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CO-OPERATIVE SUMMIT OF THE AMERICAS
Guadalajara, Jalisco, Mexico
September 21st - 25th, 2009

The Co-operative Model: Response to Global Crises
Information & Registration: http://www.cumbreaci.coop / cumbre@aciamericas.coop
Welcome to the second edition of the ICA-Americas Newsletter. We have been most encouraged by the positive response we received to our first issue and hope that you will continue to find the newsletter interesting and useful.

This issue reports on an ILO study which provides historical and empirical information to reaffirm co-operatives are the key for a better, sustainable and more egalitarian world. The report calls for the need to strengthen the links between co-operatives North and South.

In our in-depth interviews we had the pleasure to interview Dante Cracogna, member of the ICA Legislative Advisory Group who reflected on the importance of the recent approval of two legislation initiatives: the Mercosur By-Law of Co-operatives and the Framework Law for the Co-operatives in Latin America.

Readers will also find a follow-up of the main events that have taken place in Canada and the United States, concerning a wide range of co-operative matters.

ICA-Americas takes this opportunity to welcome Martin Lowery in his new position as chairman of NCBA’s Board of Directors and Claude Gauthier newly- elected president of the CCA. ICA wishes both leaders and their associations every success in serving their members’ needs.

Driving global recovery through co-operatives

ICA, UN AND FAO RELEASE MESSAGES FOR INTERNATIONAL DAY OF CO-OPERATIVES 2009

Messages from the ICA, UN and FAO underline that co-operatives are more resilient to crisis than other forms of enterprise. They are not only surviving the crisis, but also contributing to driving global recovery due to the fact that co-operatives are value based enterprises guided by the Co-operative Values and Principles.

However, the ICA warns that only with appropriate policies will co-operatives continue to be able to drive global recovery and thus calls on policy-makers to take into consideration the co-operative enterprise when elaborating regulations and legislation.

ICA further calls on co-operators throughout the world to strengthen their commitments to their co-operative values and principles, celebrate their success in these difficult times, and work in partnership to ensure that they continue driving global recovery around the world.

Invocation

FIRST CO-OPERATIVE SUMMIT OF THE AMERICAS
THE CO-OPERATIVE MODEL: RESPONSE TO SOCIAL CRISES

The International Cooperative Alliance for the Americas, as the major organization in cooperative integration of the Americas, with the support of ICA members in Mexico: Caja Popular Mexicana, Federación de Cajas Populares ALIANZA, Confederación Nacional Cooperativa de Actividades Diversas de la República Mexicana, y la Federación Nacional de Cooperativas Financieras UNISAP; have the pleasure to invite the cooperative movement and other social economy organizations, to participate in the I Cooperative Summit of the Americas entitled: “The cooperative model: response to the global crisis”, to be held in Guadalajara, Mexico, from 21 to 25 September, 2009.

ICA-Americas celebrated in 2008 the Sixteenth Regional Conference and every year this event attracted a large attendance and offered a high academic level. The current international dynamics presents us a panorama, in which the cooperative organizations should be united more than ever to continue being actors of change and to confront with determination the challenges ahead. We believe this is the moment for a conceptual and methodological change towards a more engaging and integrating approach, to continue fulfilling our function as a regional body.

Cooperatives are very significant in the redefinition of a new global economic paradigm. The movement has been strengthened for its ethics, its defense of collective interest and democratization of management systems, all of these derived from its intrinsic nature as social enterprises serving members, their families and the whole community.

The main objective of the I Cooperative Summit is to go more deeply into the analysis of the crisis through more direct and active participation. This event will be more than a meeting point for cooperative members. In this opportunity the major topics that affect and benefit our organizations will be previously analyzed in the different countries and cooperative sectors. A consensual statement will be drawn up including agreements and resolutions that will serve as a reference framework for the implementation of actions directed towards strengthening the cooperative sector of the Americas. Our cooperative model and the guidelines in the before-mentioned statement will help face the present challenges in the context of global crisis.

