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**The Potential Role of the UN Guidelines
and the new ILO Recommendation
on the Promotion of Cooperatives**

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The Potential Role of the UN Guidelines and the New ILO Recommendation on the Promotion of Cooperatives

I. Brief Background on the ILO's Involvement with Cooperatives

The International Labour Organization, a specialized agency of the United Nations, was established in 1919 to promote social justice and internationally recognized human and labour rights. Recognizing the importance of cooperatives to millions of people around the world, the ILO has been actively engaged in supporting cooperative development since the establishment of a cooperative technical service in 1920, deriving its mandate from the ILO's Constitution which provides for consultations with recognized non-governmental international organizations including those of agriculturists and cooperators. It is interesting to note that the first ILO Director-General, Mr. Albert Thomas, was a member of the Executive Committee of the International Co-operative Alliance, which as the global voice of the cooperative movement, maintains a consultative status with the ILO.

The ILO, then and now, has viewed cooperatives as important tools for improving the living and working conditions of both women and men. The ILO sees cooperatives as businesses that are based on a broad set of democratic and egalitarian values. Since cooperatives are owned by the users of the services they provide, they make decisions that balance the need for profitability with the welfare of their members and the community which they serve. As cooperatives foster economies of scope and scale, they increase the bargaining power of their members providing them, among others benefits, higher income and social protection. Hence, cooperatives accord members opportunity, protection and empowerment - essential elements in uplifting them from degradation and poverty. The ILO has thus always supported the development of cooperatives as important vehicles in meeting its goals.

Through the Cooperative Branch the ILO provides a variety of services to ILO constituents, by means of policy advice to ILO member States, technical cooperation, documentation and information to increase public awareness about cooperatives, and the promotion of cooperative methods and approaches to resolve a variety of problems and issues. Technical cooperation activities cover a wide range of themes, including cooperative reform and legislation, human resource development and networking, job creation, poverty alleviation, and local economic development. The ILO has the largest technical cooperation programme on cooperatives within the UN system.

With the ILO's recent consolidation of its focus on Decent Work or the “promotion of opportunities for women and men to obtain decent and productive work, in conditions of freedom, equity, security and human dignity”, the Cooperative Branch has placed greater emphasis on the employment creation activities of cooperatives and their capacity to provide social protection, especially to the marginalized sectors of society. The organizational flexibility of cooperatives to reach out to the informal economy provides a good opportunity to improve the conditions of work in this otherwise unprotected sector. It is noteworthy that the very values and principles on which cooperatives are based - self-help, self-responsibility, democracy, equality, equity, solidarity, social responsibility and caring for others - find congruence with the notion of Decent Work. It may also be of interest to note that this year's International Labour Conference

will include a general discussion on the Informal Economy and it is expected that cooperative forms of organization will feature prominently.

II. The ILO and Standard Setting

The ILO promotes universally recognized human and labour rights primarily through its standard-setting functions. Its highest decision-making body, the International Labour Conference (ILC) debates and adopts standards on labour rights, employment, human resource development and other ILO concerns including, for example, small and medium enterprise and cooperative development. A labour standard can be in the form of a Convention or a Recommendation. An ILO Convention, once ratified by a member State, becomes binding for that country and compliance becomes mandatory. A Recommendation, as the name implies, serves as a policy guide for member States and compliance is not an obligation. In practice, however, many member States adopt the provisions of ILO Recommendations and frequently incorporate important provisions in their national laws.

In the ILO, cooperatives are directly or indirectly referred to in various Conventions and Recommendations but only one Recommendation focuses solely on cooperatives. This is Recommendation No. 127 concerning the Role of Cooperatives in the Economic and Social Development of Developing Countries. This Recommendation was adopted at the 50th Session of the ILC in June 1966 and has since guided the work of the ILO in the field of cooperatives.

