



DRAFT CONCEPT NOTE

INTERNATIONAL DAY OF COOPERATIVES

Panel Discussion

Cooperative enterprises achieve sustainable development for all

Conference Room 3 (CB), UN Headquarters, New York

10 July 2014, 10am- 1pm

Background

Over the past three decades, the world has made remarkable development progress. The Millennium Development Goals (MDGs) focused our efforts on poverty reduction and on improving general well-being; particularly in the developing world. However, many injustices remain. Progress has been unbalanced and many countries, communities and social groups have not benefitted from these progress. For development to be socially and economically sustainable, we must right these wrongs and move development forward in an inclusive, just and sustainable manner. The 2014 commemoration of the International Day of Cooperatives focuses on promoting the real and potential contributions of the cooperative business model in achieving sustainable development for all.

Cooperative enterprises put social justice and equity at the heart of economic progress. As member-owned, member-run and member-serving businesses, cooperatives empower people to collectively realize their economic aspirations, while strengthening their social and human capital and developing their communities.

Cooperatives exist in almost every sector, in all world regions, and are especially prevalent in sectors critical to achieving sustainability. More than half of the world's cooperatives are estimated to focus on agriculture and food production, cementing the contributions of the business model to food security and rural development. The presence of cooperatives in the financial sector is also striking, as is the strength and resilience displayed by financial cooperatives since the 2007-2008 global financial and economic crisis. Worldwide, financial cooperatives serve over 857 million people, including 78 million people living on less than US\$2 a day, and represent 23 per cent of all bank branches¹. In some countries, their reach in critical sectors is enormous. For example, in the United States of America, almost 1,000 electricity cooperatives own and maintain 42 per cent of the national electricity distribution lines, covering

¹ Grace, David (2012). Five lessons for growing financial co-ops. Presentation at the United Nations Expert Group Meeting on *Harnessing the Cooperative Advantage to Build a Better World*, Addis Ababa, Ethiopia, 4-6 September.

75 per cent of the country's territory. In Argentina and Bolivia, cooperatives play a major role in managing water supplies, with one large urban water cooperative serving approximately 700,000 customers².

Cooperatives play an important role in achieving social stability and social inclusion. With their ownership structures and goals that are different from those of investor-owned enterprises, cooperatives encourage diversification and innovation, and enable a fairer distribution of income. Being member-owned and run cooperatives also contribute to keeping the production of goods and services close to the needs of the people that they serve. In this context, cooperatives provide a good platform for promoting collective entrepreneurship among marginalized populations who have difficulties entering the traditional labour market.

As the international community moves closer to the adoption of the post-2015 Development Agenda and Sustainable Development Goals, the contributions of cooperatives should be recognized and promoted by all stakeholders. Cooperatives provide a perfect pathway for building participatory and inclusive societies that put the needs of people at the centre of all development efforts that are socially, economically and environmentally sustainable. Cooperatives are, therefore, a well-suited model for the implementation of sustainable development goals.

Objective:

The 2014 commemoration of the International Day of Cooperatives will highlight the principles, values and operational realities of cooperatives that make them unique instruments for achieving sustainable development and showcase the importance of the business model to realizing people-centred, inclusive development, post-2015.

Questions to be answered:

- What is the evidence that shows the contributions of cooperatives to sustainable development?
- What is it about the nature of cooperatives that give them an advantage in sustainable development practice?
- How could cooperatives contribute to the post-2015 development agenda in terms of formulating SDGs and promoting and implementing them?

Partners:

- The Permanent Mission of Mongolia to the United Nations
- COPAC (UN DESA, FAO, ILO)
- International Co-operative Alliance (ICA)
- NGO Committee for Social Development

² Co-ops Facts and Figures. The National Rural Electric Cooperative Association of the United States of America. Available from <http://www.nreca.coop/members/Co-opFacts/>.

Invitees:

The event will be open to United Nations Member States, United Nations Secretariat Departments, Agencies, Funds and Programmes, Development Partners, Cooperatives and Civil Society.



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