The I Cooperative Summit will be focused on the analysis and discussion of three thematic areas with its respective sub-themes:

1. Paradigms of Development and New Economic Order
   Financial Tendencies: Transition of the Global Financial Architecture; Social Inclusion-Exclusion: Challenges and Opportunities in Times of Crisis; Crisis of Employment and Family Welfare; Development and Management of the Human Resources; Crisis of Values

2. Growth and Sustainability
   Environmental Crisis: Global Warming and Global Energy; Food Crisis; Technological Innovation: Clean Production, Agro-ecology, Bio-fuels, among others; Social and Economic Sustainability

3. Cooperative Organization for the Social and Economic Development
   The Cooperatives as part of the Social Economy. A real alternative to the crisis?; Cooperative Social Responsibility: beyond the cooperative social balance; New Information Technologies, Technological Competitiveness and Digital Gap; Cooperative Governability and Ethics; Cooperative Social Participation. Real and effective?

Meetings and Forums

The I Cooperative Summit will also include other diverse academic activities, such as Meetings and Forums; each of them will have a specific methodology. From that process, a consensus statement will be elaborated including agreements and resolutions of the sector. This will serve as a reference framework for the implementation of actions oriented to strengthen the cooperative sector of the continent. The cooperative model and the assumptions of this statement will contribute to face the challenges of the current situation.

Therefore, we extend our most cordial invitation so that this year 2009 you are an active participant of this Summit, supporting the progress of the cooperative movement. We thank you in advance and very respectfully request you to spread this event among the cooperative organizations of your country. Let us be part of the answer to the world crisis.

In cooperation,

Ramón Imperial Zúñiga
ICA-Americas President

Manuel Mariño
ICA-Americas Regional Director
A recent ILO report commissioned to the ICA provides historical and empirical information which shows cooperative enterprises across all sectors and regions are relatively more resilient to the current market shocks than their capital-centered counterparts. The study is an exceptional contribution providing in-depth information to make the case for co-operatives to the public. The report titled “Resilience of the co-operative business model in times of crisis” evidences cooperatives remain financially sound amidst the current downturn even experiencing increased turnover and growth in many cases.

Regarding Canada and the United States, the information available in the report proves cooperative banks, savings and credit cooperatives and credit unions are remarkably strong in contrast to their investor-owned competitors who have had to be bailed-out with shockingly large amounts of public funding. According to the report’s findings, a large number of co-operatives are posting their best results ever. “In Canada, 516 credit unions and caisses populaires outside of Quebec saw a six-month increase in assets in the second quarter of 2008. Similar reports from the provincial savings and credit cooperatives or credit union associations, called Centrals, highlight the stability of the system. For example, the 48 credit unions saw assets, loans and deposits increase by 10 percent or more in 2008. For credit unions in Saskatchewan, net income and total assets in 2008 were the highest ever. It was also a record year for credit unions in British Columbia where 2008 earnings increased by 10 percent to reach an all-time high for the province. With an increase in member numbers, deposits and assets of these financial institutions is also on the rise.”

The situation is similar for financial cooperatives in the US. “Credit Union National Association in the US expects deposits in credit unions to increase by 10 percent in 2009”, says the report.

While a credit freeze by the large banks has been one of the characteristics of the financial crisis, financial cooperatives in the United States and Canada survive and continue to carry out business. This is of utmost importance because the credit freeze will disproportionately hurt those considered a credit risk and lead to even greater financial marginalization. “In the US, loans by credit unions increased from US$539 billion in 2007 to US$575 billion in 2008. By comparison, 8,300 U.S. banks saw loans outstanding decrease US$31 billion last year, to US$7.876 trillion from US$7.907 trillion in 2007.” Garth Manning, CEO of Credit Unions Central of Manitoba, explains “Most financial institutions were short of lending capital and had trouble financing lending. Our credit unions had the liquidity to be able to meet lending demand”.