Since 1966, however, political, economic and social changes have affected the situation of cooperatives throughout the world and a revision of the Recommendation was long overdue. In March 1999, the ILO Governing Body decided that a new universal standard could help enable cooperatives to develop more fully their self-help potential, placing them in a better position to meet current socio-economic problems such as unemployment and social exclusion, and help them compete in a global market place. In the UN, work was already well underway to develop guidelines as a result of resolution 51/58 of 12 December 1996 as explained below in Section 4.

III. Main Reasons for the Revision of ILO Recommendation

The ILO Governing Body's decision was based on the following main reasons:

- The focus of Recommendation No. 127 is limited to developing countries while new roles for cooperatives in both the industrialized and the former communist countries have emerged in the last thirty years;
- Recommendation No. 127 mirrored the development concerns of the 1960s where cooperatives were seen primarily as tools in the hands of the government. The Recommendation thus overemphasizes the role of the government in cooperative development and weakens the autonomous character of cooperatives. In accordance with the reformulated universally recognized cooperative principles, cooperatives should be regarded primarily as a means for their members to achieve their common economic and social goals. Their autonomy as a form of a private enterprise should be upheld;

- The socio-economic transformation of former communist states increased technical assistance requests for the privatization of state enterprises including their conversion into member-controlled cooperatives. The Recommendation should reflect this new role of cooperatives resulting from liberalization and privatization of trade and services rather than focussing on the role of cooperatives in the implementation of agrarian reforms, as was the case in 1966;
- In industrialized countries, new forms of cooperatives and new cooperative enterprise structures have emerged to take advantage of the challenges and opportunities opened up by globalization and technological changes. Heightened competition from other forms of business enterprises has also necessitated these changes. These facts require recognition in a new ILO standard on cooperatives;
- In many countries, political, economic and social changes have put pressures on government to limit their involvement in economic and social affairs. The core idea of structural adjustment programmes is a shift from public to private initiative - in financing, management and responsibility. The State's role is increasingly limited to that of providing the political, legal and administrative framework for the development of private organizations including cooperatives. The existing ILO standard has yet to take account of these developments.

IV. Towards a New Instrument

In common with other ILO standards, the proposed revision of Recommendation No. 127 passes through two major discussions at the ILC. The first discussion took place in June 2001 at the 89th Session of the ILC which deliberated the "Proposed Conclusions" or the provisions proposed to be incorporated in the new instrument. These "Proposed Conclusions" were formulated on the basis of responses to a questionnaire circulated to ILO member States in January 2000. The 89th ILC adopted "Conclusions" which in turn has been utilized by the International Labour Office as the basis for a proposed draft of the new Recommendation. The proposed text was circulated to member States in August 2001 and their responses have now been collated and incorporated in a new text which will be the subject of a second deliberation in the 90th ILC this coming June. This discussion will pave the way for the adoption of a new ILO Recommendation on the Promotion of Cooperatives.

It is difficult to predict how the discussion will develop but from indications already received from the commentaries of member States on the Proposed Recommendation a number of issues are likely to be the subject of debate at the Conference. These include the references to the concept of Decent Work and certain labour standards; the equality of treatment between cooperatives and other forms of business organization (the so-called "level playing field"); and the precise nature of and conditions for government support to cooperatives. A broad consensus exists regarding the need to protect cooperative autonomy and independence but some constituents feel that the right balance between these important values and the need to support cooperatives that meet national social and public policy outcomes has not yet been reached.

V. United Nations Guidelines on Cooperatives

Moving on to the UN Guidelines on Cooperatives, the UN General Assembly had encouraged Governments in its resolution 51/58 in December 1996, to review the legal and administrative provisions governing the activities of cooperatives with the aim of ensuring a supportive environment so that cooperatives could make an appropriate contribution to the attainment of goals of national development.

In the same resolution, the Secretary General was requested by the General Assembly to ascertain, in cooperation with the Committee for the Promotion and Advancement of Cooperatives (COPAC), the desirability and feasibility of elaborating UN guidelines aimed at creating a supportive environment for the development of cooperatives.

In a later resolution (54/123, 17 December 1999), the General Assembly requested the Secretary-General to seek views from Governments on the draft guidelines and to provide, if necessary, a revised version for adoption. The revised draft guidelines, together with the views of Governments on the draft guidelines and on ways to render support to Member States were presented in the report of the Secretary-General on cooperatives in social development A/56/73-E/2001/68.

