

Expert Group Meeting

*Ensuring That No One Is Left Behind:
The Co-operative Sector as a Partner in the Implementation of the United Nations 2030 Agenda for Sustainable
Development*

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“Co-operative Institutional Resources at the National and Regional Levels That Can Be
Leveraged For Implementing the SDGs”

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Introduction

Co-operatives have become important vehicles for development, the world over. The United Nations (UN) has long recognized this fact. Today's forum is further testimony to this reality. I am pleased to be involved in it. I am grateful to the Division for Social Policy and Development of the United Nations Department of Economic and Social Affairs for affording me the continuing opportunity to be part of this exercise. I consider it a most suitable framework for networking and sharing ideas on realizing sustainable development goals.

In the introduction to "Partnerships for Sustainable Development Goals", prepared by the Division for Sustainable Development United Nations Department of Economic and Social Affairs in collaboration with partners, on page one, it is stated, "*The achievement of the 2030 Agenda for Sustainable Development and the Sustainable Development Goals will require all hands on deck. It will require different sectors and actors working together in an integrated manner by pooling financial resources, knowledge and expertise.*" I am at one with this statement; and I take this statement as meaning, literally every hand from every land, no matter how small.

That is why I am so pleased to have been invited to consider ways in which co-operative institutional resources can be leveraged at the national and regional levels for implementing the SDGs. I will offer my suggestions using my experience working with credit unions and other non-financial co-operatives in St. Vincent and the Grenadines and the wider Organization of Eastern Caribbean States (OECS).

In September 2015, all nations globally, including my own signed on to the pledge of realizing the seventeen (17) Sustainable Development Goals (SDGs) by 2030. This action symbolized an expression of willingness and a pledge of commitment to take on the task ahead. These seventeen sustainable development goals concern the well-being of people and the environment that support life and living. They cut across all areas of social and economic life and across all population sub-groups, albeit unevenly depending on geography and culture.

Goal number 17 which reads, “*Strengthen the means of implementation and revitalize the Global Partnership for Sustainable Development,*” is a recognition that multi-stakeholder partnerships are important vehicles for mobilizing and sharing knowledge, expertise, technologies and other resources to support the achievement of the sustainable development goals in all countries, particularly developing countries. Furthermore, this goal seeks to encourage and promote effective public, public-private and civil society partnerships in and of themselves, but also by building on experience, and resourcing strategies for partnerships.

It is challenging, especially for small islands developing states, to implement programs leading to sustainable development goals. It is not impossible, however. To the extent that it is possible and practicable, it must be encouraged and supported. It is therefore very encouraging to consider how Co-operative Institutional Resources that can be Leveraged at the National and Regional Levels for Implementing the SDGs. I plan to explore this question, using the experience of co-operatives in the Organization of Eastern Caribbean States (OECS) to elaborate the point.

Defining Co-operatives

Just to refresh our understanding of the definition of a co-operative, I refer to that provided by the International Co-operative Alliance (ICA 2004). It states as follows: “*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*”.

Co-operatives are rules based and structured organizationally to regularize and govern interactions and transactions among their members to derive common benefit. In general, co-operatives promote co-operation and social elevation among men and women in the interest of development at the individual, community and national levels. The general philosophy is each one helping another.

Typical social interest groups and population sectors deriving benefits from being members of co-operatives have included associations of teachers, police, civil servants, and farmers; and population groups such as women, low income earners, low income families, more generally, persons who have been disadvantaged and marginalised through various social and economic circumstances.

Considered peoples' organisations, co-operatives are structured along lines that promote democratic forms of engagement; they enable participatory processes that promote transparency and accountability. As such they are ideally positioned to act by themselves or in partnership with other entities to achieve goals that reflect and support the production of life and living and protect and promote the wellbeing of people.

Guiding Principles and Practice

In principle and in practice, co-operatives operate on grounds of:

- *“Open and Voluntary Membership”*: no one is excluded from being a member once he or she accepts what has been established as the common bond;
- *“Democratic Member Control”*: members enjoy equal rights to vote (one member one vote) and participate in decisions affecting the co-operative;
- *“Non-discrimination”*: no one is excluded from becoming a member on account of race, religion, gender, orientation, nationality or politics;
- *“Transparency and Accountability”*: all information is available to members;
- *“Autonomy and Independence”*: the operations of the co-operative are determined and driven solely by its members within the framework of the law and regulation;
- *“Education, Training and Information”*: on-going education and training for members, officers and employees, and the public on the principles of co-operatives;
- *“Net-working among Co-operatives”*: the act of co-operating with other co-operatives at all levels in keeping with the co-operative philosophy; and

- “*Exercise Social Responsibility*”: seeking and supporting the realization of human and social development including social justice for all in every community.

Institutional Resources of Co-operatives

Institutional resources of co-operatives relate to the structures and processes that govern their operations, and the people who are pivotal to their management and their general running. The structure includes the Board of Directors, and standing and ad hoc committees. Processes refer to Annual General Meetings, general meetings, meetings of the Board and committees, and special meetings, as well as visits and spot checks by representatives of regulatory bodies, in order to ensure compliance in the first instance, and safety and soundness of operation in the last.

