperative Movement
International Definition of Cooperative Enterprise

A co-operative 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". (International Cooperative Alliance 1995)

“As people-centered, principle driven, member owned businesses cooperatives have a long tradition of promoting equality”.
Guy Ryder, ILO Director-General, International Day of Cooperatives 2015
THE 7 CO-OPERATIVE PRINCIPLES

THE CO-OPERATIVE PRINCIPLES ARE GUIDELINES BY WHICH CO-OPERATIVES PUT THEIR VALUES INTO PRACTICE (AS AGREED BY THE INTERNATIONAL COOPERATIVE ALLIANCE).

Co-operatives are based on the values of self-help, self-responsibility, democracy, equality, equity and solidarity.

In the tradition of their founders, co-operative members believe in the ethical values of honesty, openness, social responsibility and caring for others.
• **1st Principle: Voluntary and Open Membership**

  - Co-operatives are voluntary organisations, open to all persons able to use their services and willing to accept the responsibilities of membership, without gender, social, racial, political or religious discrimination.
• Co-operatives are democratic organisations controlled by their members, who actively participate in setting their policies and making decisions. Men and women serving as elected representatives are accountable to the membership. In primary co-operatives members have equal voting rights (one member, one vote) and co-operatives at other levels are also organised in a democratic manner.
• 3rd Principle: Member Economic Participation

• Members contribute equitably to, and democratically control, the capital of their co-operative. At least part of that capital is usually the common property of the co-operative. Members usually receive limited compensation, if any, on capital subscribed as a condition of membership. Members allocate surpluses for any of the following purposes: developing their co-operative, possibly by setting up reserves, part of which at least would be indivisible; benefitting members in proportion to their transactions with the co-operative; and supporting other activities approved by the membership.
4th Principle: Autonomy and Independence

Co-operatives are autonomous, self-help organisations controlled by their members. If they enter into agreements with other organisations, including governments, or raise capital from external sources they do so on terms that ensure democratic control by their members and maintain their co-operative autonomy.
• 5th Principle: Education, Training and Information

• Co-operatives provide education and training for their members, elected representatives, managers and employees so they can contribute effectively to the development of their co-operative. They inform the general public, particularly young people and opinion leaders, about the nature and benefits of co-operation.
6th Principle: Co-operation among Co-operatives

Co-operatives serve their members most effectively and strengthen the co-operative movement by working together through local, national, regional, and international structures.
7th Principle: Concern for Community

- Co-operatives work for the sustainable development of their communities through policies approved by their members.
Developing co-operatives
Co-operatives make the economy more diverse

- Resilience: co-operatives are a sustainable form of enterprise able to withstand crisis, maintaining the livelihoods of the communities in which they operate;

- Level playing field: supportive legal frameworks are needed to create co-operative growth;

- Capital: co-operatives can thrive and support the economy when given appropriate capital instruments;

- Equal promotion: to unleash their benefits, co-operatives require attention equal to the shareholder model.
Co-operatives have an intrinsic commitment to sustainability

- Co-operatives implemented sustainability before the term was coined (1987)

- The seven co-operative principles embed many of the concepts that are currently associated with sustainability

**Providing clean energy**
Energy co-operatives provide renewable energy to their members in the form of solar, wind, biogas, and even district energy.

**Protecting food, forests, and people**
Many forestry and agricultural co-operatives use sustainable management practices that keep carbon in the ground.

**Providing low carbon and affordable housing**
Some housing co-operatives are providing zero carbon or passive house housing to their members.

**Providing sustainable transportation**
Car co-ops provide high efficiency vehicles and reduce the rate of driving and ownership.
Taxi co-ops provide better working conditions for their drivers and fuel-efficient vehicles.
Bike courier co-operatives provide low carbon transport for goods in cities.

**Financing a local and green economy**
Credit unions provide investments in renewable energy and local food.
Insurance co-operatives provide resiliency to members in the face of extreme weather events and a changing climate.

**Leading sustainable production and distribution**
Sell local goods: reduced need for transport.
Reduce footprint at source, lowering waste, generate renewable energy
Educate consumer-members and staff.