In the ensuing resolution, A/RES/56/114 of 18 January 2002, the General Assembly drew attention of Member States to the revised guidelines, which could be considered by them in developing or revising their national policies on cooperatives. The resolution also encourages Governments to keep under review the legal and administrative provisions governing the activities of cooperatives with a view to ensuring a supportive environment for them and to protecting and advancing the potential of cooperatives to help them to achieve their goals.

Moreover the resolution urges relevant international and specialized agencies, in collaboration with national and international cooperative organizations, to consider the role and contribution of cooperatives in the implementation of and the follow-up to the international conferences (Social Summit, Women Conference, Habitat), by

- utilizing and developing the full potential and contribution of cooperatives for the attainment of social development goals;
- encouraging and facilitating the establishment and development of cooperatives including taking measures to enable disadvantaged and vulnerable groups to engage voluntarily in the creation and development of cooperatives; and
- taking appropriate measures aimed at creating a supportive and enabling environment for cooperatives by, *inter alia*, developing an effective partnership between Government and the cooperative movement.

The resolution invites governments to develop programmes to promote and strengthen the education of members, the elected leadership and professional cooperative management, where appropriate, to create and improve statistical databases on the development of cooperatives and their contribution to national economies. It also invites relevant international

organizations, specialized agencies and local, national and international cooperative organizations, to continue to observe the International Day of Cooperatives annually.

Finally the resolution requested the Secretary-General, in cooperation with the relevant UN and other international organizations and national, regional and international cooperative organizations, to render support to Member States in their efforts to create a supportive environment for the development of cooperatives and to promote an exchange of experience and best practices, through the organization of conferences, workshops and seminars at the national and regional levels.

VI. Potential Role of UN Guidelines and the Proposed ILO Recommendation

The texts of both the UN Guidelines and the new ILO draft instrument are the result of long consultation processes with Member States, national and international cooperative movements and, in the case of the ILO, workers’ and employers’ organizations.

Both instruments have been developed with a view to providing suggestions, advice and broad principles to Governments on which they can base their national cooperative policies. As the ILO constituents also comprise workers’ and employers’ organizations, suggestions on their role, and the relationship between them and cooperative organizations, are also included in the text.

The overall goal of both instruments is to create a more conducive and supportive environment for cooperatives worldwide. Both texts have therefore a number of common features, the most important of which are summarized below. A few issues, however, are specific to the organizations in question, such as the encouragement to Governments to observe the International Day of Cooperatives in the UN Guidelines and the special importance given to workers’ rights in the ILO text, (i.e. core labour standards and the ILO Declaration on Fundamental Principles and Rights at Work).

Some of the main features of the two texts are compared below:

(i) Universality

The UN Guidelines apply to all Member States, and it is expected that the new ILO Recommendation will also apply to all its Member States. The former ILO Recommendation No. 127 (1966) on the other hand, only applied to developing countries. However, since the new ILO Recommendation is expected to be universal in scope, this will require a very careful balancing of the provisions to reflect what could be applicable in different countries.

<p>ILO:</p> <p>§1: “The Recommendation applies to all types and forms of cooperatives.”</p> <p>§4: “Measure should be adopted to promote the potential of cooperatives in all countries irrespective of their level of development.</p>	<p>UN:</p> <p>§5: “The objective of the present guidelines is to provide advice to Governments.....</p> <p>.....many policies in most of the Member States of the United Nations might benefit from review, and in some cases from substantial revision”.</p>
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(ii) Definition of cooperatives

The UN Guidelines recommend that national laws should include a definition of cooperatives based on the ICA Statement on the Cooperative Identity. The draft text of the ILO recommendation however, proposes a combination of the ICA and ILO definitions, which emphasizes the distinct character of cooperatives and the roles and responsibilities of members.

