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Kontakt/Contact

ZBW – Leibniz-Informationszentrum Wirtschaft/Leibniz Information Centre for Economics
Düsternbrooker Weg 120
24105 Kiel (Germany)
E-Mail: [rights\[at\]zbw.eu](mailto:rights[at]zbw.eu)
<https://www.zbw.eu/>

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Working Paper

**Cooperatives as Hybrid Approach to pull off
Sustainable Livelihoods Development through
Sustainable Development Goals (SDGs):
A Desk Review**

Karthikeyan MUTHUMARIAPPAN & Karthika PALANISAMY

CIRIEC No. 2023/07

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**Cooperatives as Hybrid Approach to pull off
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Sustainable Development Goals (SDGs): A Desk Review***

Karthikeyan Muthumariappan** and Karthika Palanisamy***

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** Dr. K. Muthumariappan, Professor, Department of Cooperatives, College of Business & Economics, Wollo University, P.B. No:1145, Dessie, Amhara Region, Ethiopia (karthikeyan@wu.edu.et).

*** Dr. K. Palanisamy, Associate Professor, Department of Management, College of Business & Economics, Kebredehar University, P.B. No:250, Kebredehar, Somali Region, Ethiopia (karthika@kdu.edu.et).

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Abstract

Cooperatives are more relevant than ever if we look ahead at the development challenges and opportunities the world faces over the coming decades, and are being a key vehicle for sustainable livelihoods. This paper is an analytical review made by desk research of Cooperatives on the realization of sustainable development goals for enhancing livelihoods of people with multiple case studies approach. The cases highlight the contribution of cooperatives to sustainable development and showcase on the role of cooperatives in the design and implementation of the Sustainable Development Goals (SDGs). Cases prove that cooperatives help create more equitable growth by generating economics of scale, and improving bargaining power; tackle rural poverty by increasing the productivity and incomes of small scale farmers; expand poor people's access to financial services, can provide a range of services such as health care, housing and utilities; provide an opportunity for self-determination and empowerment of poor people and enable their members to have a voice and participate in a democratic process, thus having empowering development effects beyond their economic benefits. Cooperatives can help with conflict resolution, peace-building, social inclusion and social cohesion because they bring together people they can build trust and solidarity leading to greater social stability. By considering the evidences on the contributions and achievements made by Cooperatives in all sectors of economy and in all aspects of the life of people, cooperatives can be considered as hybrid approach that makes it more acquiescent than other business models to pull off sustainable development and livelihoods of world community through contributions towards SDGs.

Keywords: Cooperatives, Hybrid Approach, Livelihoods, Sustainable Development, SDGs

JEL Codes: Q01, P13, I31

Introduction

The Sustainable Development Goals (SDGs) of the 2030 Agenda for Sustainable Development, adopted by world leaders in September 2015 at an historic UN Summit, came into force on 1 January 2016. Over the next fifteen years countries will mobilize efforts to end all forms of poverty, fight inequalities and tackle climate change, while ensuring that no one is left behind. The SDGs build on the success of the Millennium Development Goals (MDGs) and aim to go further to end all forms of poverty. The new Goals call for action by all countries to promote prosperity while protecting the planet (www.icaafrica.coop/ accessed on 23.11.2023).

Cooperatives are an old idea, but one that is more relevant than ever if we look ahead at the development challenges and opportunities the world faces over the coming decades. As the United Nations are about to agree Sustainable Development Goals which will set a global agenda, there is a real chance to make extreme poverty and deprivation history, to secure social inclusion and to reconcile economic and social objectives. In tackling all of these challenges, cooperatives can play a valuable role in turning the tide. Many of the poor and excluded are reached neither by conventional markets for goods and services nor by government. Cooperatives have shown that they have the necessary reach and are being a key vehicle for sustainable livelihoods.

