Expert Group Meeting on "Cooperatives in a world in Crisis" New York, 28-30 April 009

On behalf of the United Nations, I would like to welcome all of you to this expert group meeting on "Cooperatives in a world in crisis".

Before I get to the substance of this meeting, I would like to acknowledge the contribution of the International Cooperative Alliance (ICA) and the International Labour Organization to the planning and preparations for this meeting. I would also like to acknowledge the non-UN sponsors who made possible to have a larger participation at this meeting: again, the International Cooperative Alliance (ICA), the Committee for the promotion and advancement of Cooperatives (COPAC), the National Cooperative Business Association (NCBA), the European Association of Cooperative Banks (EACB), the World Council of Credit Unions (WOCCU), the Crédit Coopératif and the Swedish Cooperative Centre.

Thanks to these sponsors, we have a broad spectrum of participants: experts and scholars, stakeholders and partners representing cooperatives, the public sector and UN system organizations.

As you all know by now, in 2007 the General Assembly requested the United Nations Secretariat to consult with Member States and cooperative stakeholders as to the desirability and feasibility of proclaiming an International Year of Cooperatives. This meeting is part of that consultation and its outcome will be used as an input to the report of the Secretary-General to the UN General Assembly at its 64th session in September 2009 on the general topic of the role of cooperatives in social development.

The rationale for designating international observances such as an international year is to advance international cooperation and understanding of an area of priority concern to the United Nations. When the General Assembly passed resolution 62/128, Member States had in mind the contribution that an international year of cooperatives could make to promoting "the potential and contribution of cooperatives for the attainment of social goals, in particular the eradication of poverty, the generation of full and productive employment and the enhancement of social integration".

Sixteen months after this resolution was passed, we live in a different world. Coming on the heels of the food and energy crises of 2008, an unprecedented global economic and financial crisis is threatening the socio-economic achievements of the past decade.

International trade has collapsed. Domestic demand and economic output have markedly declined in many countries and unemployment is surging. As livelihoods of rural and urban families rapidly deteriorate, recent gains in poverty reduction as pursued by the UN MDGs could be lost. And while it has never been eliminated, world hunger might re-

surface as a major development issue. In addition, the challenges faced by the rural sector can be exacerbated by the need to absorb returning unemployed urban workers.

Against such a background, we are gathered here to map out a strategy on how cooperatives can help enhance their contribution to socio-economic development and, more specifically, respond to the current global challenges of food security and the financial crisis.

We specifically focus on the relevance of cooperatives in the current food and financial crisis because these are currently the two priority concerns of the United Nations as well as two areas of cooperative excellence. We expect to learn from you about good practices, lessons learned and recommendation on the socio-economic impact of cooperatives.

Obviously, the current economic and social context contributes to makes the case for the desirability of an international year of cooperatives. As for the feasibility of the year, this depends entirely on the commitment and contribution of the major stakeholders.

As indicated in the programme, we have a full schedule of discussions. On day 1, we tackle the role of cooperatives in energizing the agricultural sector to raise productivity and enhance participation in trade, and more broadly, promote rural development. On day 2, we focus on the impact of the financial crisis and possible responses to strengthen financial cooperatives. On the third day, we will discuss the proposal of declaring an International Year of Cooperatives.

I believe we are meeting in a time of great challenges. None of us will claim that cooperatives have a monopoly to the solutions of the current crisis. But they do offer an alternative, or better yet, a complementary model of business enterprise - one that is community-centered and seeks to balance the private benefits of members and the social benefits to the communities.

I would like to leave you with some challenges for cooperatives in light of the current crisis:

- 1. **reinvigorate agricultural cooperatives**. Globally, cooperatives have a significant presence in the agricultural sector. How can cooperatives help small farmers increase their agricultural productivity and incomes? Is there scope for cooperatives to provide farmers with access to agricultural knowledge, technologies and marketing systems to engage in global trade without compromising food security?
- 2. **broaden and deepen outreach of cooperatives, especially to the marginalized.** What new initiatives can be introduced to promote self-organization to create employment and prevent people from falling into poverty, given the current economic crisis? How can the provision of financial services be more inclusive?

- 3. **ensure the viability and sustainability of cooperative enterprises**. How can cooperatives expand sources of funding to include non-traditional and non-governmental partners? How can cooperatives diversify sources of funding to become more autonomous and independent?
- 4. expand cooperatives contribution to social and financial inclusion.

I think you will have very interesting and lively discussions because of the urgency and social relevance of our topics. I wish you a very productive meeting.