Contrary to expectations, in the current recession banking co-operatives have also shown an increase in membership levels. “Loan accessibility, competitive rates, and institutional stability have translated into an increase in membership in savings and credit cooperatives. Taking the US as a whole, membership in credit unions rose to almost 90 million in 2008, from 85 million in 2004”. Looking for safer and more ethical alternatives to the banks, consumers are turning to cooperative financial institutions and their risk-averse model. In relation to interest rates, the report highlights the cooperative model offers better rates than banks. “Credit unions are meeting the current demands of the market for good rates, low risk and personal service while banks are increasing fees to make up for losses. Also, the net interest margins are lower in credit unions.”

Cooperatives also provide low cost money transfers from people working in developed countries and sending part of their wages home. “For many people in developing countries in Latin America remittances from family members abroad are an essential part of the household income. Estimates put the total value of all remittances from the US to Mexico, Central America, and the Caribbean at around US $15 billion. Lower services fees on remittance transactions can therefore have a significant impact on low income families. Credit unions and cooperatives charge the lowest fees compared to banks and remittance service companies” says the report.

Despite few exceptions, the movement has not yet been seriously affected by the crisis. Although cooperatives are coping better with the economic decline, there is no magic formula for success. ILO report warns cooperatives about what can come in the near future. “As the recession deepens and lengths, it is likely to have to deal with increased loan delinquency, and eventually a falling off in deposits as members’ incomes begin to decline.” Furthermore, the unfair competition with bankrupt investor-owned banks that were recapitalised by governments is signalled as a danger to pay attention to.

It is generally agreed that the recession will hit developing countries hard. The report calls for the need to strengthen the links between cooperatives North and South, through technical assistance, product development and fair trade.

To download the complete Report click here.
Car-sharing growth: An International Comparison

Car-sharing programs, which started in North America over a decade ago, are a great solution.

About 75% of North Americans live in cities. Many of them drive less than 7,500 miles a year. In this context a growing number of people have decided they want to avoid the expense and trouble of owning a car and contribute to a cleaner environment. Car-sharing allows these people to share the financial, social and environmental costs of owning a vehicle, while enjoying the benefits that automobiles offer.

This idea appeared in Europe between the 1940s and 1980s, but did not become popularized until the early 1990s. For nearly 20 years, there has been growing worldwide participation in car-sharing and nowadays this system operates in approximately 600 cities around the world. A recent study called Worldwide Car-sharing growth: An International Comparison carried out by Susan A. Shaheen from the University of California, Berkeley, shows that at present, there are an estimated 348,000 car-sharing members worldwide who share nearly 11,700 vehicles.

Car-sharing came to North America via Quebec City (Canada) in 1993. Since then there has been a steady increase in membership in the United States and Canada every year. Shaheen estimates the growth potential in North America’s major metropolitan regions at 10 percent of individuals over age 21. The study also reveals that “North American studies and member surveys suggest a large number of car-sharing participants sold a vehicle after joining a car-sharing program, while others delayed or had forgone a vehicle purchase”.

The study also explains that reduced vehicle ownership results in lower greenhouse gas emissions, as trips are shifted to transit, biking, and walking. “In addition, many car-sharing organizations include low-emission vehicles, such as gasoline-electric hybrid cars, in their fleets. Car-sharing members also report a higher degree of environmental awareness after joining a car-sharing program”.

Although car-sharing operations can be organized in many forms, when it is organized in the form of a co-operative all of its benefits are maximized. Each co-operative has a unique form of management, but generally they all follow a basic formula of operation. A group of people join together with the common desire to have intermittent access to a car. They all pay a certain sum of money to join the co-operative; usually it is between $400 and $500 dollars. That money goes towards maintenance, insurance, and parking fees associated with driving a car. Once a member of the co-operative, one has unlimited access to the vehicles.

The vehicles are usually parked in designated lots around the city and have ignition keys in lock boxes with the car. In order to use one of the vehicles, members call a central booking line and reserve a car for the desired date and time. They then go to the location where the car is parked, use the car for the amount of time that they have booked it, and then return it to the same location. When they return the car to the lot, they fill out a trip log and are billed later for the small amount of money associated with time and mileage.