<p>ILO:</p> <p>§2: “the term ‘cooperative’ means an autonomous association of persons who voluntarily join together to meet their economic, social and cultural needs and aspirations through the formation of a jointly owned enterprise, contributing equitably to the capital required, accepting a fair share of the risks and benefits, and participating actively in its management and democratic control.”</p>	<p>UN:</p> <p>§11: “laws should include a definition of cooperatives, using the “Statement on the cooperative identity”, adopted by the International Cooperative Alliance in 1995; recognition of the unique nature of the values and principles of cooperation.....”</p>
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(iii) The Cooperative Identity: Cooperative Values and Principles

Both texts recognize the specific character of cooperatives as business enterprises and social organizations based on values, ethics and principles. The frequent reference to the universally adopted cooperative values and principles throughout the texts serves to remind Member States that cooperatives are autonomous, member-driven organizations with the primary aim of helping their members to achieve their common economic and social goals.

<p>ILO</p> <p>§3: “The promotion and strengthening of the identity of coops should be encouraged on the basis of (a) coop values of self-help.. etc., and (b) internally recognized coop principles of voluntary and open membership... etc”</p> <p>§6: “Governments should define and apply a supportive policy and legal framework for cooperatives ... guided by the cooperative values and principles....”</p> <p>§ 7: The promotion of coops guided by the coop values and principles.... Should be considered as on of the objectives of national and international economic and social development</p> <p>§10: Specific legislation and regulation on coops, which are guided by the coop values and principles.....”</p>	<p>UN</p> <p>§4: “...policies can be effective only if the take into account the special character of coops”</p> <p>§6: “....In order to ensure equality, the special values and principles of coops must receive full recognition...”</p> <p>§11 “Laws should include: ...the recognition of the unique nature of the values and principles of cooperation and hence the need for separate and distinct treatment in law and practice.”</p>
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(iv) Equal treatment/non discrimination of cooperatives

In the UN Guidelines it is frequently and clearly stated that Governments should seek to create an environment in which cooperatives can participate on an equal footing with other forms of enterprise and that they should not be discriminated against because of their special character. Mention is also made of special provisions that might be made in the law for certain types of cooperatives and that this should serve to safeguard their ability to enjoy real equality with other types of enterprises or associations.

The UN Guidelines also emphasize the principle of equal treatment of cooperatives with other stakeholders in regard to information services and provision of public funds (§19 & §21).

The proposed ILO Recommendation also refers to the principle of non-discrimination in §7, where it is stated that cooperatives should be treated on terms no less favourable than those accorded to other forms of enterprise and social organization. In addition, the text refers to the need for national policies to “limit the obligations of cooperatives to the same extent as required by national law of any other form of enterprise in areas such as registration, financial and social audits, and the obtention of licences (§ 8).

The question of “level playing field” is expected to be one of the main issues for debate at the second discussion on the promotion of cooperatives at International Labour Conference in June 2002.

ILO:	UN:
<p>§7 (2) “Coops should be treated on terms no less favourable than those accorded to other forms of enterprise and social organization.”</p> <p>§8 (2) such (national) policies should....</p> <p>(b) limit the obligations of coops to the same extent as required by national law of any other form of enterprise in such areas as registration, financial and social audits, and the obtention of licences.....”</p> <p>§10: “Specific legislation and regulations on cooperatives, which are guided by the cooperative values and principles set out in Paragraph 3, should be adopted and should be revised when appropriate”.</p>	<p>§3: “Governments seek to create an environment in which coops can participate on an equal footing with other forms of enterprise....”</p> <p>§6: “..objective of the policy is to enable recognition of coops as legal entities and to assure them real equality with other associations and entities”.</p> <p>§11: “A general law on coops or laws specific to coops or under which coops should fall, should ensure that coops enjoy real equality with other types of associations and enterprises and not be discriminated against..”</p> <p>§11: Law should include “commitment that neither their unique nature nor their separate and distinct treatment in law and practice should be the cause of discrimination...”</p> <p>§11: “Adjustments (<i>in the law</i>) may be made only to ensure: real equality in treatment....”</p> <p>§12. “it may be appropriate to make special provisions in law for certain types of categories of coops to safeguard their ability to enjoy real equality with other types of associations and enterprises and not to be discriminated against because of their special character.”</p>

