



Transforming our world: A cooperative 2030

Cooperative contributions to SDG 10

This brief is part of the Transforming our world: A cooperative 2030 series produced by the Committee for the Promotion and Advancement of Cooperatives (COPAC). Through a series of 17 briefs, one for each Sustainable Development Goal (SDG), COPAC hopes to raise awareness about the significant contributions of cooperative enterprises towards achieving the 2030 Agenda in a sustainable, inclusive and responsible way, and encourage continued support for their efforts.

This brief focuses on SDG 10 – reducing inequality within and among countries.

About the Sustainable Development Goals

The 17 Sustainable Development Goals (SDGs) of the 2030 Agenda for Sustainable Development were adopted by world leaders in September 2015 during a historic summit at the United Nations. The SDGs set out a vision for countries to end all forms of poverty, fight inequalities and tackle climate change, while ensuring that no one is left behind.

For more information, visit www.un.org/sustainabledevelopment.

About cooperatives

Cooperatives are defined as ‘autonomous associations of persons united voluntarily to meet their common economic, social and cultural needs and aspirations through a jointly owned and democratically-controlled enterprise’.¹

All cooperatives subscribe to a set of values and principles that support the social and people-focused nature of their activities. They are operated democratically by their members. Whether customers of the business, workers or residents, members have an equal say and a share of the profits.

Cooperatives are a powerful economic and social force, present in most countries of the world and in most sectors of the economy. The cooperative movement counts more than a billion members.

¹ International Co-operative Alliance, Statement on the Co-operative Identity (Manchester, 1995). Available from <https://ica.coop/en/whats-co-op/co-operative-identity-values-principles>

The cooperative difference

Reducing inequalities in income as well as those based on age, sex, disability, race, ethnicity, origin, religion or economic or other status is at the heart of the United Nations' 2030 Agenda for Sustainable Development, guided by the commitment to leave no one behind. While major progress has been made on poverty reduction, income inequality is on the rise, with the richest 10 per cent earning up to 40 per cent of total global income while the poorest 10 per cent earn only between 2 to 7 per cent of total global income.²

As member-owned, people-centred and value-based enterprises, cooperatives are well-placed to be vehicles for promoting equality and inclusive economic development. Their values of "equality and equity" are translated into members' equal voting rights and access to the products and services of cooperatives, as well as to an equitable distribution of surpluses.

For socially disadvantaged women and men including indigenous peoples, persons with disabilities, migrants and refugees, cooperatives not only provide them with affordable services, but also help them cooperate with other partners in communities and engage in social and economic activities towards improved livelihoods.

There is proven record of cooperative initiatives toward promoting equity and inclusion. Producer and service cooperatives of indigenous peoples, for instance, have been formed to improve their livelihoods and preserve traditional knowledge and natural resources through education and training.³ Persons with disabilities as well as migrants and refugees have also benefited from cooperatives' efforts to facilitate their inclusion in the world of work and into society at large.⁴

One way to understand how cooperatives could make a difference in reducing inequalities is to learn from those cooperatives that have taken initiatives in their own communities. Below are some examples.

From the field: how cooperatives contribute to reducing inequalities

Indigenous and tribal peoples

The Union of Indigenous Communities of the Isthmus Region (UCIRI), a farmers' cooperative in Mexico, reunites coffee producers from 53 different communities from Zapotec, Mixe and Chontal ethnic groups across five different municipalities, reaching over 5,000 families. Since its establishment in 1982, the cooperative has provided members with technical and financial assistance for local manufacturing, storage and transportation as well as national and international marketing of their products. It even pioneered production of organic coffee and acquisition of fair trade certification. The cooperative's success has culminated in the construction of infrastructure including warehouses, food supply systems and securing of transport and health services. It has also established a cooperative "Solidarity Fund" for the provision of credit support and acquisition of consumer goods and equipment. The cooperative is influenced by indigenous governance systems and has played a key role in protecting indigenous cultural heritage.⁵

² <http://www.undp.org/content/undp/en/home/sustainable-development-goals/goal-10-reduced-inequalities.html>

³ ILO, A cooperative way for empowering indigenous peoples, Cooperatives and World of Work Series No. 5 (Geneva, 2016). Available from https://www.ilo.org/global/topics/cooperatives/publications/WCMS_496599/lang-en/index.htm