Co-operative car sharing organizations have many advantages over profit-oriented businesses. Co-op members are involved in major decision making, such as price changes and purchasing new vehicles. Also, co-operative meetings provide members with opportunities to get to know one another, which strengthens community ties. Group ownership of vehicles also gives members a sense of pride that is reflected in the manner in which they care for the vehicles.

It is a win-win situation. Members have access to a vehicle; they are helping to cut back on needless car use; and they are diminishing their impact on the environment. Such a sense of empowerment can encourage members to use their contact base to achieve other social and environmental goals. The positive implication for the environment of wide spread car sharing would be great. However, it must be kept in mind that other greener transportation alternative need to continue to be developed in order to decrease the effects of our car dependent societies.

The Benefits of Car-sharing

More careful consideration of the necessity, duration, and distance of automobile trips, resulting in decreased vehicle use and ownership.

Greater consideration given to alternative modes, resulting in increased transit ridership, biking, and walking.

Cost savings.

Energy savings and air quality benefits.
What is the main contribution of the Framework Law for the Cooperatives in Latin America?

The Framework Law for the Cooperatives in Latin America ratifies the need to have appropriate legislation on cooperatives in order to facilitate the development of cooperatives. This need is supported by the resolutions on cooperatives promotion approved by the United Nations (UN Resolution A/RES/56/114, 2001) and the International Labour Organization (ILO Recommendation 193, 2002). It does not mean that cooperatives are set up and developed by reason of legal dispositions but it must be acknowledged that an appropriate legal context is one of the conditions for a cooperative to fulfil its mission.

How do cooperatives in the region benefit from the Framework Law?

Now cooperatives have an authorized document to promote and foster cooperative legislations updates in the different Latin American countries. This Law will be a useful tool for the national Parliaments so as to provide guidelines to Parliament representatives to renew the existent legislation, which in many cases, needs to be updated.

Do you consider this Framework Law can be of interest for cooperatives in the United States and Canada?

The Framework Law was conceived for Latin American countries which share a common legal tradition, deriving from the European Continental Law. It also reflects the cooperative experience of the countries in the region. Conversely, the United States (except for Louisiana) and Canada (except for Québec) follow an Anglo-Saxon Law tradition with a federal system. Despite these differences, the Framework Law contains universal dispositions in terms of cooperation that are likely to arise great interest in cooperatives from other countries.

Regarding to the Mercosur By-Law of Cooperatives, how can it benefit the cooperatives in this region?

Once the By-Law has been incorporated to the national legislations in every Member State, the Mercosur cooperatives will be able to render their services to cooperative members in other countries in the region. In this way, they will broaden their business activities and effectively contribute to the regional economic integration.

In which sense does the By-Law favour regional integration?

It favours regional integration by enabling a better use of the organization and the existing resources of the cooperatives to work in a broader business context meeting the needs of more people, contributing to their social and economic well-being. Also, it promotes cross-border human and cultural integration due to the participatory and democratic nature of cooperatives.

Will it create a favourable atmosphere for commercial relations among the Member States?

The existence of transnational cooperatives is a revitalizing element of commercial relations among the countries. Moreover, the constitution of cooperatives of a superior grade (federations, unions, confederations) will be made possible among cooperatives of the different countries in the region, which will also contribute to facilitate and increase business relations. It is important to highlight that there have been cooperatives, -especially those situated in the frontier zone- that have constantly claimed the need for appropriate tools to develop cross-border activities to benefit citizens from different countries.

What lessons can be learned from the Mercosur By-Law of Cooperatives to be applied to other regions or blocs?

Basically, that the active participation of the national cooperative movements is needed in all the regional integration
processes to influence the organizational structures of the bloc. In this way, accepted mechanisms of transnational activity can be achieved which result in cooperatives being able to develop and compete with other economic stakeholders that usually benefit from integration. The process of elaboration and approval of the By-Law constitutes a lesson that other regions should capitalize on. However, it must be pointed out that the By-Law approval by the national Parliaments of the Member States is still pending.

What can be expected from both legislation updates?