	<p>§14: “Governments should seek to exclude or eliminate provisions of any law that discriminate against, or are specifically prejudicial to coops”</p> <p>§15 on <i>monitoring review and revision of laws</i>: “if identified, discriminatory provisions should be rendered inoperative...”</p> <p>§19: “..extension of technical and financial assistance to an extent equal to that made available to other stakeholders; ensuring that no discrimination exists...”</p> <p>“equal and non-discriminatory access by the coop movement to all public media”</p> <p>§21: “The best policy is where coops receive the same treatment as any other form of enterprise...”</p> <p>“avoidance in law or practice of any discrimination arising from the special financial status, organization and management of coops...”</p>
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(v) Autonomy of cooperatives/de-officialization

The UN Guidelines explicitly state that governments’ role is to formulate and carry out a policy but that infringement of the autonomy of cooperatives should not occur. Governments are also advised not to intervene in the internal affairs of cooperatives but that cooperatives should be treated like other forms of association or enterprise.

Direct reference to non-interference of governments in the internal affairs of cooperatives is not specifically mentioned in the proposed ILO Recommendation. However, since the cooperative values and principles are proposed as a guide to establishing a supportive policy and legal framework, this serves to remind Member States that the autonomy of cooperatives should be respected as with other forms of enterprise and social association. Reference to the cooperative values and principles is also made in regard to the adoption and revision of specific legislation on cooperatives (§ 10), which likewise underlines the autonomy of cooperatives.

<p>ILO:</p> <p>§6: “Governments should define and apply a supportive policy and legal framework that is consistent with the nature and function of coops and that is guided by the coop values and principles.”</p> <p>§6 (b) “provide for the adoption of measures for the oversight of cooperatives on terms appropriate to their nature and functions, which respect their autonomy and which are no less favourable than those applicable to other forms of enterprise and social organization.</p>	<p>UN:</p> <p>§11: “recognition of the full autonomy and capacity for self-regulation....</p> <p>§11: ... responsibility of Governments to formulate and carry out a policy while avoiding any infringement of the autonomy of the movement...”</p> <p>§11: “..acknowledgement that intervention by Governments in the internal affairs of the movement should be strictly limited to measures applied generally to all associations and enterprise equally...”</p>
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<p>§10: Specific legislation and regulations on cooperatives, which are guided by the cooperative values and principles set out in Paragraph 3, should be adopted and should be revised when appropriate.</p>	<p>all associations and enterprise equally....”</p> <p>“.. Governments to formulate and carry out a policy in respect to cooperatives whilst avoiding any infringement of the autonomy of the movement...”</p> <p>§21: “avoidance of any direct or indirect engagement in the internal affairs of coops....”</p>
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(vi) Focus on members’ needs

In the objectives of the UN Guidelines it is clearly stated that polices should protect and advance the potential of cooperatives to help their members achieve their individual goals.

The draft text of the ILO Recommendation outlines the purposes of cooperatives as a means of satisfying members’ needs and stresses the roles and responsibilities of member States with relation to cooperative development, including with regard to the needs of disadvantaged groups.

Specific for the ILO text, is that it explicitly mentions the promotion of gender equality in cooperatives and in their work (§ 8) and proposes giving special consideration to increasing women's participation in the cooperative movement at all levels, particularly at management and leadership levels (§7).