A recent study by the ILO and the International Cooperative Alliance (ICA) “Cooperatives and Sustainable Development Goals” highlights the contributions that cooperative enterprises are making to sustainable development and their potential to do much more: from creating employment and enhancing gender equality to providing clean energy and financial inclusion to ensuring food security and extending social protection to improve the livelihoods of people. Many of the working poor, the hungry and the excluded are rural workers, often smallholder farmers. Cooperatives have an outstanding track record in overcoming multiple forms of exclusion in rural areas, but not only there. Cooperatives are present in all sectors of the economy and adaptable to a range of contexts. They respond to the triple bottom line of sustainable development: economic development, social justice, and environmental protection. For all these reasons, cooperatives are very much enterprises of the future which play an essential role in complementing conventional markets and government action. This is acknowledged explicitly in the outcome document of the Rio+20 Conference ‘The future we want’. The international community should bear this in mind when setting out the strategies and the means through which the Sustainable Development Goals can be realized (ILO, 2014).

Studies have shown that the cooperative enterprises across sectors have continued to grow and prosper during the financial crisis, and this is reaffirmed by the survey results. Among the respondents 68 per cent observed that the number of cooperatives has grown in their country or region during the past decade; 63 per cent noted that individual membership in cooperatives has increased; and 57 per cent perceived the number of people employed by cooperatives as having risen (ICA, 2011).

Evidence suggests that group projects are increasingly relied upon by national governments, bi- and multi-laterals and non-governmental agencies (NGOs) including cooperatives as the preferred model for rural development project implementation and poverty alleviation (Grootaert 1998; Harris 1997; World Bank 1997). Despite their meagre performance, the World Bank claims that they remain ‘the preferred form of organization and perhaps the only organization with which rural people are familiar’ (Hussi, 1993).

The year 2015 is pivotal in many respects: the world celebrates 70 years since the formation of the UN; the UN General Assembly adopted the post-2015 Development agenda, the Sustainable Development Goals; COP 21 of the Climate Change Conference is taking place in Paris; and we are celebrating 20 years since the historic Beijing Women’s Conference. Africa has been and remains very active in all these processes, especially through its continental framework, now Agenda 2063 and the Common African Position on the post-2015 agenda and sustainable development goals. We therefore look forward to our continued collaboration with the UN System as we move towards the implementation of Agenda 2063, and the Sustainable Development Goals (African Union, 2015).

Cooperatives’ limited engagement in articulating a global vision for sustainable development – 29 per cent of respondents institutions’ contributions to sustainable development were reported to be at local and 35 per cent at national level, compared to 19 per cent at regional and 17 per cent at international level; and Persistent misconceptions on the cooperative business model among employers’ organizations, trade unions as well as research institutions, despite positive evidence on cooperatives’ contributions on improving livelihoods of people (ILO, 2013).

Sustainable Livelihoods through Cooperatives by realization of Sustainable Development Goals

Sustainability is recognized as one of the five pillars of the International Co-operative Alliance's (ICA) Blueprint for a Cooperative Decade, which aims to position cooperatives as builders of economic, social and environmental sustainability by 2020. In September 2015, world leaders approved during the United Nations General Assembly the 2030 Agenda for Sustainable Development, which included seventeen Sustainable Development Goals (SDGs) that will be the cornerstone of all policy for years to come (www.ica.coop/ / accessed on 23.11.2023). The Agenda includes several mentions to co-operatives as diverse private sector actors to achieve the SDGs, creating an opportunity for the co-operative movement to demonstrate its contributions and commitment to engage. Co-operatives were similarly mentioned in the Addis Ababa Action Agenda of the Third International Conference on Financing for Development. It recognized the importance of addressing the diverse needs and challenges faced by countries in special situations, in particular African countries, least developed countries, landlocked developing countries and Small Island Developing States (SIDS)¹, as well as the specific challenges facing middle-income countries. The Addis Ababa Action Agenda reaffirmed that least developed countries, as the most vulnerable group of countries, need enhanced global support to overcome the structural challenges they face for the achievement of the post-2015 development agenda and the sustainable development goals (United Nations, 2015). In this regard, the implementation of relevant strategies and programmes of action, including the Istanbul Declaration and Programme of Action with the overall goal of the Istanbul Programme of Action (IPoA) is to overcome the structural challenges faced by LDCs in order to eradicate poverty, achieve internationally agreed development goals and enable eventual graduation from the LDC country category by 2020. The SIDS Accelerated Modalities of Action (SAMOA) Pathway adopted at the conference addresses priority areas for SIDS and calls for urgent actions and support for SIDS' efforts to achieve their sustainable development, and the Vienna Programme of Action for Landlocked Developing Countries for the Decade 2014-2024, and reaffirm the importance of supporting the new development framework, "the African Union's Agenda 2063", as well as its 10-year Plan of Action, as a strategic framework for ensuring a positive socio-economic transformation in Africa within the next 50 years and its continental programme embedded in the resolutions of the General Assembly on the New Partnership for Africa's Development (NEPAD). The NEPAD is a socio-economic flagship Programme

