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STATISTICS ON COOPERATIVES

COUNTRY IN FOCUS: ISLAMIC REPUBLIC OF IRAN

This country in focus note is part of the **Statistics on Cooperatives series** produced by the *International Labour Organization (ILO)* and the *Committee for the Promotion and Advancement of Cooperatives (COPAC)* in support of a larger initiative to increase understanding of the ways in which countries around the world are producing and using statistics on cooperatives. Currently reliable and comparable statistics on cooperatives are missing in most countries of the world. These statistics are essential to measuring the impact of cooperatives on members, workers and the economy as a whole.

Cooperatives in the Islamic Republic of Iran¹

Following the 1979 Revolution, cooperatives were recognised both as tools to serve people's common needs and as drivers of economic development. Cooperatives were incorporated into the Constitutional Law as the third economic sector, alongside the public and private sectors. The country's Act on the Cooperative Sector of Economy was first passed in 1991. Since 2008, cooperatives can be established and registered through an **online system**². Legal oversight and monitoring of cooperatives are managed **online in a specific portal**³ for cooperatives.

How are statistics on cooperatives generated in Iran?

There are three main producers of statistics on cooperatives: the **Statistical Center of Iran (SCI)**⁴, the **Ministry of Cooperatives, Labor and Social Welfare (MCLS)**⁵ and the **Ministry of Agriculture**⁶. The following sources are used to produce statistics on cooperatives:

- administrative data from the MCLS and Ministry of Agriculture,
- SCI and MCLS surveys and censuses on cooperatives,
- cooperative statistical data from other government departments,
- administrative data from cooperative chambers and
- administrative data from cooperative unions.

The cooperative register provides information on geographical location, economic activity, number of members (disaggregated by gender), employment, Board membership and financial data.

To reach the national goal of increasing the share of the cooperative economy to 25 per cent and to better assess the impact of cooperatives, SCI has launched a satellite account on cooperatives in 2011. The satellite account calculates the value added of the cooperative sector to the economy.

1 This note was developed based on inputs from Nemat Nassiri, Director, Centre for Strategic Statistics & Information, I.R Iran and Ramin Behzad, Permanent Mission of the I.R of Iran to the United Nations, Geneva, Switzerland

2 <http://ei.mcls.gov.ir>

3 <http://nezarat.mcls.gov.ir>

4 <https://www.amar.org.ir/english>

5 <https://www.mcls.gov.ir>

6 <http://www.agri-jahad.ir/portal/Home/Default.aspx?CategoryID=Home>



Data on employment in cooperatives are obtained through various statistical activities: 1) the Quarterly Labor Force survey, 2) data on direct job opportunities that is submitted when cooperatives register in the **online system**⁷ and 3) the establishment survey conducted annually by SCI. There is also an integrated ad hoc sample survey on cooperatives on demand and availability of budget, which gives a national estimate of cooperative employment. It should be noted that the Quarterly Labour Force Survey underestimates employment levels, due to small sample sizes.

What statistics are available?

The most recent data on cooperatives are available for 2016 on the website for the **MCLS Statistics Department (in Persian)**⁸. According to the **satellite account**⁹, cooperatives make up 2.6 per cent of the gross value added of the whole economy level, 2.4 per cent of which are non-financial cooperatives. The gross value added increases to 3.8 per cent when petroleum, public affairs and housing services are excluded. The sample survey covers 100,870 cooperatives.

Surveys on cooperatives cover a variety of topics, including manufacturing enterprises with ten or more workers, operating mines, chicken farms and cattle farms, among others.

Reflections on Iran's approach to cooperative statistics

For maximum comparability at a national and international level, Iran draws from globally recognised systems, such as the **System of National Accounts (SNA)**¹⁰, the **International Standard Industrial Classification of All Economic Activities (ISIC)**¹¹ and the **Manual for drawing up the satellite accounts of companies in the social economy: Cooperatives and mutual societies**¹². The methodology of the latter was also used in Spain, the former Republic of Macedonia and Serbia. Iran is currently the only country outside of Europe to have adopted the satellite account methodology. It is also worth noting that valued added may not be well suited for measuring the economic contribution of cooperatives across different sectors. Hence as efforts continue to develop better measurement of the economic contributions of cooperatives, it will be beneficial to improve on the approach.

The 19th Session of the **International Conference of Labour Statisticians (ICLS)**¹³ in 2013 included cooperatives in the Conference agenda for the first time in its history. The discussion converged towards the need for accurate, reliable, relevant and comparable statistics on the economic and social impact of cooperatives on the economies. A Resolution was passed with a view to carry out further developmental work on the measurement of cooperatives and carry out pilot studies in a number of countries to test various measurement approaches on collecting data on cooperatives.

The initiative on statistics on cooperatives is a collaboration between the ILO, COPAC, the cooperative movement, UN agencies, national statistics offices, government agencies and academic institutions to improve the quality and accessibility of statistical data on cooperatives. The outcome of this work will be guidelines for discussion at the 20th ICLS in October 2018.

COPAC is a multi-stakeholder partnership of global public and private institutions that promotes and advocates for people-centred, self-sustaining cooperative enterprises, guided by the principles of economic, social and environmental sustainable development. The current members of COPAC are the ILO, the UN Department of Economic and Social Affairs, the Food and Agriculture Organization of the United Nations, the International Co-operative Alliance and the World Farmers' Organisation.

To find out more, please visit the **ILO COOP**¹⁴, **ILO Department of Statistics**¹⁵ or **COPAC** websites¹⁶.

7 <http://ei.mcls.gov.ir>

8 www.amarkar.ir

9 <http://ec.mcls.gov.ir> and <http://www.amar.gov.ir>

10 <https://unstats.un.org/unsd/nationalaccount/sna.asp>

11 <https://unstats.un.org/unsd/cr/registry/regcst.asp?Cl=27>

12 http://ec.europa.eu/growth/tools-databases/newsroom/cf/itemdetail.cfm?item_id=487

13 <http://www.ilo.org/global/statistics-and-databases/meetings-and-events/international-conference-of-labour-statisticians/19/lang-en/index.htm>

14 http://www.ilo.org/global/topics/cooperatives/areas-of-work/WCMS_550541/lang-en/index.htm

15 <http://www.ilo.org/stat/lang-en/index.htm>

16 www.copac.coop

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