⁴ ILO, At work together: The cooperative advantage for people with disabilities, Cooperatives and World of Work Series No. 3 (Geneva, 2016). Available from https://www.ilo.org/empent/units/cooperatives/WCMS_378237/lang-en/index.htm

⁵ Inés V. Mendoza, "The role of cooperatives in empowering indigenous people and older persons", November 2016. Available from <http://www.un.org/esa/socdev/egms/docs/2016/Coops-2030Agenda/Mendoza.pdf>

As a response to the world-wide surge in demand for argan oil in the 1990s, and the influx of large companies and brands competing to attend to this demand, Berber women in south-western Morocco have organized themselves into small cooperatives to improve the production of argan oil while preserving traditional knowledge and natural resources. With support from international development partners, the women cooperative members were trained on literacy, business and cooperative management, marketing and quality-standards, and on social and labour rights. By combining modern technology with their traditional knowledge, the cooperatives have been able to produce and market at a larger-scale. They have also engaged in value-adding activities to benefit from the growing demand in the international markets. By 2010, and through their involvement in cooperatives, the earnings of the women members has increased ten-fold compared to when they were producing and marketing on their own.⁶ In addition, to improve environmental sustainability, they have set up tree nurseries to preserve and nurture argan tree seedlings and engaged in reforestation projects to protect argan forests from desertification.⁷



CC BY-ND Argan ladies by ZILiv

In India, the cooperative Nirmala Niketan, formed by migrant tribal women employed as domestic workers in Delhi, was established in 1998 to facilitate their social and economic integration. The cooperative has linked up with like-minded organizations in Delhi and in tribal areas of Jharkhand, Odisha and West Bengal to provide placement services and skills training to domestic workers, resulting in an improvement of their working conditions. Moreover, with the help of the National Commission for Women, the cooperative developed a proposal for a comprehensive legislation on domestic workers and consolidated the National Platform for Domestic Workers in 2012 to take forward the proposal towards enactment.⁸



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Persons with disabilities

Yenegew Sew Sanitary Service Cooperative was established in Addis Ababa, Ethiopia in 2004 with support from the Ethiopian Federation of Persons with Disabilities (EFPD) and international development agencies to renovate existing sanitary facilities and to create jobs for unemployed persons with disabilities. Since then hundreds of cooperative members with disabilities have obtained employment opportunities in cleaning and managing public shower and toilet facilities in Addis Ababa. They have also received training in customer relations, marketing, maintenance and plumbing to increase their income and to improve the sanitary conditions in Addis Ababa.⁹



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6 WIPO, "Protecting society and the environment with a geographical indication", 4 November 2010. Available from <http://www.wipo.int/ipadvantage/en/details.jsp?id=2656>

7 UNIDO, "Value-added argan oil increasing women's independence in rural Morocco", September 2015. Available from <https://www.unido.org/news/value-added-argan-oil-increasing-womens-independence-rural-morocco>

8 <http://www.nirman.org/KNOW.php>

9 ILO, World of Work Magazine No. 56 (Geneva, 2006). Available from https://www.ilo.org/global/publications/world-of-work-magazine/issues/DWCMS_080599/lang-en/index.htm

In Singapore, the cooperative insurer NTUC Income launched an insurance plan in 2013 designed for children and young people with autism. NTUC Income is the first insurer in Singapore to voluntarily offer special care insurance designed to protect and give coverage to children with autism. NTUC Income also consults with the Singapore Autism Resource Centre and its members to better understand the profile of the children and young people with autism. By 2015, more than 380 children and youth were covered by the insurance.¹⁰

Credit unions work to ensure that their services are inclusive of members with disabilities. In the United States, the National Federation of Community Development Credit Unions partners with the Disability Outreach Network in order to make financial services and credit accessible to people with disabilities while providing them with financial education. Among its services, the initiative provides hearing impaired persons access to low-interest loans in order to purchase special equipment, and provides them with income tax advice.¹¹

In Europe, social cooperatives are playing a growing role in the provision of social services and in the (re)integration of disadvantaged and marginalized workers including persons with disabilities, to complement existing social service providers.