¹ <https://sustainabledevelopment.un.org/topics/sids/list>

of the African Union (AU). NEPAD's four primary objectives are to eradicate poverty, promote sustainable growth and development, integrate Africa in the world economy and accelerate the empowerment of women. The 2030 Agenda for Sustainable Development recognises the important role that the private sector, including co-operatives have in establishing partnerships and achieving the SDGs. It is important for the co-operative movement to mobilise around these global goals and demonstrate its inherent capacity to deliver economic, social and environmental goals. The International Co-operative Alliance plans to offer its members the global framework for concerted action (www.ica.coop / accessed on 22.11.2023). Sustainable development is at the very core of co-operative enterprises. Based on ethical values and principles, the co-operative model of business serves to meet the needs and aspirations of people in an economically, socially and environmentally sustainable way.

It is partly for this reason that the cooperative movement has been at the forefront of debates on sustainable development, and the role that both agricultural and non-agricultural cooperatives can play in achieving sustainable development goals (Gamze Yakar-Pritchard, et al., nd). Now that implementation of the 2030 Agenda is underway, the Alliance is developing the Co-ops for 2030 campaign, which will educate co-operatives about the SDGs, suggest ways for co-operatives to contribute to them and engage co-operatives to make SDG pledges and track their progress.

In the context of the UN High-Level Political Forum on Sustainable Development (HLPF), the Committee for the Promotion and Advancement of Cooperatives (COPAC) celebrated the International Day of Cooperatives with a Voluntary National Review Lab (VNR-Lab) on 11 July 2023 at the UN headquarters in New York. The event allowed countries that include cooperatives in their voluntary national presentations to exchange experiences with participants, including cooperators, for mutual learning and to have a deeper discussion on supporting cooperatives as sustainable and successful enterprises that are vehicles for achieving the Sustainable Development Goals (SDGs) (www.coopsday.coop / accessed on 22.11.2023).

Cooperators from all around the world discussed the relationship between the cooperative movement and each of the Sustainable Development Goals, from the first to the 17th. The format will be very dynamic and can be followed online in English, Spanish and Basque. This event was organized by the [Higher Council of Cooperatives of the Basque Country](#) together with [Konfekoop](#) and [COCETA](#), that, in such a special year in which Donostia had been named 'Capital of the Social Economy' in Spain, join the International Cooperative Alliance to mark the 101st International Cooperative Day.

At its 66th plenary meeting on April 18, 2023, the United Nations General Assembly adopted the resolution “Promoting the Social and Solidarity Economy for Sustainable Development” (A/77/L.60). The resolution provides an official definition for the Social and Solidarity Economy and acknowledges that it can contribute to the achievement and localization of the Sustainable Development Goals. Following the events organised in [July](#) and [December](#) 2022 at the United Nations Headquarters in New York, the United Nations has adopted the first [Resolution on promoting the social and solidarity economy for sustainable development](#) during the General Assembly held today 18th April 2023. As an observer of the UN Task Force on the Social and Solidarity Economy (UNTFSE), the International Cooperative Alliance (ICA) has been part of the discussion over the last few years, and welcomes this important step in mainstreaming and enhancing the international dimension and profile of the SSE (UN, 2023).