Management and staff expertise, the physical space where management operations take place, and the resource endowment of co-operatives all form part of the institutional resource capacity of the co-operative. It is at this level that the factors of responsibility and accountability are most crucial. All of these are buttressed by the size and activism of the membership. These resources become multiplied in formal national and regional networks of co-operatives. Thus, institutional resources abound in co-operatives; they constitute an appropriate framework for activities that can produce sustainable development outcomes.

The National and Regional (OECS) Levels – *Geographic and Demographic Profile*

The Organisation of Eastern Caribbean States (OECS) is an archipelago chain of islands located between latitude 11 degrees south and 20 degrees north, and around 61 degrees longitude. This group includes six independent countries of Antigua and Barbuda, St. Kitts and Nevis, the Commonwealth of Dominica, St. Lucia, St. Vincent and the Grenadines, and Grenada, Carriacou and Petite Martinique and Montserrat as full members. Anguilla and the British Virgin Islands (two British Overseas Territories) have associate membership status.

The land masses of the OECS are washed by the Atlantic Ocean along their eastern coastlines and the Caribbean Sea along the western. These island nations are tiny specs in absolute and relative geographic terms and by any measure. They range in population sizes from 5,000 in

Montserrat, the smallest to 174,000 for Saint Lucia, for a total population of about six hundred thousand. Their physical sizes range from 102 square kilometres in the case of Montserrat to 750 square kilometres in Dominica, for a combined land mass of two thousand, eight hundred and eleven (811) square kilometres.

Together with the physical attribute of smallness both in land mass and population size, these countries possess a number of features which limit their resource base and restrict their development capability. Such features include the size and structure of their economies, low level of production and productivity, the insularity of independence and sovereignty, high cost of governance, susceptibility to natural disasters, and the incidence of crime.

Apart from these limiting features and their attendant challenges, the OECS countries possess other features which create possibilities for resource mobilisation and development. The OECS countries are located in one of the choice regions of the world, in the Caribbean where the physical environment is most pleasant for work and leisure for the greater part of the year; the countries have a landscape and a seascape which, historically, have made them very attractive and endearing to sailors and explorers. They are independent and sovereign states, being able to enter into bi-lateral and multi-lateral relations with other countries of the world.

With their unique landscape and seascape the OECS countries historically have served as retreat ground and extended leisure space for wealthy expatriates, especially North Americans and Europeans. They have an educated and trained population for whom English is the official language. They are located within close proximity of the United States of America and Canada. As such they form part of an important gateway to the United States and Canada, being part of a transshipment corridor for people and goods.

The governments of the OECS have been working to integrate their economies and their governance, and to allow for the easier inter-chain movement of their citizens. Their various parliaments have passed laws to this effect. Already co-operation exists among OECS countries in a number of important areas including education, health, sports, security, the fight against drug trafficking and money laundering, disaster preparedness and mitigation, and the formation of

capital markets, including the laws and regulations governing them. These moves are providing a more enabling framework for the further growth and sustainability of the OECS co-operative tradition.

Co-operatives in the OECS: *The Existing Situation*

Currently, there are two hundred and ninety-two (292) co-operatives in the OECS. They represent forty-eight (48) financial co-operatives (*credit unions*) and two hundred and forty-four (244) non-financial co-operatives. Of the 244 non-financial co-operatives, 122 operate in various social and economic sectors of the economy, while 122 are explicitly school based co-operatives. Up to the end of December 2015 over three hundred and thirty-six thousand, nine hundred and eleven (336,911) persons were registered as members of these co-operatives. This means that in the OECS five out ten persons belonged to a cooperative of some sort.

When these figures are compared with similar indicators for countries in other parts of the world, the picture is very clear that co-operatives in the OECS make important contributions to OECS economies, and they perform a cardinal role in the socio-economic development of the sub-region. Their role and contribution have grown in absolute and relative term since their inception in the 1940's.

Brief Historical Perspective

Co-operatives were introduced in the Caribbean, initially in Jamaica following the report of the Moyne Commission in 1945 which was set up by the British Colonial government in response to a series of unrest that took place across the Caribbean during the 1930s.¹ Since then they have taken root across the Organisation of Eastern Caribbean States (OECS) and they are playing a vital role in social development.

¹ *The Report of West India Royal Commission, also known as The Moyne Report, was published fully in 1945 and exposed the horrendous living conditions in Britain's Caribbean colonies. Following the British West Indian labour unrest of 1934–1939, the Imperial Government sent a royal commission to investigate and report on the situation while also offering possible solutions.*

Established in partnership with governments partly in response to the findings of the Moyne Commission Report, co-operatives continue to serve as an essential starter and facilitator for persons from economically disadvantaged sectors in the areas of housing, education, health, agriculture, and enterprise development, and employment, generally. So significant is the role played by co-operatives that some Caribbean governments recognize them as constituting the third sector alongside government (the public) and the private sectors. Co-operatives have been recognized as important vehicles in the fight against poverty, social inequalities, and the creation of quality employment, both directly and indirectly.