By Donna Balkan, CCA’s Communications Manager

CANADIAN CO-OP RESEARCHERS CELEBRATE THE PAST...
AND LOOK FORWARD TO THE FUTURE

Professors, students and practitioners interested in co-operative research gathered in Ottawa in May to celebrate the 25th anniversary of the Canadian Association for Studies in Co-operation (CASC) and share their findings on a wide range of co-operative issues.

CASC was created as a multidisciplinary network of researchers whose work involves the study of co-operatives. Although co-operative education had always been an important element of the Canadian movement – study clubs at St. Francis Xavier University in Nova Scotia played a significant role in co-op development in the 1930s – the field of co-operative studies was not fully recognized in Canada until much later. The year 1984 marked both the founding of CASC and the establishment of the Centre for the Study of Co-operatives at the University of Saskatchewan, located in the western Canadian city of Saskatoon. Since then, academic interest in co-operatives has grown significantly and in 2000, the University of Victoria, on Canada’s Pacific coast, established the British Columbia Institute for Co-operative Studies.

The topics explored at this year’s CASC conference provided a good example of the many different areas being studied by co-op researchers in Canada as well as in other countries. They included the fair trade and local food movements, co-operatives in economic theory, the role of co-operatives in community and regional development, the impact of co-op amalgamations, artists’ co-operatives, government policy on co-operative development, and the impact of the global financial crisis on the co-operative sector. There were also a number of sessions which touched on co-operatives as part of the broader study of the social economy, held jointly with another Canadian research network, the Association for Nonprofit and Social Economy Research. And although most of the participants were Canadian, there were also presenters from other countries, including the United Kingdom, the United States, and Austria.

The final day of the conference featured a discussion on the future of co-operative research and building a co-operative research agenda in Canada.

In relation to the Mercosur By-Law of Cooperatives, once it has been incorporated in the Member States national legislations, an integration strengthening will probably take place. As for the Framework Law for the Cooperatives in Latin America it will help modernize continental legislation, as it happened before with the OCA Model Law. In fact, the new Cooperatives General Law of Uruguay approved last year shows the influence of the Framework Law. Notwithstanding, it will be necessary to widely publicize both legislations in order to let the general public know and value these legal tools.

John Anderson, Director of Government Affairs and Public Policy for the Canadian Co-operative Association (CCA), said the future of co-operative research is brighter today than it has been for a long time, at least in part because of the Canadian government’s interest in this area. The government’s Co-operatives Secretariat has provided funding for meetings to discuss co-op research and its recently-renewed Co-operative Development Initiative, a government program which provides support to new and emerging co-ops, will now have a research component. In addition, CCA has received $20,000 from Canada’s Social Sciences and Humanities Research Council to create a full proposal for the development of a Community-University Research Alliance aimed at the study of co-operatives. If the proposal is accepted, it could mean an additional $1 million in funding.
$19.1 million over four years for co-op

CANADA: FEDERAL GOVERNMENT RENEWS AND ENHANCES CO-OPERATIVE DEVELOPMENT INITIATIVE

The Canadian Co-operative Association (CCA) is very pleased with the federal government’s decision to renew and enhance the Co-operative Development Initiative (CDI), a program aimed at providing support to new and emerging co-operatives across Canada.

The Honourable Jean-Pierre Blackburn, Minister of National Revenue and Minister of State (Agriculture) announced that the government will invest $19.1 million over the next four years to support the establishment of new co-operatives and test innovative methods of using the co-operative model. The previous CDI program, which began in 2003, expired on March 31 of this year.

“This is wonderful news for the co-operative sector, for Canadians who use the services co-operatives provide and for the communities in which co-operatives are located,” said CCA Executive Director Carol Hunter. “By renewing and enhancing CDI, the government has recognized that co-operatives create jobs and bring enormous value to Canada’s economy.”

The new program will have two major components:

→ Advisory Services, which will improve access to co-operative development information and services that will assist in the formation of new co-operatives. This component of the program is an expanded version of the Advisory Services component of the previous CDI; it will continue to be managed by CCA and its francophone sister organization, the Conseil canadien de la coopération et de la mutualité (CCCM) through provincial and sectoral co-operative associations across Canada and will also provide new national services.