Cooperatives are highly relevant and important in the realization of the proposed sustainable development goals. This brief highlights the actual contribution of cooperatives to the twelve SDGs proposed by the High-Level Panel of Eminent Persons in the Post-2015 Development Agenda in their report of 2013. Though the specific goals, targets and indicators will not be agreed upon until September 2015 as part of the ongoing process, these twelve proposed goals reflect the range of themes that will likely be covered by the SDGs. The Illustrative Sustainable Development Goals, as proposed by the High-level Panel of Eminent Persons on the Post-2015 Development Agenda:

1. End poverty: the cooperative enterprise is the type of organization that is most suited to addressing all dimensions of reducing poverty and exclusion. The way cooperatives help reduce poverty is important - they identify economic opportunities for their members; empower the disadvantaged to defend their interests; provide security to the poor by allowing them to convert individual risks into collective risks; and mediate member access to assets that they utilize to earn a living.

2. Empower girls and women and achieve gender equality: Cooperatives are contributing towards gender equality by expanding women’s opportunities to participate in local economies and societies in many parts of the world.

SEWA(India) – The “Shri Gitanjali Mahila SEWA Industrial Stationary Producers Cooperatives Ltd” is an Indian cooperative established in 1995 and involved in the manufacturing of various paper products made from recycled waste paper. The objectives of the cooperative are to reduce and recycle waste, to provide an alternate livelihood and to teach new skills to waste pickers who are members. The waste pickers are mostly women, who pick out recyclable materials from mixed waste to create hand crafted products. Among the products of the cooperative there is a wide range of paper products made from the waste materials such as notebooks, diaries, pens, paper bags and innovative jewellery. Workers not only play a vital role in society by keeping the surroundings clean and tidy, but they also earn an income for their families. The cooperative is promoted by SEWA, Self-Employment Women’s Association, also a cooperative group, involved in the organization of waste-pickers work since its creation in 1972 (Stories.coop).

3. Provide quality education and lifelong learning: Cooperatives support access to quality education and life-long learning opportunities by providing the means for financing education; supporting teachers and schools; establishing their own schools to provide quality education to both youth and adults; and serving as centres for lifelong learning. Cooperatives play a significant role in facilitating access to education by increasing household incomes, which translates into the ability to meet educational costs. Cooperatives can also be a direct source of educational finance.

This case study discusses the growth of a new co-operative sector in England during the past ten years which has been one of the movement’s success stories. The development of more than 700 schools as multi stakeholder co-operatives has been aptly described as ‘a quiet revolution’. Moreover, this ‘revolution’ has occurred during the past decade against what might at first sight seem very unpromising circumstances given a rapidly changing educational environment with frequent major policy shifts and unremitting media attention. Changes in the legal and policy environment have created opportunities for the genesis of new co-operative governance models in education. Two legal models for co-operative schools are operational: Foundation Trusts and Academy Trusts. Both use a multi-stakeholder co-operative model which aims to provide a voice in the running of the school of all interest groups – staff, students, parents and the wider community.

* Dr Linda Shaw is Vice Principal at the Co-operative College in Manchester responsible for research and international programmes.

4. Ensure healthy lives: Cooperatives ensure healthy lives by creating the infrastructure for delivering healthcare services; financing healthcare and providing home-based healthcare services to people living with HIV/AIDS, among others. Healthcare cooperatives include workers' cooperatives that provide health services, patient or community cooperatives that are user-owned, and hybrid multi-stakeholder cooperatives. They can provide anything from homecare to full-scale hospital care. The International Health Cooperative Alliance estimates that there are more than 100 million households worldwide that are served by health cooperatives.

