



# REPORT ON THE 33RD WORLD COOPERATIVE CONGRESS OUTCOMES OF THE INTERNATIONAL COOPERATIVE ALLIANCE

BY ANN HOYT

Over 1600 cooperators (1000 in-person and 600 online) participated in the 33<sup>rd</sup> World Cooperative Congress of the International Cooperative Alliance (ICA) in December of 2021. The Congress was held in Seoul, South Korea in cooperation with the Metropolitan Government of the City of Seoul and the ICA members in Korea. It provided an opportunity for participants to reflect on the common identity of cooperative businesses as articulated in the internationally accepted Statement of Cooperative Identity. The Statement defines the unique nature of cooperatives and articulates the values and principles that are the foundation of the cooperative movement. Goals of the Congress were to explore the extent to which cooperatives meet the expectations described in the Statement, and to consider the continuing relevance of the Statement given current global crises.

Presentations addressed a wide variety of topics to illustrate how cooperatives in different countries and different sectors demonstrate their cooperative identity. Day in and day out cooperatives provide their members and their communities goods, services, and employment opportunities that are designed to improve their lives. Congress presenters described housing co-ops working to convert to clean energy, food and agriculture co-ops building ethical value chains, healthcare co-ops addressing the challenges of the Covid pandemic, and many more. It soon became clear that the definition, values and principles articulated in the *Statement of Our Cooperative Identity* are alive and thriving throughout the world.<sup>1</sup>

Under the Congress theme, “Deepening our Cooperative Identity” over 200 experts described how their cooperatives are meeting the expectations of the cooperative identity, identified challenges they face as cooperatives and identified ways cooperatives can meet those challenges. The discussions were centered around four sub-themes related to examining, strengthening, committing to, and living the cooperative identity. This remarkable discussion was informed by a document produced by the International Cooperative Alliance in 2021, “Examining Our Cooperative Identity.” That paper follows an earlier document, “Guidance Notes to the Cooperative Principles” published in 2015.

## Examining our Cooperative Identity

To explore how cooperatives bring their values and principles to life, presenters considered their advertising, governance, education, heritage and partnerships with governments. In terms of the cooperative values of democracy, equality, equity and solidarity, speakers provided examples of specific practices that met all the values in addition to the first, second and seventh principles. However, it was noted that cooperative governance is not always as inclusive, diverse, or equitable as it could be, particularly for women, youth, people of color and marginalized communities. The absence of inclusive governance negatively impacts both the social and business dimensions of cooperatives.

Presenters in another session assessed the value of the cooperative brand and marque and described its use to communicate the unique nature of the cooperative business model, and to develop trust in cooperatives. Worldwide use of the COOP Marque was encouraged to communicate the values and principles of the global cooperative movement.

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<sup>1</sup> A complete record of the proceedings of the Congress can be found at <https://icaworldcoopcongress.coop/stories/>.



Cooperative leaders stressed the importance of education for members, directors, staff, and particularly the general public. They described a wide variety of educational programs that provide the necessary competence, knowledge, and skills needed to effectively manage and govern cooperatives. Even so, they agreed that “cooperatives are missing from the general [public] discourse” and emphasized the importance of working closely with educational institutions and governments to provide programming, financial resources, and opportunities to develop and support cooperatives. This is especially important when it comes to preserving the cultural heritage of local cooperatives and their communities.

## Strengthening our Cooperative Identity

While outstanding examples throughout the Congress showed time and again the resilience of the cooperative model and the strength of our cooperative identity, much can still be done to strengthen the model. Five presenters discussed the opportunities cooperatives have to take advantage of the Digital Age, support ethical value chains, encourage entrepreneurial innovation and networks, and meet future capital needs. They stressed the importance of identifying not only the needs of current members, but also the needs of marginalized community members. This is especially true for consumer cooperatives who have made significant progress in developing ethical value chains from producer to consumer. These chains focus on reducing labor exploitation, protect the environment and contribute to sustainable development.