→ Innovative Co-operative Projects, which will provide project support for new and emerging co-operatives. This will include value-added agriculture projects, which had been supported by a separate Ag-CDI component within the previous program. This component will now be fully managed by CCA and CCCM.

In addition, there will be a Research and Knowledge Development component, which will support new and applied research to support co-operative development. This component will be managed by the federal Co-operatives Secretariat, which is part of Agriculture and Agri-Food Canada.

Ms. Hunter said she was pleased that the two national co-operative associations have been given the opportunity to fully manage the two major components of the program; under the previous program, the associations only managed Advisory Services and Ag-CDI.

“We are happy that the government has confidence in the co-operative sector to administer these funds on its behalf, for the benefit of co-operatives, communities and all Canadians,” she said.

CCA and CCCM have actively lobbied for the renewal of the CDI program for the past two years, with the help of individuals and organizations across Canada, from both within and outside the co-operative sector.

“We would like to thank all the people and organizations who participated in our CDI renewal campaign, and who let their elected representatives know how important this program was to their co-operatives and communities,” Ms. Hunter said. We would like to particularly thank the superb efforts of our member co-operatives and credit unions which helped this campaign succeed.”

The previous CDI program supported more than 1,500 co-operatives through Advisory Services and project funding, and helped create some 200 new co-operatives.

Information on how to apply for the Innovative Co-operative Projects component of the new program, including criteria and deadlines, will be available on CCA’s website, www.coopscanada.coop, within the next few weeks.
2008 was a pivotal year in USA history. Americans witnessed the burst of the real estate bubble, an economic crisis of epic proportions, and made a choice for change at the highest level of leadership in the country.

As people continue to rethink their priorities and values, the cooperative movement appears as the solution for many of the problems facing the nations. That is why it is important for cooperatives to work together, and prove consumers, policy makers, and each other that cooperatives represent the better business model.

In order to provide an environment where to make the connections needed to foster increased awareness and generate sustainable success for their cooperatives, NCBA’s Annual Meeting and Cooperative Conference took place this May.

About 150 co-op supporters came to Washington D.C. for NCBA’s Annual Meeting and Cooperative Conference, learning from each other, networking, celebrating each others’ achievements and lobbying the government to effect the kinds of changes co-ops need.

From a tour of successful local co-ops in Greenbelt, Md., to organized discussions about cooperatives’ difficulties, cooperators, in traditional fashion, connected to each other through their shared business model and values.

This year, the conference had a greatly expanded Lobby Day. Capitol Hill took notice, and has already begun to work on the requests that conference attendees made clear in nearly 70 appointments with congressional offices. International co-op development, Small Business Administration Loans, and appropriations for rural co-op development all got a tremendous boost from NCBA’s work on the Hill.
New chairman brings more than twenty-five years of co-op leadership to his role

MARTIN LOWERY, NCBA’S NEW CHAIRMAN OF BOARD OF DIRECTORS

NCBA’s Board of Directors unanimously selected Martin Lowery, Executive Vice President, External Affairs, of the National Rural Electric Cooperative Association (NRECA) to succeed Kathy Brick as the association’s chairman at its board of directors meeting in May.

Lowery served as NCBA’s first vice-chairman for one year prior to his induction to the board’s highest position. “Martin brings a wealth of experience as our new board chair,” said NCBA President and CEO Paul Hazen. “Serving as executive vice president to more than 900 members in the electric co-op sector to meet their needs requires focus, dedication and stamina. These are all areas where Martin excels and we’re delighted to have him in a key leadership role at NCBA at a time when the public has a renewed interest in cooperatives. His leadership and experience will help us pave the way for greater recognition that cooperatives are the better business model when it comes to making social and economic changes in our nation.”

NCBA, a member association that represents the more than 29,000 cooperatives across all sectors in the U.S., advocates on public policy issues on behalf of cooperatives. NRECA is the national service organization dedicated to representing the interests of electric cooperatives and the consumers they serve. NRECA’s more than 900 member cooperatives serve 42 million people in 47 states.