Indira Gandhi Co-operative Hospital (A unit of Mambaram Co-operative Hospital Society Ltd. C.952) is functioning at Manjodi, Thiruvangadu, Thalassery, Kannur, Kerala. Indira Gandhi Co-operative hospital is 325 bedded Multispeciality Hospital with 24 hours Casualty, Pharmacy, Accident Trauma Care Unit, Spiral CT Scan, X-ray Unit, Ultra Sound Scan Unit, Lab, ICU, ICCU, NICU for new born babies, Neuro ICU and separate Pediatric ICU with all facilities. 5 major Operation theaters and 3 minor operation theatres (General Surgery, Neuro, Ortho, Gynaec, ENT, Uro and Fully equipped modern Ophthalmology OT). Indira Gandhi Co-operative Hospital has gained its incomparable fame because of the dedicated service of eminent consultants and fully qualified able nursing staff.

5. Ensure food security and good nutrition: Cooperatives contribute to food security by helping small farmers, fisher folk, livestock keepers, forest holders and other producers to solve numerous challenges that confront them in their endeavours to produce food. Farming and agriculture is where the cooperative business model is most widely utilized. Cooperatives together have an estimated 32 per cent of the global market share in the agricultural sector.

6. Achieve universal access to water and sanitation: Cooperatives are increasingly becoming major actors in facilitating access to clean water and sanitation services to make up for the failures of both the public and private sectors. Cooperatives have provided alternative ways for urban communities to get clean water and safe sewerage services. Water cooperatives also provide remote locations that would otherwise have no service.

Oromia Coffee Farmers Cooperatives Union, Ethiopia has contributed much towards social projects like construction of clean drinking water tanks in the form of spring development (86), and bore hole (3), established health posts (10), occupied medical equipment (3), and dry latrine (7) in its service area. These were done by means of fair trade premium received out of coffee sales made by the union.

(<http://www.oromiacoffeeunion.org>)

7. Secure sustainable energy: Energy cooperatives are contributing to the achievement of the sustainable energy goals of energy access, energy efficiency, and reduced emissions. Cooperatives are visible in facilitating access to sustainable energy, where they are playing a significant role in generating electricity and distributing it to consumers. They are also leading the way to the adoption of new and renewable energies like solar and wind power in many parts of the world. Best known are the rural electrification cooperatives that have provided electricity to rural populations in many countries, both developing and developed.

Ecopower (Belgium): As peak oil becomes a favourite topic and energy prices continue to rise, renewable energy is on the minds of governments, businesses and citizens. The Ecopower co-operative has brought back co-operative values into Belgium and is a blueprint for new co-operative development. Ecopower functions by collecting funds from members which are used to develop renewable energy sources. The key to this co-operative is giving members both a personal stake and a share in sustainable energy sources.

8. Create jobs, sustainable livelihoods and equitable growth: Cooperatives play a significant role in employment creation and income generation. Together with small and medium-sized enterprises, cooperatives are the most significant sources of new employment. While global data on cooperatives' contributions to creating employment needs improvement, available country evidence is quite compelling.

“Around one billion co-operative memberships exist across the world today, which is about three times the number of individual shareholders in share market-traded companies and from the 1.4 million co-operatives in operation across the world more than 3 billion jobs are created.”

9. Manage natural resource assets sustainably: Cooperatives contribute to the sustainable management of natural resources in a variety of ways: They ensure that natural resources are not depleted. Cooperatives have provided for a for local people to find solutions to environmental change by defining their property and user rights, managing natural resources, and diversifying their economic activities to embrace green economic ventures.

Indian Farm Forestry Development Co-operative (India): This umbrella cooperative is turning wasteland back into forest in three north-central states of India, Rajasthan, Uttar Pradesh and Madhya Pradesh. So far the 143 primary forestry societies which are its members have regenerated 27,000 hectares of wasteland. This regeneration allows subsistence farmers to become adept in forestry farming.