There were several vivid descriptions of the significant value that individual cooperatives received from participating in strong cooperative networks in accordance with Principle 6. Examples included locally based employment networks that provide tangible results for hundreds of thousands of members in terms of increased and stable incomes, financial services, social protection, and access to essential consumer goods. It was also noted that cooperation among cooperatives has been crucial to the “strong power and influence” the cooperative movement has at the international level. To support development and sustainability for cooperative networks cooperative development, social and entrepreneurial training, and capacity building are needed as well as funding to support these activities.

The digital world offers significant opportunities to improve products, services, efficiency, and expansion of the cooperative movement. However, to achieve these benefits the cooperative movement needs to operationalize the sixth cooperative principle to develop its own digital infrastructure based on shared and open interoperability standards. New forms of technology offer opportunities for new co-ops if we are ready to take advantage of them. In addition, a cooperative digital infrastructure can collect information on and verification of cooperatives’ performance on the United Nations Sustainable Development Goals (SDGs).

While a number of new financing opportunities have become available to cooperatives, new challenges and technologies require new methods to access to capital sources. These challenges can be met with more and better cooperation between cooperative financial institutions and other cooperative sectors.

This is especially true for partnerships between financial institutions that have funds available and agricultural enterprises that need both short and long-term funding and to take advantage of new digitalization opportunities. Principle 6 plays an important role here since creating a digital payment platform is very expensive for a primary co-op. When equity may be small in primary cooperatives, the high cost of financing can be afforded when cooperatives work together in strong federations that pool their resources and work with cooperative banks



and credit unions to develop effective financial instruments. It is also important to provide significant technical assistance to small producer cooperatives as well as funding.

## Committing to Our Cooperative Identity

The third group of Congress sessions focused on cooperative solutions to addressing the major issues of our times. These included climate change, peace, economic development, sustainable communities and crisis management.

Congress participants learned of cooperative efforts to address climate change in Brazil, Japan, Ethiopia, India, the Dominican Republic, and Costa Rica. In all cases there was an emphasis on multilateralism, cooperation among cooperatives, and the important role women play in climate change efforts. Particularly in developing countries cooperatives have been critical leaders in tackling climate change because they are a large part of the business community. Examples of climate change efforts included small farmer co-ops working to stop deforestation by preserving large portions of their land; Indian coops developing forestry on wastelands, capacity building in forestry cooperatives and introducing fastgrowing tree species. In Ethiopia the Oromia Coffee Farmers' Cooperative Union uses women ambassadors to train community women to use renewable energy sources such as solar panels. In Japan the Japanese Consumers' Cooperative Union with nearly 30 million members has run numerous climatefriendly campaigns from charging for plastic bags to promoting feed-in tariffs for renewable energy and in the Dominican Republic Cooperativa Vega Real has also introduced green schools, will plant 10,000 trees, has organised ecological clean-ups and created the first Dominican eco-park.

In terms of peace, panelists discussed several ways to address factors that disrupt peace. As one panelist described it, "peace can be seen as the pursuit of social justice through equal opportunities, fair distribution of power and material resources, and the equal protection of everybody." Panelists gave several examples of cooperative action that contributed to peace during armed conflict. In Nepal cooperatives provided easy access to finance for economic activities and self-employment during the 12 years of conflict there. In Columbia 72% of the victims of conflict were women. Cooperatives there have worked to provide security for women by providing jobs, equal economic participation, and access to land and leadership opportunities. In many places cooperatives have been able to continue their services because they are managed by local leaders and community people, and they are guided by their values of equity, equality and solidarity and Principles 6 and 7.

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Throughout the world cooperatives are engaged in economic development among marginalized communities by promoting self-help and solidarity at an international level. Panelists described a new economic paradigm in international development that is less directed by donors in a top-down way. They find more ways to strengthen communities by creating peer-to-peer cooperative and collaborative opportunities between cooperatives in developed countries with those in less developed countries. Ethical food chains supported by producers, distributors and consumers are an example of the new paradigm. Examples were also given of cooperative development organizations cooperating with other actors in the social and solidarity economy through international organizations, particularly the ILO.

Cooperatives can and are playing an important role in achievement of the United Nations' sustainable development goals.



