

# Co-operatives call on international policymakers to recognize co-ops as drivers of sustainable growth

With the setting of the United Nations' Sustainable Development Goals in motion, the International Co-operative Alliance, the global voice for co-operatives, has issued today its position on this issue that highlights the many obstacles which still exist for the billion people-strong movement.

Brussels, 24 March 2014 – Sustainable development is at the very core of co-operative enterprises. As a model of business based on ethical values and principles whose goal it is to provide for the needs and aspirations of their members, co-operatives play a pivotal role in responding to local community needs and objectives.

For the co-operative movement, sustainability is to be understood holistically. Environmental, social and economic factors need to develop together for people to become self-reliant. The co-operative model's principle-based approach to growth provides tremendous potential to help communities to thrive socially, environmentally and economically.

With this in mind, the International Co-operative Alliance calls attention to the legislative obstacles which in many countries impede cooperatives' contribution to the Sustainable Development Goals (SDGs).

### How can co-operatives contribute to the Sustainable Development Goals?

Co-operatives do not look at short-term goals of maximizing profits but instead have a long-term aim of sustainable economic growth, social development and environmental responsibility.

Indeed, when closing the 2012 UN International Year of Co-operatives, the UN Secretary-General, Ban-ki Moon, recognised that "as a strong partner in development, the co-operative movement works with the United Nations every day to empower people, enhance human dignity and help achieve the Millennium Development Goals."

The Rio+20 conclusions also "acknowledge the role of co-operatives (...) in contributing to social inclusion and poverty reduction, in particular in developing countries".

Charles Gould, International Co-operative Alliance Director-General: "Co-operatives are vital to society because they send a message that there are sustainable alternatives to the organisation of business and social activities in a more ethical and people-centred way."

# What obstacles do co-operatives face?

Co-operatives often face a very poor enabling environment. This can be either due to restrictive laws or sometimes even the complete absence of a co-operative legal framework. To function well, co-operatives need prudential regulation which protects democratic member control and ownership, autonomy, as well as voluntary and open membership.

Furthermore, co-operatives require access to specific funding programmes which respect the fact that the share capital is owned and democratically controlled by their members.

It is also imperative that co-operative structures participate in the decision making processes regarding the SDGs. Moreover, the identification of specific measures and programs should ensure the involvement of local business, their representative organizations and civil society.

Rodrigo Gouveia, International Co-operative Alliance Director of Policy: "co-operative enterprises are a well suited model of business to deliver the Sustainable Development Goals. The generation and equitable distribution of wealth, the creation and maintenance of sustainable enterprises and jobs at the local level and the concern for the surrounding community are specific characteristics of cooperatives that makes them well suited to deliver these goals."

You can read the full position paper <u>here</u>

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# **NOTES TO THE EDITOR**

## About the ICA

The International Co-operative Alliance is a non-profit international association established in 1895 to advance the co-operative social enterprise model. The Alliance is the apex organisation for co-operatives worldwide, representing 272 co-operative federations and organisations across 94 countries (figures of January 2014). The Alliance's members are national level co-operative federations and individual co-operative organisations.

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. Towards media and public, the Alliance promotes the importance of co-operatives' values-based business model.

Yearly, the Alliance publishes the World Co-operative Monitor, the index of the world's largest co-operative and mutual enterprises. The Monitor demonstrates the economic impact of co-operative enterprises worldwide. The 2013 Monitor revealed a total worth of USD \$ 2 trillion for the world's top 300 co-operative and mutual organisations, spread across 23 countries.

Operating from a global office in Brussels, Belgium, the Alliance is organised with four Regional Offices (Europe, Africa, Americas, and Asia-Pacific), and eight Sectoral Organisations (Banking, Agriculture, Fisheries, Insurance, Health, Housing, Consumer Co-operatives, and Worker Co-operatives).

Further information about the Alliance's Blueprint for a Co-operative Decade is available at <a href="www.ica.coop">www.ica.coop</a>. Follow the Alliance on <a href="twitter">twitter</a> at @icacoop. Like the Alliance's <a href="Facebook">Facebook</a> page at <a href="www.facebook.com/internationalcooperativealliance">www.facebook.com/internationalcooperativealliance</a>