10. Ensure good governance and effective institutions: one of the principles of cooperatives is democratic member control. The equal voting rights of cooperative enterprises, on the basis of one member, one vote, impart the necessary and legitimate representativeness to make them key actors in the social dialogue process especially in rural and informal economy settings. Good governance characteristics such as transparency, responsibility, accountability, participation, responsiveness to the people's needs, and respect for the rule of law, are also features of the cooperative identity. Deeply rooted in the community they operate, cooperatives can empower people by enabling even the poorest segments of the population to participate in economic progress. Furthermore, by creating a platform for local development initiatives, they bring together a range of community institutions to foster opportunities for decent work and social inclusion. Cooperatives can be schools for practicing democracy first hand through participation and control. Cooperatives and cooperative members, in their dual role as stakeholders and owners or controllers, can provide an important voice in the global debate on governance and transparency. Strong and legitimate governance institutions, including social enterprises like cooperatives, are needed to ensure that the benefits of development are equally shared and sustainable over time.

CCU (Bulgaria): CCU is a consumer cooperative which has emerged from the turmoils of the collapse of communism, to reinvent itself as a cooperative and provides an example of emerging governance and true membership (www.Stories.coop).

11. Ensure stable and peaceful societies: In the aftermath of violent social conflict, cooperatives have often emerged as sources of positive social capital, fostering a strong sense of community, participation, empowerment and inclusion among members and restoring interpersonal relationships and peace.

Community Cooperative Bank Project in Ethiopia was initiated in 2009 in collaboration with the target community to enable them establish their own cooperative bank through their self-help business groups. The project works towards organizing many self-help groups in the area so that they are able to establish their own bank as per the country's law. So far from the beginning of the project, about 873 low income people were organized into self-help groups and saved more than half of a million Birr which is equivalent to about USD 30,000.00. The community bank, therefore, is planned to be established by 2025. The source of fund will be members of the self-help groups and other interested donors, business companies, etc to support cooperatives of the self-help groups in the project.

12. Create a global enabling environment and catalyze long-term finance: Cooperatives contribute to the creation of a global enabling environment by closing the trade gap between the developed and developing world; by stabilizing financial systems during crises; and by providing the base for financial deepening around the world. Cooperatives have played a role in creating a global enabling environment by bridging the trade barriers between developed and developing countries through fair trade and other forms of alternative trade that alter the imbalanced trade relationship. Financial cooperatives can provide some of the best means for financial deepening, and the financial basis for other kinds of development activities in many parts of the world.

Kabng'etuny Farmers' Cooperative Society is one of the first Fairtrade certified coffee cooperatives that has embraced gender mainstreaming in its operations. The 185 women members of the organisation who produce and supply Fairtrade coffee receive their proceeds directly. This is a very bold step, unique to coffee production practices in Africa where conventionally women provide labour while men collect the proceeds. The main vision of Kabng'etuny women is to establish and develop a sustainable Fairtrade coffee value chain targeting the newly launched Fairtrade market in Kenya. The women's involvement in the programme has already attracted attention from other Fairtrade cooperatives in Eastern Africa who have expressed their interest in learning more about the impact and the implementation of the

cooperative's gender strategy. Kabng'etuny's is a member of Fairtrade's 'Women in Coffee' programme that supports gender equity and youth involvement in production of Fairtrade coffee. (<http://www.fairtradeafrica.net/news/coffee-cooperative-empowers-women-farmers>)

To sum up, Cooperatives are already present in all the areas that the proposed Sustainable Development Goals envisage the direction the world will take to make sustainable development a reality. Cooperatives are central to the realization of sustainable development around the world with their focus on sustainable livelihoods. With little visibility at national and international levels, the potential and importance of the contribution that cooperatives can make to the design and realization of SDGs seems to have been missed by policy makers at respective levels. This explains the relatively limited visibility and attention that cooperatives have received in the debate on the post-2015 development agenda.

For all these reasons, cooperatives can be seen as an inherently sustainable business model, contributing to the “triple bottom line” of social, economic and environmental sustainability. Sustainability is recognized as one of the five pillars of the International Co-operative Alliance's (ICA) Blueprint for a Cooperative Decade, which aims to position cooperatives as builders of economic, social and environmental sustainability by 2020.

