

**OCTOBER 11-13** 

COOPERATIVES: THE POWER TO ACT

# **DECLARATION**

COOPERATIVES: THE POWER TO ACT ON THE UNITED NATIONS' SUSTAINABLE DEVELOPMENT GOALS

The United Nations proclaimed 2012 the "International Year of Cooperatives" and invited the world to take a fresh look at cooperatives and mutuals. That same year, Quebec City, Canada, hosted the first International Summit of Cooperatives. Between the final declaration of that unprecedented meeting and the implementation of the International Cooperative Alliance's Blueprint for a Cooperative Decade, the global importance of the cooperative and mutual movement was affirmed.

At the second International Summit of Cooperatives in 2014, the cooperative and mutual movement set for itself the objective of demonstrating the capacity of cooperatives to innovate and adapt. Summit participants concurred on the goal of promoting the emergence of more cooperatives and strengthening existing ones. The aim was to encourage cooperatives to work together to ensure food security, to pursue their role as creators of wealth and employment, to intensify their actions to promote access to healthcare and financial services for all people, and to continue supporting sustainable development.

In 2016, cooperative enterprises gathered once again in Quebec City, this time to focus on cooperatives' capacity to act on social, environmental and economic issues. In response to the UN's Sustainable Development Goals (SDGs), cooperatives and mutuals recognize that they are in a position of influence in terms of being able to introduce sustainable development strategies and help resolve major world issues.









# Declaration

In line with Goal 17 of the UN's Sustainable Development Agenda, which encourages effective partnerships among governments, the private sector, and civil society to ensure successful sustainable development, cooperatives also recognize their duty to contribute to the search for solutions.

Cooperatives are also well aware of the vital role of young people and women in achieving the SDGs, as well as the challenges that will need to be overcome before they can truly be full partners everywhere in the world. Cooperatives have committed to prioritizing the involvement of youth and women in decision-making processes, thereby empowering them to become agents of change.

With more than 2.5 million enterprises and 1.5 billion members, cooperatives represent more than 250 million jobs and play a key role as creators of quality employment.

Cooperative enterprises were the first globally organized group of enterprises to endorse the Sustainable Development Goals. In doing so, they confirmed that the unique nature of their business model and their cooperative values put them in a position to transform the UN's sustainable development commitments into real action to the benefit all people.

The cooperative business model is more relevant than ever. It meets the new expectations of today's consumers, who demand that businesses be more socially and economically responsible and support sustainable development. The Summit supports cooperative enterprises by raising awareness, building alliances, providing managers with practical tools, developing new markets, and promoting the growth and development of the cooperative model in an increasingly competitive and constantly changing economic and financial world.

The cooperative movement is confident that its business model can help achieve the SDGs, which is why it has set itself measurable objectives to promote the growth of the model and improve the reputation of its enterprises. By 2030, the cooperative movement hopes to include:

- 2 billion members, and
- 4 million enterprises.

The cooperatives that attended the 2016 Summit are aware of the enormity of the task at hand, but they are committed to playing a central role in achieving the SDGs. They have identified five areas where their power to act can be put to good use.

#### **FOOD SECURITY**

Whereas food security means access to healthy, nutritional and sufficient food for everyone to ensure that they can be active and healthy;

Whereas, despite the progress made over the last two decades in developing regions, the fact that there are 795 million under-nourished people around the world is a source of great concern;

Whereas by the middle of this century, the global population will reach 9 billion people, and in order to feed them all, agricultural production will have to rise by 60%;

Whereas there are a number of phenomena, including urbanization, climate change, armed conflict, speculation and natural catastrophes, that threaten to compromise food security, the eradication of hunger and the reduction of poverty; and

Whereas cooperatives directly contribute to Goal 2 (No hunger), and Goal 1 (No poverty) and Goal 3 (Good health) of the UN 2030 Agenda for Sustainable Development;

Now, therefore, cooperatives undertake to support global food security by:

- becoming an indispensable tool for organizing and marketing agricultural production and giving agricultural producers a voice so that governments can pass and implement effective policies;
- offering a way for rural producers and workers to increase their negotiation power through collective representation and economies of scale, helping to mitigate the impacts of food insecurity on young and indigenous people, particularly the rising cost of staples, lost harvests and food waste;
- improving the productivity and sustainability of family and small farming operations and enabling access to markets, energy, financial services, information, knowledge and technologies;
- facilitating access to farmland and water and helping to maintain local ownership;
- supporting the next generation of agricultural producers, namely by assisting and motivating young people, women and indigenous people in agricultural production by facilitating access to training, information and technology; and
- protecting and promoting traditional farming practices to contribute to the self-sufficiency of isolated communities.

## ECONOMIC GROWTH, EMPLOYMENT AND DECENT WORK

Whereas income inequality continues to worsen, even in advanced economies, and whereas more than 200 million people are unemployed worldwide in 2016 and this number is expected to rise over the coming years;

Whereas young people, particularly young women, are overrepresented among the unemployed, and close to 30% of young people do not have a job, attend school or receive training;

Whereas vulnerable employment is on the rise in emerging countries, developing countries and developed countries, and the number of workers in vulnerable employment currently stands at 1.44 billion;

Whereas elderly people represent more than 20% of the total population in the developed world and hundreds of thousands of businesses face closure each year due to retiring owners not being able to find suitable successors;

Whereas small and medium enterprises facing brief periods of financial hardship often close, even when they could continue to operate by transferring ownership to their workers in the form of a cooperative;

Whereas cooperatives directly contribute to promoting inclusive and sustainable industrialization, foster innovation both in urban and rural areas, contribute to economic sovereignty at both national and local levels, and prevent the relocation and offshoring of enterprises;

Whereas cooperatives have shown to be instrumental to developing inclusive and sustainable economic growth, employment and decent work, particularly in regions where they make up a large part of the economy; and

Whereas cooperatives directly contribute to Goal 8 (Good jobs and economic growth), Goal 4 (Quality education), Goal 5 (Gender equality), and Goal 10 (Reduced inequalities) of the UN 2030 Agenda for Sustainable Development;

Now, therefore, cooperatives undertake to help improve the global economic growth, employment and decent work situation by:

- facilitating the survival of small and medium-sized enterprises by promoting worker buyouts and promoting the cooperative model as a means of ensuring business succession;
- encouraging collective entrepreneurship, particularly the active involvement of women, young people and indigenous people in cooperative start-ups;
- empowering women through their inclusion in management and governance, leading to the elimination of violence and discrimination towards them;
- facilitating the emergence and development of cooperative businesses as creators of quality jobs and collective wealth at the local, national and international levels;
- promoting and offering employment and decent work (job creation, labour rights, social protection, social dialogue) in accordance with the standards of the International Labour Organization, including the Promotion of Cooperatives Recommendation, 2002 (No. 193);
- promoting the inclusion of the cooperative and mutual business model in education, training and skills development, particularly among young people;
- enabling the most disadvantaged populations to gain access to decent work, in order to be able to accumulate assets, redistribute wealth and influence decision-making on issues of economic growth and development;
- supporting the transition from informal to formal economy and employment through the cooperative model;
- developing initiatives that help cooperative enterprises develop and thrive, from the start-up stage through the consolidation and growth stages;
- encouraging cooperatives active in industry and services to form associations;
- promoting the mutualization of innovation among cooperatives active in industry and services;
- establishing alliances at the global, regional and national levels in order to transform the current economic structure of industry and services to one that is fairer and more distributive; and
- fighting inequalities, particularly through the cooperative principle of voluntary and open membership, and the principle of economic participation, ensuring an equitable redistribution of surplus among members and reinvestment in the cooperative's mission.