**Supporting international cooperation**
Co-operatives work together across national and sectorial borders to develop new co-operatives and build resiliency to climate change.
Welcome to the International Co-operative Alliance
About the International Co-operative Alliance

• A non-profit international association established in 1895 to **advance the co-operative model**;

• Advancing **the co-operative social enterprise model**;

• **The apex organisation** for co-operatives worldwide;

• Representing co-operative federations and organisations **across 105 countries** (figures of November 2017);

• The Alliance’s members are **national level co-operative federations**, individual co-operative organisations and government offices concerned with co-operatives;

• **2.6 million co-operatives** worldwide

• These **members represent almost 1.2 billion individuals**;

• One in every six people on the planet are co-operators
The Alliance unites, promotes and develops co-operatives

**UNITE**
- Member engagement
- Putting in place all the necessary tools to foster interco-operation

**PROMOTE**
- Leadership and commitment
- Promoting the co-operative brand

**DEVELOP**
- Growth and solidity
- Make co-operatives recognised leaders in economic, social and environmental development.
Promoting co-operatives
Domains.coop and the global co-operative marque

- The internet domain exclusively for co-operatives
  - An internet space exclusively for co-operatives
  - An important asset for the co-operative movement, launched 2002 when the internet was still very small
  - Used in web and e-mail addresses by thousands of co-operatives who are actively promoting their identity to the 3B+ internet users across the world

The co-operative marque

- A visual identifier available for all co-operatives to use;
- A new visual identity for use in online and offline communications;
- Sets co-operatives apart from investor or privately-owned business.

These two assets for promoting the co-operative movement, the Marque and .coop, are provided and supported by Domains.coop Limited, an entity wholly owned by the International Co-operative Alliance. Apply for the co-operative marque and a .coop at www.identity.coop or by contacting our colleagues at Domains.coop (support@domains.coop)
The Alliance is the global voice of co-operatives

• Towards the public, the Alliance promotes the importance of the co-operatives’ values-based business model. The Alliance has made available its global strategy for co-operatives to become the fastest growing form of enterprise by 2020, in the Blueprint for a Co-operative Decade.

• Partner to UN agencies;

• Actively engaged with the G20, the WEF, the World Bank, IASB;

• Offering global leaders ideas, solutions and examples to tackle some of the major economic and social challenges;

• Secure legal recognition for co-operatives as a source of sustainable growth, quality employment and a basis for food security.

President:

Ariel Guarco (Argentina)
The International Co-operative Alliance works with global and regional governments and organisations to create the legislative environments that allow co-operatives to form and grow.
General Assembly 2017 of The International Co-operative Alliance
Board adopted Strategic Plan for Phase II of the Blueprint

**Participation**
- Establish co-operative model as central in a collaborative economy
- Position co-operatives as democratic means to leverage collective voice
- Innovate participation in co-operatives

**Sustainability**
- Accentuate co-operative achievements in sustainability
- Leverage global attention on UN SDGs to co-operative advantage
- Make sustainability central to co-operative operations and marketing

**Identity**
- Position co-operatives as values-driven, people-based enterprise model of choice
- Espouse co-operative model in education and media
- Lead with our co-operative identity in communications and marketing

**Legal Frameworks**
- Advocate the co-operative model
- Assess legal frameworks from a co-operative perspective
- Respond to legislative / regulatory changes & demutualisation in a concerted way

**Capital**
- Develop clear proposition for investment in / financing of the co-operative economy
- Develop the co-operative as an asset class for impact and patient-capital investments
- Maximise financial co-operatives' financing of co-operatives
The global context

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<tr>
<th>Global Context</th>
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<tbody>
<tr>
<td>• Climate Change</td>
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<tr>
<td>• Food insecurity</td>
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<tr>
<td>• Inequality</td>
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<td>• Unemployment</td>
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<td>• Socio-political unrest &amp; insecurity</td>
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<td>• Demographic change (i.e. ageing, youth, migration)</td>
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<th>Global Economy</th>
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<tr>
<td>• Decrease of real economy</td>
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<td>• Speculation, austerity, &amp; privatisation</td>
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<td>• Commodity price volatility</td>
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<td>• Changing legal &amp; regulatory regimes</td>
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<td>• Global trade agreements</td>
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<td>• Globalisation of business activity</td>
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<th>“New Economy”</th>
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<td>• Platform enterprises</td>
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<td>• Changing consumer needs &amp; demands</td>
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<td>• Distrust of institutions</td>
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<td>• Youth &amp; entrepreneurship → values-driven</td>
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<td>• Governing common goods</td>
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- Inequality & insecurity
- Volatility
- New economic paradigm
Challenges co-operatives must beat