Cooperatives for sustainable livelihoods

The concept of sustainable livelihood is about placing people, particularly rural people at the centre of a web of inert-related influences that affect how these people create a livelihood for themselves and their households (IFAD, 2012). IFAD argues that closest to the people at the centre of the framework are the resources and livelihood assets that they have access to and use: including natural resources, technologies, their skills, knowledge and capacity, their health, access to education, sources of credit, or their networks of social support. The extent of their access to these assets is strongly influenced by their vulnerability context, which takes account of trends (for example, economic, political, and technological), shocks (for example epidemics, natural disasters, civil strife) and seasonality (for example, prices, production and employment opportunities). Access is also influenced by the prevailing social, institutional and

political environment, which affects the ways in which people combine and use their assets to achieve their goals, these are their livelihood strategies. People are the main concern, rather than the resources they use or their governments. On the other hand, the sustainable livelihood approach (SLA) is a way to improve understanding of the livelihoods of poor people, drawing on the main factors that affect poor people's livelihoods and the typical relationships between these factors. SLA is used to identify the main constraints and opportunities faced by poor people, as expressed by themselves. SLA has guiding principles that include (i) being people-centred (ii) being holistic (iii) dynamic (iv) building on strengths (v) promoting micro-macro links (vi) encouraging broad partnerships (vii) aiming for sustainability. Sustainability is important if poverty reduction is to be lasting.

Perhaps review of the global significance of Co-operatives is necessary. For many centuries now Co-operatives have had significant impact in addressing both local and global challenges by contributing significantly towards, inter alia, poverty reduction, employment creation, peace and social cohesion, and environmental management, and it is evident that sustainable livelihoods secured through cooperatives. Further studies show that, much more than other forms of business organizations; Cooperatives help create more equitable growth by making markets work better for poor people, by generating economies of scale, increasing access to information, and improving bargaining power. Co-operatives help tackle rural poverty by increasing the productivity and incomes of small scale farmers by helping them collectively negotiate better prices for seeds, fertilizer, transport and storage. Co-operatives expand poor people's access to financial services, including credit savings and in some cases insurance and remittances. These services can support enterprise start-up and expansion; enable the risk taking that can lead to increased profitability; and reduce vulnerability by allowing the poor to accrue savings, build assets and smooth out consumption. Co-operatives provide a range of services such as health care, housing and utilities such as water and electricity. Co-operatives have been successful in expanding access to water and electricity for poor and reducing wastage from illegal diversion of utilities.

Co-operatives can provide an opportunity for self determination and empowerment of poor people because they foster a culture of good citizenship and enable their members to have a voice and participate in a democratic process, thus having empowering development effects beyond their economic benefits. Co-operatives can help with conflict resolution, peace-building, social inclusion and social cohesion because they bring together people of different religious, ethnic and political groups they can build trust and solidarity leading to greater social stability.

The growing stature of the Co-operative form of enterprise on the global stage is perhaps captured in the UN General Assembly (2009) when, in declaring 2012 the International Year of Co-operatives, noted that Co-operatives promote the fullest possible participation in the economic and social development of all people, including women, youth, older persons, persons with disabilities and indigenous peoples, are becoming a major factor of economic and social development and contribute to the eradication poverty.

To conclude, issues with the aspects of the cooperative business model as hybrid approach that makes it more acquiescent than other business models in securing sustainable livelihoods. Co-operatives are democratic institutions that enjoy legal protection; Co-operatives are jointly-owned enterprises and therefore enjoy synergy from their diversity of membership; Co-operatives enjoy economics of scale through shared services; Co-operatives provide social inclusion for people with diversity abilities but common interests due to their principle of open and voluntary membership; Co-operatives raise the necessary start-up and working capital from members or banks; and Co-operatives often have the capacity to employ specialized staff and opportunity to elect capable leaders. ***By considering the evidences on the contributions and achievements made by cooperatives in all sectors of economy and in all aspects of the life of people, cooperatives are considered as hybrid approach to sustainable development and livelihoods of world community.***