#### ACCESS TO HEALTHCARE AND SOCIAL SERVICES

Whereas health is one of the fundamental rights of every human being;

Whereas 400 million people do not have access to essential healthcare services, and 6% of the inhabitants of low- or intermediate-income countries live in extreme poverty due to the cost of healthcare;

Whereas improving health and well-being largely depends on efforts to implement universal healthcare coverage, which many countries still do not have;

Whereas even in developed countries not everyone has access to healthcare, primary care and social services for a variety of reasons, including inadequate geographic distribution of doctors, healthcare centres and services, to the detriment of remote areas and disadvantaged urban areas;

Whereas in many countries population growth, population aging and the spread of chronic diseases contribute to an increase in both demand and costs and complicate access to healthcare services;

Whereas the mutualist values and social nature of cooperatives can help mitigate speculative risk in a the healthcare sector, which is particularly sensitive to such risk;

Whereas cooperatives and mutuals offer practical and original solutions to handle many of the challenges related to improving access to healthcare and social services; and

Whereas cooperatives directly contribute to the achievement of Goal 3 (Good health), as well as Goal 1 (No poverty) and Goal 10 (Reduced inequalities) of the UN 2030 Agenda for Sustainable Development;

Now, therefore, cooperatives undertake to contribute to better access to healthcare and social services by:

- protecting people against the financial risks associated with healthcare and social services, including drug costs, through the development of mutualist solutions for healthcare coverage;
- improving the geographic distribution of healthcare, primary care and social services to the benefit of remote areas and disadvantaged urban areas;
- making a full range of healthcare, primary care and social services available to vulnerable and marginalized populations, including indigenous peoples;
- enabling communities to assume ownership of the prevention, healthcare and social services that they need, and to develop an integrated person-centred approach through social cooperatives and multi-stakeholder cooperatives involving both healthcare providers and users;
- developing primary care services through multidisciplinary networks with healthcare providers that offer integrated healthcare services outside hospitals;
- helping seniors and people facing a loss of autonomy to remain at home and receive home healthcare;
  and
- working with governments and supporting non-governmental partners to improve healthcare for women and girls, who are often deprived of the most basic care and who are at the greatest risk.

## POVERTY AND FINANCIAL INCLUSION

Whereas more than 2 billion adults do not have access to financial services;

Whereas financial inclusion and education are key factors in the fight against poverty;

Whereas over 50 countries and the World Bank have set targets for expanding financial inclusion;

Whereas financial cooperatives are drivers of financial inclusion and in some countries able to reach many more people than other types of financial institutions;

Whereas financial cooperatives have a strong presence in rural and remote areas, which are barely serviced, if at all, by other financial institutions;

Whereas access to savings products positively contributes to the autonomy of women, youth and indigenous peoples, as well as productive investment, consumption, and increased productivity and income;

Whereas access to a chequing account can act as a springboard to help people take charge of their own development;

Whereas mutual microinsurance is recognized as an efficient and effective risk mitigation mechanism that alleviates poverty, provides gender empowerment and assists rural communities and needs to be promoted, encouraged and allowed to exist; and

Whereas cooperatives can provide effective solutions to the challenges of poverty and financial inclusion and directly help achieve Goal 1 (No poverty), Goal 2 (No Hunger), Goal 4 (Quality education), Goal 8 (Good jobs and economic growth) and Goal 10 (Reduced inequalities) of the UN 2030 Agenda for Sustainable Development;

Now, therefore, cooperatives undertake to help improve access to financial services and to promote financial inclusion by:

- strengthening financial cooperatives so that they can offer reliable and affordable financial services;
- using technology to offer financial services to geographically remote and economically or socially excluded populations, including indigenous peoples;
- providing financial instruments for the development of industrial and service activities;
- diversifying culturally acceptable financial services and mechanisms to meet the needs of local communities;
- promoting economic empowerment through small loans to low-income people and communities;
- giving access to mutual microinsurance for poor communities;
- promoting savings and financial education to people and communities;
- enabling low-income people and their families to improve their financial security;
- supporting effective and efficient networking between financial cooperatives and strengthening international cooperation between national associations;
- supporting the introduction of appropriate legislation and oversight to ensure the stability of financial cooperatives and their inclusion in their countries' formal financial systems; and
- enabling women, youth and indigenous peoples to have access to opportunities, technology and education in order to improve their political, social, democratic and economic influence.