Global Context
- Volatility & vulnerability
- Pressure on soft infrastructure (i.e. health, food, climate)

Global Economy
- Measuring impact (qualitative)
- Access to capital → demutualisation
- Regulatory regimes not tailored to co-operatives

“New Economy”
- Value proposition / co-operative identity → diluted
- Pressure to innovate & recruit talent (youth)
- Diversifying member needs
Opportunities co-operatives must meet

Global Context
- Values-driven & people centred
- Contribute to peace & social justice
- Sustainable & long-term
- Democratic governance

Global Economy
- Resilient & stable
- Financial inclusion
- Shared wealth
- Decent work

“New Economy”
- Values-based business practices
- Democratic ownership & control
- Relevance to members & consumers
- Efficiencies → Decreasing marginal cost of tech

Equality & Access

Performance & Democratic wealth

Democratic Values
Committee for the Promotion and Advancement of Cooperatives (COPAC)

COPAC is a multi-stakeholder partnership of global public and private institutions that champions and supports people-centred and self-sustaining cooperative enterprises as leaders in sustainable development.
THE ORGANIZATIONS IN THIS YEAR’S DATASET ARE DISTRIBUTED ACROSS 61 COUNTRIES ALL OVER THE WORLD.
TOP 300 COOPERATIVES

Figures are based on 2015 data

TOP 300
BASED ON TURNOVER IN US $ ➔ distributed in ➔ 27 Countries ➔ Recorded a turnover of ➔ 2,164.23 billion US $

mainly concentrated in the “insurance” and “agriculture and food industries” sectors

- 41% Insurance
- 30% Agriculture and food industries
- 19% Wholesale and retail trade
- 6% Banking and financial services
- 1% Industry and utilities
- 1% Health, education and social care
- 1% Other services

World Co-operative Monitor 2017
TOP 300 COOPERATIVES

1. France
   Groupe Crédit Agricole

2. USA
   Kaiser Permanente

3. USA
   State Farm

4. Germany
   BVR

5. Japan
   Zenkyoren

6. France
   Groupe BPCE

7. Germany
   REWE Group

8. France
   Groupe Crédit Mutuel

9. Japan
   Nippon Life

10. France
    ACDLEC E.Leclerc

World Co-operative Monitor 2017
Co-operatives and employment

- Co-operative employment directly concerns 250 million people
Co-operative development partner to the European Commission

• “Co-operatives in Development – People-centred businesses in action”

Objectives

• Position co-operatives in regional and global policies as champions of sustainability;

• Develop the global co-operative brand while safeguarding the co-operative identity;

• Ensure supportive legal frameworks for co-operative growth;

• Ensure sustainable streams of co-operative capital and finances, while guaranteeing member control;

• Terms

• EUR 10 Million, 80% co-financed by the European Commission;

• Duration: 5 years, starting from March 2016

• 117 target countries
European Commission Grant - Target countries (EU partners countries)
Cooperative movement in Italy and the experience of Legacoop
130 years of commitment in Italy and abroad

The history of Italian cooperative movement is strictly linked to the history of the Country.

Italian cooperatives contribute to GDP by 8%.

to promote the potentialities of territories, without delocalizing, assuring the entrepreneurial plurality, equal opportunities for women and youth: the social function played by cooperatives beyond their economic role.
The Italian Republic has, since its foundation, recognized the social function of the cooperative movement

**Art. 45 of Italian Constitutional Chart**

“The Italian Republic recognizes the social function of co-operation with a mutual and non profit character. The legislation promotes and favours its development by the most suitable means and assures, through appropriate controls, its features and aims”
Four coops model...