Over the years, the legal and regulatory framework has had to be updated and modernized to accommodate the growth and expansion of co-operatives, especially credit unions. There are now Revised Co-operative Societies Acts with accompanying regulations in place; harmonized for wide implementation across the OECS. Across the OECS, co-operatives, particularly credit unions have grown from very tiny insignificant financial enterprises to become major operators in the financial market as recognized by the Eastern Caribbean Central Bank, the sub-regional Monetary Authority.

Today co-operative credit unions are enabling the pooling of resources for employment and livelihoods for their members and others in the general population; they function as sources of capital providing micro and small loans to members, in areas of finance, agriculture, fisheries, purchasing and marketing, agro-processing, housing, and transportation, even taking of love ones upon death. In many important ways these co-operatives have been supporting and sustaining the livelihoods of rural and urban families while at the same time helping to sustain national economies.

It is possible to conclude that:

- a.) The growth and expansion of co-operatives have been very significant both across the OECS and within the countries of the OECS, since the 1940's;
- b.) Co-operatives are institutions occupying physical space at different locations in urban as well as rural communities in all the countries of the OECS;

- c.) Co-operatives are now an essential part of the social and economic landscape in the OECS;
- d.) Co-operatives have an growing membership base - more than half (54%) of the people of the OECS belong to co-operatives, therefore they operate in positions of influence;
- e.) In the OECS the co-operative sector has a diverse membership base;
- f.) Across the OECS, co-operatives have established very solid links with all population groups in their national communities;
- g.) As elsewhere where they exist OECS co-operatives are endowed with armies of volunteers, who are trained, and willing and committed to serve invariably when called upon;
- h.) Co-operatives in the OECS have proven to be endowed with trusted leadership, and they have a tradition of knowing how to attract and renew their leadership;
- i.) Co-operatives have trained employees who manage daily operations;
- j.) Through their sheer numbers and the size of their asset base, and as a result of their praxis and experience, adherence to their principles and philosophy, co-operatives have laid a respected track record of autonomous and independent existence and operation, and they are perceived as such by all;
- k.) On their own account and through their adherence to government laws and regulations and the supervision of financial and regulatory authorities, co-operatives have put in place governance structures and processes that require them to be transparent, accountable and very responsible in their operations;
- l.) Co-operatives, in particular credit unions now accounts for a significant proportion of the financial markets, nationally and regionally;
- m.) Co-operatives are good at initiating actions and furthering causes, thus they have been able to form strong and lasting networks at the national and regional levels;
- n.) Co-operatives have established communication links that facilitate active networks for enabling interactions and actions between individuals and organisations;

Therefore co-operatives are well placed and they have the highest pertinence to be counted as part of the array of stakeholders to assist the implement of programmes and activities aimed at realising the Sustainable Development Goals (SDGs). They possess solid institutional resources that could serve as counterpart contributions to sustainable development goal activities and programs. Here are some ways in which this can be done.

Opportunities for Leveraging Institutional Resources of Co-operatives at the National and Regional Levels with Implementation of the Sustainable Development Goals

From the foregoing, it is obvious that there are areas where the program and activities of co-operatives at the national levels and across the OECS can be linked with UNDSP and UNDESA program for the purpose of implementing the 2030 Agenda for Sustainable Development. The most common areas of interest appear to be the following:

- Livelihood creation for poverty alleviation
- Entrepreneurship and enterprise development
- Leadership capacity development and management
- Support for and the promotion of sustainable agriculture
- Linking agriculture to processing – agro-processing
- Gender equality
- Support for education
- Balance nutrition and wellness promotion through food production and security
- The promotion of financial literacy and thrift
- Environmental protection – actions to minimize the impact of climate change
- Strengthening democratic platform and processes
- Training for capital mobilization, production management, and financial sustainability
- Systems to generate and store social and economic data in a more coordinated and harmonious ways.

This list contains Education, Health, Agriculture and Business Enterprises as primary areas of living and production, and the promotion of financial literacy and thrift as the core areas of concern for members of co-operatives, and gender equality, poverty alleviation, nutrition and wellness promotion, employment creation, responsible consumption, environmental protection, promotion of democratic forms of organization as the cross-cutting areas. In all respects this list connects with the thrust of the sustainable development goals.

National networks of co-operatives already exist and are functioning effectively in all of the countries of the OECS. They exhibit all of the features outlined above and they are subjected to the same institutional rigor and regulatory compliance requirements. Structures, systems and processes of accounting and accountability for resources, including money, data base and systems of volunteers, established links with state departments and agencies, channels of communication with the public are in place. These features are reproduced at the regional level

under one organization called the Eastern Caribbean Co-operatives Central. The foregoing is a framework and the basis for OECS co-operatives to advance the causes that are embodied in the sustainable development goals.

While there are some challenges that condition the effective delivery of service to their members, it is my contention that opportunities exist for overcoming these challenges while simultaneously advancing the implementation of the 2030 sustainable development goals. The smallest probability of success makes this effort worthwhile.

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