As Executive Vice President, External Affairs, at NRECA, Lowery’s primary responsibility is to ensure that NRECA excels in serving the needs of its members and to assist in directing the implementation of the association’s strategic plan. Lowery joined NRECA in 1982, where he was also the manager of NRECA’s Consulting, Training and Market Research Division. Lowery holds a bachelor’s degree (cum laude) from DePaul University and a Ph.D. from Duke University. Lowery also serves on the board of Ralph K. Morris Foundation and RE Advisors, Inc.

“I’m really looking forward to leading the board of CCA”

CLAUDE GAUTHIER ELECTED NEW CCA PRESIDENT

Claude Gauthier, Ontario Region Manager of GROWMARK, Inc., has been elected president of the Canadian Co-operative Association (CCA).

Mr. Gauthier, who joined the CCA board in 2004 and was previously the association’s vice-president, is a long-time leader in Ontario’s agricultural co-op community. A bilingual native of Northern Ontario, he served as president of United Co-operatives of Ontario (UCO) in the 1990s and joined GROWMARK when it bought UCO in 1994.

Mr. Gauthier replaces Dave Sitaram, who had been CCA’s president since 2004. Mr. Sitaram announced at the Annual General Meeting that he would not seek re-election as president, but would remain active in the association as a director. Executive positions are elected from among the board members following board elections at CCA’s Annual General Meeting.

“I’m really looking forward to leading the board of CCA and working to craft our path toward a stronger, more united co-operative movement,” Mr. Gauthier said.

"It was a wonderful experience," Mr. Sitaram said of his five years as CCA President. "I worked with a great board and great management. I look forward to continuing to play an active role in the future of CCA."

The Annual General Meeting concluded four days of celebrations marking CCA’s 100th anniversary. More than 200 co-op and credit union leaders from across Canada and around the world attended CCA’s National Congress in Ottawa, which began June 16.
Promoting “cross-border” cooperatives

MERCOSUR BY-LAW OF COOPERATIVES APPROVED

On 28 April 2008, the Mercosur Parliament gathered in the city of Asunción and approved unanimously the Mercosur By-Law of Cooperatives which had been favorably passed by the Labor, Employment Policies, Social Security and Social Economy Commission.

The document was elaborated by the Legislative Commission of the Specialized Meeting of Mercosur Cooperatives (RECM in Spanish), organization integrated by the official bodies responsible for the promotion and supervision of cooperatives of the Mercosur Member States and the national organizations which represent the cooperative movement in each of them.

The By-Law’s main objective is to make it possible for cooperatives to have members in more than one country of the Mercosur (Argentina, Brazil, Paraguay and Uruguay), so as to facilitate -in a practical and effective way - the regional economic integration as well as the cooperative integration. This initiative will enable the creation of “cross-border” or regional cooperatives within Mercosur. The Mercosur Foundation Treaty and its complimentary modification protocols, define its body with an intergovernmental nature and not a supranational one as in the European Union. Thus, it is not possible to enact norms to be compulsory applied in all the Member States and as a result, such norms have to be discussed within each country according to their own constitutional processes. The Mercosur By-Law of Cooperatives recently approved by the PARLASUR (Mercosur Parliament), shall be incorporated to the national cooperative laws in each of the four different Member States. Once this process has finalized, all the Member States will share the same legislation on “Mercosur Cooperatives”.

The By-Law contains provisions that characterize the “Mercosur Cooperatives”. These cooperatives will be constituted and managed in compliance with the legal rules common to other cooperatives in each country, taking into consideration the adaptations stipulated in the present By-Law. For this reason, it will not be necessary to pass new laws in each country, since Member States will just have to incorporate the norms of the By-Law as a special chapter in their current cooperative laws.