**Consumer coops**
- Cooperatives providing goods at affordable costs in respect to those of the markets

**Workers’ coops**
- Cooperatives providing their members better labour, economic and social conditions, in respect to those available on the labour market

**Credit Coops**
- Cooperatives providing banking service at local level to support the economic and social development of local communities.

**Agricultural Coops**
- Cooperatives active in the harvesting and processing of agricultural raw material and trading of products provided by members producers to the cooperatives

Fonte: La cooperazione, ed. il Mulino.
Established at the mid of 1970, the law was issued in 1991

The main goal is to improve the life condition of people, mainly those in difficulties

Integration in society and economy of disadvantaged people

Old people, disabled, child care, health, mental illness, drug addicts, prisoners
The Italian cooperative phenomenon is very articulated:

- **large cooperatives** (257 in 2015) make up less than 1% of the active cooperative total but represent over 70% of total turnover;
- most Italian cooperatives, are **small micro-sized** enterprises;
- they operate in **all sectors, and in all typologies** (worker, user and services).

**SOURCE:** STUDIES AND RESEARCH DEPARTMENT OF ALLIANCE OF THE ITALIAN COOPERATIVES
The Cooperative Employment in Italy

Italian cooperative employment has increased a lot since the '70s. In the last years, this has decreased but essentially remains positive until 2014, stable in 2015 and rising in 2016 (1,176,000 employees).

The ISTAT figures do not include the self-employed and those in the non-cooperative enterprises, owned by cooperatives or groups (over 100,000 employees).

SOURCE: STUDIES AND RESEARCH DEPARTMENT OF ALLIANCE OF THE ITALIAN COOPERATIVES
The cooperative size has increased as well as the number of cooperatives, but much less than the increase in employment. Compared with an average of less than 4 workers per firm, cooperatives, instead, count more than 18. The growth in cooperative size has enabled some to become market leaders in the food industry, construction, manufacturing (some sectors), retailing, services (catering, logistics, facility management, etc.) and insurance.

SOURCE: STUDIES AND RESEARCH DEPARTMENT OF THE ALLIANCE OF ITALIAN COOPERATIVES
The Economic crises: Sectoral Dynamics

The policy of defending productive activities reduced the operational margin, but the cooperatives maintained an anti-crisis behavior in terms of investment (+15%); and capitalization (+12%);

Social and Healthcare, Agro-food, Consumer and Retailing were the best performing sectors in terms of production value;

Manufacturing cooperatives were stable;

The worst performing sectors were the construction and the housing ones, hugely affected by the crisis;

The best performing ones were the social cooperatives which during the last 10 years doubled (from 6,000 to 12,000 cooperatives) and increased employment by 150% (from 160,000 to 370,000) and the service cooperatives (mainly the large ones, increasing the employment by 58.3%)

SOURCE: STUDIES AND RESEARCH DEPARTMENT OF ALLIANCE OF THE ITALIAN COOPERATIVES
Socio-economic Impact of Cooperatives

ECONOMIC IMPACT

• Improving market competitiveness
• Stabilizing the economy
• Keeping the production of goods and services close to people’s need
• Inter-generational approach: care for the future
• Fair distribution of income

SOCIAL IMPACT

• Development of social capital and trust
• Income generation and job creation
• Social inclusion and cohesion

Fonte: Euricse
Cooperative Enterprises’ contribution to the SDGs

The International Cooperative Alliance (ICA), together with the International Labour Organization (ILO), analysed whether and how the cooperatives impact on the sustainable development of communities and Countries, measured through the SDGs.

Following to this analysis, the ICA Members (290 organisations from 95 Countries) identified the main areas of contribution of cooperatives to the SDGs (Declaration of Quebec 2016)
http://ica.coop/sites/default/files/De%CC%81claration_finale_ENG_2016.pdf

http://www.coopsfor2030.coop
Co-operative enterprises are recognized as important players within the private sector to achieve the 2030 Agenda for Sustainable Development explicitly recognises co-operative enterprises as important players within the private sector to achieve the SDGs;

The Alliance has identified targets within the 17 SDGs of most relevance to co-operatives, grouped into three main action areas: eradicating poverty, improving access to basic goods and services and protecting the environment and building a more sustainable food system.