<p>ILO:</p> <p>§4: “Measures should be adopted to promote the potential of coops in order to assist their membership to...” <i>(gain access to employment, income, markets, HRD, increase savings and improve social and economic well-being etc.)</i></p> <p>§5: encourages “The adoption of special measures ... to respond to members’ needs, and the needs of society, including those of disadvantaged groups in order to achieve their social inclusion....”</p> <p>§6(c): National policies should “facilitate the promotion of cop structures according to the needs of cooperative members”.</p> <p>§7(4): “Special consideration should be given to increasing women’s participation in the cooperative movement at all levels, particularly at management and leadership levels”</p> <p>§8: “National policies should... (c) promote gender equality in cooperatives and in their work..”</p>	<p>UN:</p> <p>§3 “Policies should protect and advance the potential of coops to help members achieve their individual goals and, by so doing, to contribute to society’s broader aspirations”.</p> <p>§9: “Appropriate provision is necessary within legal, judicial and administrative practice if coops are to contribute positively to improving the lives of their members and communities in which they operate.</p>
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(vii) Support services, human resource development and finance and credit

In policies to promote cooperatives, the proposed ILO text suggests that cooperatives should have access to support services in order to strengthen their business viability and capacity to create employment and income, and that Member States should facilitate the establishment of support services. In §11(2), the ILO draft text further suggests a list of possible services that should be included to strengthen their organizations such as HRD programmes, research, access to finance and investment, MIS, information, management consultancy and legal and taxation services etc.

Measures considered appropriate to facilitate the access of cooperatives to investment finance and credit are also listed (§12) with specific mention of special provisions for disadvantaged groups.

The UN Guidelines are less explicit on support services to cooperatives. In §21, on the provision of public funds, the Guidelines state that the best policy is that cooperatives are treated like other forms of enterprise. In §19 on information, the Guidelines suggest that technical and financial assistance could be extended to cooperatives, equal to that which is made available to other stakeholders.

The UN Guidelines focus more on education by emphasizing the important contributions that the cooperative movement have made to education and by suggesting that a number of enabling measures could be useful including the provision of public funds, if these are made available to other forms of enterprise for educational programmes. Moreover the UN Guidelines suggest that the study of the values, principles, history and current and potential contribution of the cooperative movement could be included in national curricula at all levels, encourages Governments to support specialized studies in cooperatives at the tertiary level.

The encouragement of human resource development in cooperatives is also an important theme in the draft ILO Recommendation. In §4, special measures are recommended aimed at developing the capacities and knowledge of the values of the cooperative movement. This finds further expression in State policies seeking to develop technical and vocational skills, entrepreneurial and managerial abilities, knowledge of business potential and general economic and social policy skills of cooperative members, workers and managers and improve their access to information and communication technologies (§8). The promotion of education and training in cooperative principles and practices at all appropriate levels of the national education and training systems, and indeed throughout society, is also encouraged (§ 8).

<p>ILO:</p> <p>§11 (1): “Coops should have access to support services in order to strengthen their business viability and capacity to create employment and income”. (<i>suggestions listed</i>)</p> <p>§11(3) Governments should facilitate the establishment of support services. Coops and their organizations should be encouraged to participate in the organization and</p>	<p>UN:</p> <p>§19: “..extension of technical and financial assistance to an extent equal to that made available to other stakeholders...”</p> <p>§20: “... a number of enabling measures might be useful including the provision of public funds if they are made available to other forms of enterprise for</p>
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<p>management of these services and where feasible ... to finance them”.</p> <p>§12: Measures ... to facilitate the access of coops to investment finance and credit. (<i>specific measures listed in (a)-(d)</i>)</p> <p>§4: Measures should be adopted to promote the potential of coops ...to</p> <p>(b) develop human resource capacities and knowledge of the values of the cooperative movement through education and training;</p> <p>§8 national policies should...</p> <p>(d) develop the technical and vocational skills, entrepreneurial and managerial abilities, knowledge of business potential, and general economic and social policy skills, of members, workers and managers, and improve their access to information and communication technologies;</p> <p>(e) promote education and training in coop principles and practices, at all appropriate levels of the national education and training systems, and in the wider society;</p> <p>(g) provide for training and other forms of assistance to improve the level of productivity of coops and the quality of goods and services they produce”.</p>	<p>educational programmes. Governments may also consider the inclusion within the national curricula at all levels of the study of the values, principles, history and current and potential contribution of the coop movement to national society; and encouragement and support of specialized studies in coops at the tertiary level.</p> <p>§21: on provision of public funds financial self-reliance, total responsibility and full independence is advocated: “The best policy approach is one where coops receive the same treatment as any other form of enterprise.”</p>
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(viii) Participation of the cooperative movement in policy formulation

Both UN and ILO texts mention that cooperatives should be consulted in the formulation and revision of legislation and regulations applicable to them. The ILO draft further suggests that employers and workers’ organizations that are also concerned should also be consulted.