The social cooperative model of Italy is an example. The legislation enacted in 1991 (“Law 381”) promotes social cooperatives, which deliver services such as providing work inclusion of disadvantaged groups into Italian society, including people with disabilities. Governmental support is available for social cooperatives where at least 30 per cent of employees belong to disadvantaged groups, while these arrangements respect cooperative autonomy and member control. In 2015, there were 16,125 social cooperatives (43.2 per cent growth from 2011) in Italy with 416,097 workers and 43,781 volunteers.¹²

COpAPS Social Cooperative in Bologna was established in 1979 by young people with disabilities, their family members and some supporters to provide the disabled young people with education, training and job placement through agricultural, artisanal and social activities. Today, as one of the earliest social cooperatives in Italy, COpAPS continues to pursue the objective of integrating persons with disabilities into the workforce, in three different areas: park maintenance and gardening, organic fruit and vegetable production, cultivation of flowers and ornamental plants.¹³



10 NTUC Social Enterprises, “Special care for special needs”, 25 July 2015. Available from <http://ntucsocialenterprises.sg/specialcare-for-special-needs/>

11 <http://www.cdcu.coop/initiatives/serving-underserved-markets/disability-outreach-network/>

12 Istituto Nazionale di Statistica, Annuario statistico Italiano 2017. Available from <https://www.istat.it/it/archivio/213021>

13 <https://www.copaps.it/>

Want to see more examples of how cooperatives contribute to SDG 10? Visit the Coops for 2030 campaign at www.coopsfor2030.coop

Migrants

Founded in 1993, the Bella Rica Mining Cooperative in Ecuador formalized artisanal and small-scale gold mine workers. The miners' main objectives in forming the cooperative were to formalize their work and obtain rights to the minerals mined. The cooperative consists of 141 members grouped into 56 mining societies. One of the many achievements is formalization of temporary migrant workers and making more stable contracts available for those interested in staying.¹⁴

Financial cooperatives provide migrant workers safe and affordable financial services including to send remittances to their home countries. The Sorosoro Ibaba Development Cooperative (SIDC), one of the largest multi-purpose cooperatives in the Philippines, engages in manufacturing, agri-based production and marketing, and consumer retailing as well as financial services. Filipino migrant workers can save and invest with the cooperative, which in turn supports agricultural, aquaculture and sustainable tourism activities in rural areas, thus contributing to local economic development.¹⁵

In Italy, Barikama Cooperative was set up by sub-Saharan African migrants in 2012 to start organic yogurt business after working on farms in southern Italy for pitiful salaries. The cooperative now produces and sells about 200 litres a week. Set up as a social cooperative, an enterprise that is granted tax cuts in return for providing social services, the company also offers work opportunities for Italians with Asperger syndrome. The business not only provides a living for cooperative members and its partners, but also helped break down social barriers.¹⁶



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- 14 UNEP, Analysis of formalization approaches in the artisanal and small-scale gold mining sector based on experiences in Ecuador, Mongolia, Peru, Tanzania and Uganda: Ecuador case study (Geneva, 2012). Available from http://www.responsible-mines.org/wp-content/uploads/2018/05/Case_Study_Ecuador_June_2012.pdf
- 15 Atikha Overseas Workers and Communities Initiative, "Soro-soro Ibaba Development Cooperative launches investment program in agriculture for overseas Filipinos", 20 July 2010. Available from <http://www.atikha.org/news/sidc-launches-investment-program-in-agriculture-for-ofw.html>
- 16 Umberto Bacchi, "Organic yogurt wins migrants freedom from exploitation in Italy", 20 February 2017. Available from <https://www.reuters.com/article/italy-migrants-farming/feature-organic-yogurt-wins-migrants-freedom-from-exploitation-in-italy-idUSL8N1FZ5XY>



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About COPAC

COPAC is a multi-stakeholder partnership of global public and private institutions that promotes and advances people-centered, self-sustaining cooperative enterprises, guided by the principles of sustainable development – economic, social and environmental – in all aspects of its work. The Committee's current members are the UN Department of Economic and Social Affairs (DESA), the International Labour Organization (ILO), the Food and Agriculture Organization of the United Nations (FAO), the International Co-operative Alliance and the World Farmers' Organisation.

For more information, please visit
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