## CLIMATE CHANGE AND SUSTAINABLE DEVELOPMENT

Whereas climate change is one of the three biggest global risks to the future of societies and the planet's biological systems, according to the World Economic Forum;

Whereas it has been scientifically proven that the atmosphere is warming due to greenhouse gas emissions produced by human activity, which has led to a rise in the number of natural disasters, thereby threatening food production, among other things;

Whereas greenhouse gas emissions must urgently and significantly be reduced in order to limit global warming;

Whereas tremendous effort will be required to achieve the goal set out in the Paris Agreement, negotiated at COP21 and adopted on December 12, 2015, to keep a global temperature rise well below 2 degrees Celsius above pre-industrial levels, and to pursue efforts to limit this increase even further to 1.5 degrees Celsius; and

Whereas cooperatives are in a position to help address several challenges related to Goal 13 (Climate action), as well as Goal 6 (Clean water and sanitation), Goal 7 (Renewable energy), Goal 11 (Sustainable cities and communities) and Goal 12 (Responsible consumption) of the UN 2030 Agenda for Sustainable Development;

Now, therefore, cooperatives undertake to contribute to sustainable development and to act in order to limit global warming by:

- making the general public and businesses aware of the impact of greenhouse gas emissions on the climate and fostering a stronger culture of sustainable development;
- promoting cooperatives in energy production and distribution, in particular in the field of renewable energies, and helping to carry out and finance green renewable energy projects;
- supporting the development and application of energy efficiency measures;
- protecting populations against the risk of natural disasters associated with climate change;
- promoting and providing mutual risk protection mechanisms and solutions to communities affected by increased natural disasters as a result of climate change;
- preserving ecosystems and biodiversity, namely by promoting sustainable forest development, smart agriculture, and smart water-resource management;
- supporting water and sanitation management by citizen cooperatives;
- promoting gender equality and the autonomy of women in climate change mitigation and adaptation strategies in order to achieve equitable and inclusive sustainable development, as women should be heard at every decision-making level, from family life to politics;
- supporting young people and indigenous populations so that they can play an active role in protecting the environment and finding innovative solutions to climate change;
- investing in energy efficiency, as it is one of the key pillars of the world's future that will increasingly depend on oil;
- combating environmental degradation and dangerous extractive practices;
- pursuing local, harmonious and sustainable development for economic, environmental and social issues; and
- promoting the important role that cooperatives already play in many countries in recycling and waste management activities as part of new urban green policies.

## THE POWER TO ACT OF COOPERATIVES

The power that cooperatives have to act is far-reaching and extends to a majority of the global challenges targeted by the Sustainable Development Goals. The global cooperative movement pledges its commitment to help achieve the SDGs in order to make a tangible and measurable contribution to the search for solutions around the world.

In a context marked by a massive increase in inequality, unemployment, insecurity and conflict, by unprecedented levels of connectedness and interdependence never before seen in the history of humanity, and by growing citizen interest in the collaborative and circular economy, the cooperative model is now, more than ever, the answer the world needs to address the challenges it faces and to take advantage of the opportunities that arise. By committing to the Sustainable Development Goals in a measurable way and adopting growth objectives for 2030, the global cooperative movement is putting forward its collective expertise and its power to act.

International cooperative development and intercooperation represent our collective commitment to forming a global partnership for sustainable development. But it will require the collaboration and cooperation of all stakeholders, from the private sector to all levels of government, and the support of all generations.

To illustrate our first collective action, we are submitting to the UN the 403 projects already underway and the 345 project proposals that came out of the workshops held during the 2016 International Summit of Cooperatives. The aim is to prepare a catalogue of concrete projects to record what is already being done in connection with the 17 sustainable development goals, to inspire other cooperatives and mutuals to set up similar projects, and to develop tools to ensure the results are shared.

As for the project proposals, our intention is to set up a bank of projects that can be piloted with the support of international organizations such as the UN and the International Co-operative Alliance.