Many of the Congress sessions provided case studies related to specific topics. Four examples were provided of ways cooperatives are expressing Principle 6. In Spain the Mondragon cooperatives have a long history of developing an economy based on small cooperatives in collaboration that foster technological innovation. They support social cohesion and equality that provides social and economic value. In Korea the Social Economy Center of Gyeonggi province works closely with the province's rural school and social cooperatives. They have established hospital services, driven the transition to sustainable food, and fostered the region's first citizen-owned solar energy plant. In addition, housing cooperatives are being created in response to growing difficulties in the housing market.

Among the Inuit communities in northern Canada 14 Inuit cooperatives with over 11,000 members are active in hospitality and tourism, the arts, construction, retail sales. Cooperative values, especially collaboration and autonomy are in harmony with Inuit values. In Japan the Japan Cooperative Alliance is working with a broad array of cooperatives to address declining birth rates, shrinking populations and inequality, all of which threaten the existence of communities. Principle 6 has been crucial to success in these efforts. Examples included student cooperatives working with agricultural cooperatives to provide food and work opportunities.

The Covid-19 pandemic has been felt throughout the international cooperative movement. Six conference presenters were asked to describe ways they responded to the crisis. Overall, they felt cooperatives were able to respond in ways that governments and public enterprises could not. Research conducted by the World Cooperative Monitor found co-ops had provided direct emergency services for members and their communities and encouraged business innovations to deal with the crisis. In Japan local cooperatives and community members were connected to a central resource that could respond to their needs. Cooperatives in India provided oxygen to their members and their communities. Spanish cooperatives developed an innovative way to provide personal health care for the elderly. In Korea despite rising costs, cooperatives and social economy enterprises worked in solidarity to raise funds to protect jobs both for employees and producers in the supply chain.

## Living Our Cooperative Identity

On the last day of the Congress presenters focused on employment, food security, health care, housing, energy, and multilateral cooperation with organizations that are part of the Social and Solidarity Economy (SSE).<sup>\*2</sup> They emphasized cooperatives' effective approaches to meet the United Nations Sustainable Development Goals (SDGs). They attributed much of this success to their ethical character, democratic structure, and value-based operations.

Cooperatives that have been successful in creating rewarding jobs stressed the importance of organizing community members around common needs, building capacity by providing continuous training in operations, leadership, and cooperative values, and ensuring access to

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<sup>2</sup> The social and solidarity economy refers to the production and exchange of goods and services by a broad range of organizations and enterprises that pursue explicit social and/or environmental objectives. They are guided by the principles and practices of cooperation, solidarity, ethics, and democratic self-management, among others, and can take the form of cooperatives, mutuals, social enterprises, self-help groups or community associations, among others.



investment finance. The high value of belonging to a cooperative federation and developing strong connections to SSE organizations was clear as was the importance of attracting youth to cooperative businesses. As one presenter said, “It is very hard to emerge from poverty without the collective strength, enhanced bargaining power and voice and representation offered by cooperatives.”

In terms of health, cooperative identity is closely linked with the flexibility and ability of healthcare cooperatives to adapt to new health needs. As seen during the Covid-19 pandemic, these co-ops can adapt quickly to changing economic, social, and political conditions. The cooperative model is well suited to private-public collaboration among actors in the health sector. Equally important are the contributions cooperatives can make to enhanced food security. The unique connections that can be and have been developed between cooperative agricultural producers and consumers have begun to transform the ways of producing, supplying and consuming food. This ability of cooperatives to collaborate and innovate across economic activities is particularly important when chains of food production and distribution are disrupted by climate disasters, rural depopulation, war, and refugee displacement.

Several presenters gathered in a session to discuss the equally effective and unique advantages housing cooperatives have when addressing energy cost issues. In Belgium a renewable energy cooperative was formed to decentralize energy production in housing and other developments. In addition to providing clean energy, the cooperative keeps profits local and ensures that they are invested back in the community. In Canada a housing co-op works with a hydroponic indoor urban farm. The collaboration supports indoor farming and heat capture. Other co-ops have worked to modernize their heating systems, install solar panels, and encourage their members to adopt energy reduction lifestyles. Cost savings for these middle and lower income co-ops have been substantial.

The final session on Living our Identity focused on the importance for cooperatives to work with SSEs to more effectively meet common challenges of environmental degradation and widening social inequality. In the face of the many social, economic, and ecological issues facing the world, presenters agreed that the present paradigm is not working and stressed the crucial role cooperatives can have in transforming the current economic model if they collaborate with other actors in the SSE.