Launching an online platform for co-operative sustainability pledges.
FOOD SECURITY

Cooperatives directly help achieve Goal 2 (no hunger) and goals 1 (no poverty) and 3 (good health) of the SDGs by:

- becoming an indispensable tool for organizing and marketing agricultural production;
- improving the productivity and sustainability of family and small agricultural operations;
- facilitating access to agricultural lands and water, as well as to maintaining local properties;
- improving small agricultural producers’ access to the following essential instruments: markets, energy, financial services, information, knowledge and technologies;
- fostering the new generation of agricultural producers, namely by helping young people get established;
- giving small agricultural producers a voice so that governments can pass and implement effective policies;
- supporting the role of women in agricultural production by helping with their training and access to information and technologies; and
- helping to mitigate the impact of food insecurity on young people, particularly the rising cost of staples and lost harvests.
Cooperatives directly contribute to achieving Goal 8 (Good jobs and economic growth), as well as Goals 4 (Quality education), 5 (Gender equality), and 10 (Reduced inequalities) of the SDGs by:

- encouraging entrepreneurship, in particular among youth and women;
- facilitating the emergence and development of small and medium-sized enterprises;
- promoting and offering jobs that ensure a decent quality of life;
- promoting education, training and skills development among youth; and
- enabling the most disadvantaged, namely women, to gain access to decent jobs, including selfemployment, in order to be able to build up assets and have an impact on decisions about growth and economic development.
Cooperatives directly contribute to the achievement of Goal 3 (Good health), as well as Goal 1 (No poverty) and Goal 10 (Reduced inequalities) of the SDGs by:

- protecting people against financial risks related to health care and social services, including the purchase of medication (see mutual societies);
- improving the geographic distribution of health care and social services to the benefit of remote areas and disadvantaged urban areas;
- making available the full range of health care and social services to vulnerable and marginalized populations;
- enabling communities to take charge of the prevention, health care and social services that they need, and to develop an integrated person-centred approach;
- fostering the ability of seniors and persons who are losing their autonomy to remain in their homes; and
- working with governments and supporting non-governmental partners to improve health care for women and girls, who are often deprived of the most elementary care and who are at the greatest risk.
POVERTY AND FINANCIAL INCLUSION

Cooperatives directly help achieve Goals 1 (No poverty), 4 (Quality education), 8 (Good jobs and economic growth) and 10 (Reduced inequalities) of the SDGs by:

- strengthening financial cooperatives to that they can offer reliable and affordable financial services;
- using technology to offer financial services to geographically, economically or socially excluded populations;
- promoting economic empowerment through small loans to low-income persons and communities;
- promoting savings and financial education among people and communities;
- enabling low-income people and their families to improve their financial security;
- helping women become more autonomous by facilitating their access to financing, training and knowledge and skills development; and
- enabling young people to have access to opportunities, technologies and education in order to improve their political, social, democratic and economic impact.
CLIMATE CHANGE AND SUSTAINABLE DEVELOPMENT

Cooperatives help to address several challenges related to Goal 13 (Climate action), Goals 6 (Clean water and sanitation), 7 (Renewable energy), 11 (Sustainable cities and communities) and 12 (Responsible consumption) by:

- making the public and businesses aware of the impact of greenhouse gas on the climate and fostering a stronger culture of sustainable development;
- helping to carry out and finance green renewable energy projects;
- supporting the development and application of energy efficiency measures;
- protecting populations against the risk of natural catastrophes associated with climate change;
- preserving ecosystems and biodiversity, namely by promoting sustainable forest development and smart agriculture;
- promoting gender equality and the autonomy of women in the mitigation and adaptation to climate;
- change in order to achieve equitable and inclusive sustainable development: it should be possible for women to be heard at every level of decision-making, not only in families but also at the political level;
- supporting young people so that they can play an active role in protecting the environment and finding innovative solutions to climate change.
The Private Sector is considered to play a central role toward the attainment of the SDS, in fact the **Goal 17** of the UN’s sustainable development program, which *encourages effective partnerships among governments, the private sector and civil society* to ensure successful sustainable development.

Cooperatives are aware of their duty to help introduce solutions.
CONTATTI:

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