Indeed employers’, workers’ and cooperative organizations are encouraged to play an active role in the promotion of cooperatives in the proposed ILO Recommendation through concrete action appropriate to the nature and functions of each type of organization (§ 14, 15 and 16). An active relationship between all partners to create a favourable climate for the development of cooperatives is moreover suggested (§16).

<p>ILO</p> <p>§10 (2): “Cooperative organizations, as well as the employers’ and workers’ organizations concerned, should be consulted in the formulation and revision of legislation and regulations applicable to cooperatives”.</p>	<p>UN</p> <p>§11: “..provision that representatives of the coop movement must participate fully in drafting special laws or judicial or administrative regulations and guidelines concerning practice..”</p> <p>§11: “provision for procedures for continuous monitoring and regular review of law and practice</p>
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	which would include the full and equal participation of representatives of the cooperative movement..”
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(ix) Other features

As mentioned earlier, both the UN Guidelines and the ILO draft Recommendation include a number of issues that are specific to the particular role of the organization, hence the reference to workers’ right in the ILO text. The ILO text also refers to the important role of cooperatives in “transforming what are often marginal survival activities (sometimes referred to as the “informal sector”) into legally protected work fully integrated into mainstream economic life” (§9).

Both texts call for increased international cooperation especially in regard to information, research and statistics. The UN Guidelines, for example, call for collaboration between governmental and cooperative movement research especially on public policy; the improvement of statistics and the dissemination of information on cooperatives.

The ILO text also calls for greater international cooperation (§ 17), especially in terms of information exchange on best practices/models particularly on employment creation and income generation, legislation, training methods and techniques, technology and product standards, and strengthening of linkages between national and international institutions involved in cooperative development. It also suggests exploring the possibilities of developing common regional guidelines and legislation on cooperatives. Moreover, the inclusion of a clause promoting best practices on corporate governance in cooperatives in the ILO draft text (§ 8), seeks to highlight the importance of the dissemination of good models of transparency, democratic participation and accountability, integrity and openness of decision-making in cooperatives.

The UN Guidelines include a section on “Institutional arrangements for collaboration and partnership” (§ 22 – 26), proposing, among others, the centralization of coordinating functions within the government for cooperatives (such as a single department or office); a single national comprehensive policy on cooperatives and encouraging liaison between intergovernmental programmes and the international cooperative movement.

VII. Concluding remarks

It can be concluded that the very fact that the UN and the ILO, have both deliberated on the topic of cooperative development, highlights cooperatives’ continued relevance in today’s globalized economy and their continued importance in contributing towards and sustainable socio-economic development.

The two international instruments, which recognize the specific character of cooperatives as expressed in the Statement on Cooperative Identity; promote equal treatment and non discrimination of cooperatives; champion a supportive but not interfering role of the State and recommend measures to ensure their increased efficiency and enhance their competitiveness, should gainfully serve cooperative movements in all parts of the world for many years to come.

As the only service in the UN system entirely dedicated to cooperative development, the Cooperative Branch views the revision of Recommendation No. 127 at the International Labour Conference this year, as an important milestone in its long cooperative history, and an opportunity to be seized.

Follow-up work on the new Recommendation is expected to focus in particular on the provision of legislative and policy advice to ILO member States; human resource development and local economic development, with the promotion of gender equality as a cross-cutting issue. The Cooperative Branch will moreover continue working within the Committee for the Promotion and Advancement of Cooperatives (COPAC).

The ILO views cooperative enterprises as important instruments in the alleviation of poverty and creation of decent employment for men and women across the globe. It will therefore continue to support cooperatives in their efforts to help poor and marginalized people to fight poverty and social exclusion thus creating a more just and equitable society.