## Congress Themes

While the Congress was organized around sessions that addressed specific topics and described specific cooperative activities, consistent themes wove through the discussions. First, and most importantly, presenters and attendees enthusiastically embraced the definition, values and principles that embody the Cooperative Identity. That identity is the combination of fundamental moral and ethical values and principles that guides all cooperators when they need to make difficult decisions. It embodies our essence as ethical, people-focused, locally-based and democratically controlled enterprises with a true social purpose. Scores of examples gave evidence that cooperatives are committed to and living their principles and values every day throughout the world and in many ways are leading change that is needed for our survival.

At the same time, our world is changing at a rapid pace in ways that challenge our fundamental ways of life. Those changes led Congress participants to reflect on the need to reflect on the Statement of Our Cooperative Identity and consider ways to update and interpret





it given the demands of an increasingly globalized society, an ecologically threatened world and a vast gap in the wealth and security of the world's population.

Specific themes focused on challenges currently facing the international cooperative movement. They included climate change, sustainability, inclusivity, new technologies, capital resources, ethical value chains, work life, organizational collaborations, positive peace, multilateralism, and research, training, and education and are described below.

### **Climate change**

Climate change has had and will continue to have a significant impact on cooperatives, their members, and their communities. It has deepened the difficulty of vulnerable groups who cannot meet basic needs.

### **Covid-19 Pandemic**

“The pandemic has confronted us with the brutal reality of growing inequalities in our societies, the acute vulnerabilities and even structural injustice that we have failed to prevent or to mitigate. People across the globe want and need a recovery that leads to a resilient, sustainable, fairer, and better future.” The cooperative identity is closely linked with the flexibility and ability of healthcare cooperatives to adapt to new health needs. These co-ops can adapt quickly to changing economic, social, and political conditions. The cooperative model is well suited to private-public collaboration among actors in the health sector in the common interest.

### **Inclusivity**

Inclusivity applies most strongly to equity and equity for women, youth, and marginalized groups. It also applies to our members, our boards of directors, our employees, and our vendors. It is tied to our values of solidarity, equity, equality, and participation. The vast appeal of cooperatives throughout the world shows that women, youth, people of different races and ethnic groups can participate.

### **New Technologies and Digital Transformation**

Use of new technologies can increase member participation in expressing their unmet needs, in voting and in economic participation and can provide metrics that accurately and inclusively measure the tangible and intangible impacts that cooperatives have on major crises. Widespread collaboration among cooperatives is necessary to aggregate the financial resources to develop a cooperatively owned and controlled digital infrastructure. The cooperative community lacks its own digital infrastructure which prevents cooperatives from being competitive in a competitive world.

### **Capital**

Capital availability remains a significant issue for new and expanding cooperatives. We need a stronger capital base and new funding resources through partnerships. To meet the need for capital, cooperatives need to position themselves as collaborators to help funders meet their goals.

### **Ethical Value Chains**

To develop a network of trusted and respected companies who share common values requires increased mandatory due diligence, rethinking of business models, increased recognition of the role of financial actors and the use of traceability or chain of custody tools.



Ethical value chains require extended responsibility and self-commitment by all actors and cooperatives have become among the frontrunners by operationalizing their principles, values, and ethics.

### **Work Life**

Consider the future of work as person-centered, available for all with no forced or child labor, and providing opportunities to participate in the digital economy. This requires consideration of how we produce and consume, adopt new technologies, create new ecosystems, prevent conflicts, and assure peaceful coexistence. “People across the globe want and need a recovery that leads to a resilient, sustainable, fairer and better future.”

### **Education and Training**

We have new opportunities and increased needs for culturally relevant education and training regarding our cooperative identity in a variety of formats. Education is critically important to deepening the cooperative identity and furthering wider cooperative aims. The cooperative movement must broaden its scope to reach more people, particularly youth, and to educate cooperative leaders on how to run co-ops according to the values and principles.

### **Cultural Heritage**

Because of their deep integration into local communities, cooperatives have a unique opportunity to preserve the diverse culture heritages of those communities. This should be a key component of sustainable development.

