

# WHAT IS COOPERATIVE?

## 7 Universal Principles of Cooperative

- ▶ Voluntary and Open Membership
- ▶ Democratic Member Control
- ▶ Member Economic Participation
- ▶ Autonomy and Independence
- ▶ Education, Training and Information
- ▶ Cooperation among Cooperatives
- ▶ Concern for Community

## Why is it Important?

- ▶ Facilitates the integration of disadvantaged groups into the community and promotes access to decent work for disadvantaged groups.
- ▶ Profit distribution is made on a rights-based basis, on a proportion level of the contribution of members.
- ▶ Adopts and supports solidarity and cooperation.
- ▶ Reduces social inequality.
- ▶ Creates new investments and new formal jobs.
- ▶ Enables organizing events for social benefits.
- ▶ Provides social and cultural services.
- ▶ Promotes local and regional development.
- ▶ Resistant to crisis period.

## Refugees and Cooperatives

- ▶ Refugees who are with a registered ID number under international or temporary protection in Turkey can be either a co-founder or member in cooperatives.
- ▶ They cannot serve on the board of directors and supervisors.
- ▶ Examples in Turkey: SADA Women's Cooperative (Gaziantep), Cemre Women's Cooperative (Eskisehir), Kekik Women's Cooperative (Mardin), Meryem Women's Cooperative (Adana)
- ▶ Establishing costs and business risks are split between co-founders, thus offers an advantage for vulnerable groups.
- ▶ Strengthens social cohesion.
- ▶ Suitable for refugees to provide a formal and secure livelihood.
- ▶ Members earn as much as worked and share fairly.

## Cooperatives from ILO's Perspective

- ▶ Cooperates with local authorities.
- ▶ Technically supports the structures which refugees can be members.
- ▶ Provides trainings for members to establish and manage cooperatives.
- ▶ Facilitates the establishment process though experts.
- ▶ Guides for occupational safety and health measures.
- ▶ Provides vocational training for the selected business sectors.
- ▶ Facilitates Turkish language education.
- ▶ Disseminates basic life and labour market skills.
- ▶ Supports and strengthens basic working rights.
- ▶ Contributes to the process of access to livelihoods.
- ▶ Provides consultancy services for operation after establishment.
- ▶ Provides support for new business areas.
- ▶ Provides guidance on access to funding sources.

## WHAT IS COOPERATIVE?

- ▶ A cooperative is an autonomous association of persons united voluntarily to meet their common (economic, social, and cultural) needs through a jointly owned and democratically controlled enterprise.

## SWOT Analysis for Cooperatives

### Strengths

- ▶ Democratic management
- ▶ Sense of belonging and ownership
- ▶ Members produce and earn together (*earn as much as worked*)
- ▶ Transparent and accountable structure
- ▶ Building trust and strong bonds
- ▶ Flexibility in working hours
- ▶ Ensuring safe working conditions
- ▶ Ability to take part in different sectors
- ▶ Skill development opportunity
- ▶ Social and cultural diversity
- ▶ Being unifying and egalitarian, not discriminatory

### Weakness

- ▶ Capital shortage
- ▶ Prejudice against cooperatives
- ▶ Inadequate information about the establishment process
- ▶ Insufficient financial literacy level
- ▶ Lack of access to consultancy services
- ▶ Language barrier in multicultural cooperative
- ▶ Cross-cultural differences
- ▶ Domestic care responsibilities (home, child, elderly)
- ▶ Restrictions in legal legislation, tax liabilities

### Opportunities

- ▶ Opportunity to produce and generate an income together for refugee and host groups
- ▶ Comfortable communication environment
- ▶ Increase in the welfare level
- ▶ Sharing costs and risks
- ▶ No need for intermediary institutions
- ▶ Cooperation with local public institutions, municipalities, other cooperatives, companies etc.
- ▶ Opportunity to apply for various grant programs
- ▶ Access to long-term livelihoods
- ▶ Getting a place in the market

### Threats

- ▶ Social bias
- ▶ Some institutions do not have enough information about cooperatives
- ▶ Decrease in purchasing power due to income constraint
- ▶ Lack of support (*traditional patriarchal structure*)
- ▶ Lack of collaboration experience
- ▶ Difficulties in ensuring sustainability

▶ For Information...



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▶ Related Laws:

- ▶ Cooperatives Law No.1163
- ▶ Agricultural Sales Cooperatives and Unions Law No. 4572
- ▶ Agricultural Credit Cooperatives and Unions Law No. 1581