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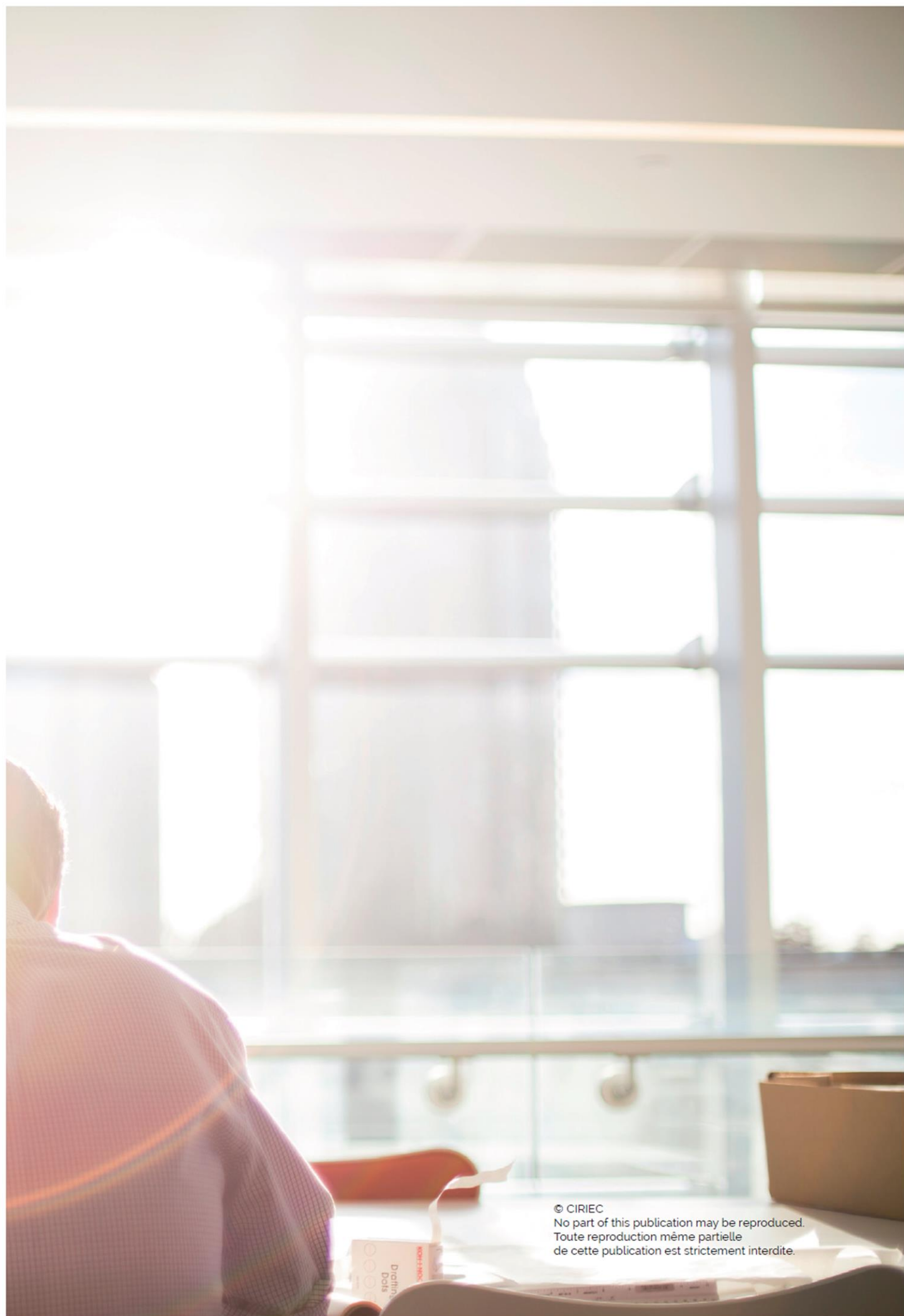
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Université de Liège | Quartier Agora | Place des Orateurs 1 | Bâtiment B33 -
boîte 6 | BE-4000 Liège (Belgium) | T +32 (0)4 366 27 46 | F +32 (0)4 366 29 58
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