### **Multilateralism**

In the face of the many social, economic, and ecological issues facing the world, the present social and economic paradigm is not working. Cooperatives can play a crucial role in transforming the current economic model if they collaborate with other actors in the SSE and government. Cooperatives need to work with SSEs to more effectively meet our common challenges of environmental degradation and widening social inequality.

### **Sustainable Development**

Cooperatives are uniquely suited to implement the United Nations Sustainable Development Goals. The transition to sustainable development begins with the foundation of education and the formation of a new globally sustainable consciousness.

## Recommendations for Action expressed during the Congress

### **The Cooperative Identity**

Preserve its core elements when innovating and changing. The cooperative model is useful, is valuable and we need to adapt it to our times.

Cooperators should remember their responsibility to “guard our cooperatives’ identity,” and any suggested changes to it should be carefully considered, debated and desired by the cooperative members from all regions and all sectors on a global scale.





The declaration on cooperative identity should engage more concretely with global challenges such as climate change.

### **Climate**

Put more emphasis on climate change in relation to the Statement on Cooperative Identity.

To provide access to clean energy, the international cooperative movement should support creation of cooperatives to implement and maintain solar panels in developing countries.

### **Inclusivity**

Ensure all key cooperative movement stakeholders have a greater understanding of diversity, equity and inclusion (DEI) within our shared cooperative identity. It has been proposed to develop a new principle about inclusion and equity.

Consider the resolution proposed by NCBA CLUSA at the Kigali Conference in 2019 that DEI be better expressed through the cooperative values and principles and cooperative movement practices.

Work toward a shared understanding on concrete actions cooperatives can take to foster more equity and equality in their cooperatives and their communities.

### **The Cooperative Brand**

Increase the brand's visibility and use. Show how we add value and promote campaigns for more support and understanding from consumers.

Align with consumers' social, environmental, and cultural identities. Ensure that the brand is a reflection of the co-op identity with its values and principles that unifies the global cooperative movement.

### **Legislation**

Foster legislation and government policies that recognize co-ops, new forms of co-ops, and co-op partnerships with non-co-ops.

Actively fight against anti-cooperative legislation.

### **Research**

Gather data on cooperative activities linked to the SDGs as well as reflect and integrate cooperative specific drivers and enablers.

Develop specific targets and relevant metrics to demonstrate the sector's contribution to the SDGs.

Develop a cooperative model of interpreting and measuring social impact based on our values and principles.

### **Multilateralism**

Join the SDG 8.7 Alliance, as well as forced labor and child labor platforms where partners are working together to fight against these practices.

### **Ethical food chain**

Engage in supporting farmers and primary cooperative societies to gain certifications, training, secure decent compensation, and safe workplaces for farmers and increase transparency in pricing.

### **Sustainable development**

Ensure that co-ops are recognized as indispensable actors in the pursuit of sustainable development and call for more inter-cooperation in this area.



Support the fifth SDG by educating families and communities on equality and democracy and to eliminate discrimination and violence from our coops, including socio-economic violence.

### **Capital**

Provide new access to dedicated funding, capacity building, and technical assistance for coops to meet challenges arising from innovation, digital transformation and developing resilient production systems.

### **Cultural Heritage**

Map the current role of co-ops in the cultural heritage and creative sectors and

Make a cooperative contribution at UNESCO's 2022 second Mondiacult World Conference in Mexico.

Prepare a toolkit including legal and management guidelines that artists and creators can use to create cooperatives in the culture sector and distribute it through UNESCO as partners.

Create a Task Force comprised of cooperators as well as external experts to make cultural heritage a matter of constant attention for the cooperative movement.

ICA should apply to be an advisor to the UNESCO Convention on Intangible Cultural Heritage 2003 and UNESCO Convention on the Diversity of Cultural Expressions, 2005.

Develop a compendium of cultural cooperatives to gather data and develop cooperative cultural understanding.

### **Digital Infrastructure**

Translate the cooperative identity into cooperate information systems built on digital infrastructures called interoperability standards.

The ICA/ITO should be supported by all parties and all means.

The ICA and its sectoral organizations should facilitate greater intermember and cross-sectoral exchange between members.