The process of elaboration of the Mercosur By-Law of Cooperatives took several years to be finally approved by the PARLASUR. Throughout its different stages, ICA-Americas -aware of the importance of such an initiative- actively collaborated and gave its support to the RECM. The next stage will be to incorporate the present By-Law to the national legislations. The PARLASUR has appointed a special follow-up commission integrated by Parliament members from the Member States and representatives of the RECM. ICA-Americas will continue supporting RECM in this task.

It is important to highlight this is a novel experience of the newly formed Mercosur Parliament which started working a few months ago. The approval of this By-Law, paves the way for a promising perspective to contribute to the regional integration with solidarity as a leading value.

COOPERATIVES EUROPE CALLS FOR DIALOGUE WITH MEPs TO PROMOTE THE COOPERATIVE BUSINESS MODEL

Citizens of 27 Member States of the European Union were called to elect their representatives to the Parliament for the 2009-2014 legislatures (elections 4-7 June 09). MEPs newly elected or re-elected will have to interact with the Council of Ministers and the European Commission on Directives and Regulations. Parliament is a co-decision maker of a large part of European legislation. In other words, the role that is assigned to MEPs is increasingly crucial in a global crisis.

The economic, financial, social and environmental crisis affects all Europeans and requires participation of all economic and social actors.

Therefore, COOPERATIVES EUROPE was mobilized within the framework of the 2009 European elections to assert the strengths of co-operative enterprises, especially in a period of crisis, that continue to provide stability through democratic regulation and to have an innovative dimension. The cooperative approach - through its origins, but also the practice of democracy, participation, governance and social responsibility unique to the cooperative movement - has proven itself. Our non-capitalistic, people centred business model offers an important dimension in the responses to overcome the current crisis.

COOPERATIVES EUROPE calls for dialogue and partnership with MEPs to promote the recognition and mainstreaming of the co-operative business model in EU policies.

To achieve this goal, COOPERATIVES EUROPE made a plea through the dissemination - to political parties and candidates for European elections in all EU countries - of a manifesto expressing the vision and the concerns of the co-operative movement. The document entitled “Building the Europe of tomorrow with co-operative enterprises” is available in French, English, Italian, Spanish and German. It can be downloaded from the website: http://www.coopseurope.coop/spip.php?rubrique329.
1 The ICA Board decided, during its last meeting in Tokyo, not to make a call for candidates for the traditional Rochdale Pioneers Award. Every two years this Prize is awarded to recognise a person or a co-operative organisation, which has contributed to innovative and sustainable co-operative activities that have significantly benefited their membership. The ICA Board unanimously determined to confer Ivano Barberini the Rochdale Pioneer Award this year, at a ceremony that will take place next November, at the General Assembly in Geneva.

2 The position of ICA President was left vacant by the recent death of our dear friend Ivano Barberini. ICA Board at its meeting on 2 - 3 June 2009 in Tokyo (Japan) decided to give shared responsibility to the four ICA Vice-Presidents to fulfill the tasks of the ICA Presidency until elections for the Presidency can be held at the upcoming ICA General Assembly on 19 - 20 November 2009. This interim solution is in line with the spirit of the ICA Rules which makes no particular provision for a permanent vacancy in the Presidency. It also allows sufficient time for member organizations to fully consider nominations for the Presidency to be submitted in September 2009.

3 Iain Macdonald, ICA’s Director-General for the last seven years, has advised the ICA Board of his intention to stand down from the position during 2010. The Human Resources Committee of the ICA Board is reviewing the process for the appointment of a new Director-General. It is expected that a call for candidacies for the post will appear early in January 2010.

4 This year the United Nations will consider the declaration of a UN International Year of Co-operatives. The decision will be taken at the UN General Assembly at its 64th session. It will be discussed in the context of follow-up to the upcoming United Nations Secretary-General’s report expected to be released in coming weeks. The ICA Board has recently constituted an advocacy committee to set out a strategy to assist ICA members in approaching their governments to secure support for the International Year at the United Nations.

5 The International Co-operative Alliance Committee on Co-operative Research (ICACCR) has announced the 2009 ICA Research Conference will take place in Oxford (UK) on 2-4 September 2009. The central topic of the conference will be "People before profit: the response of cooperatives to the global financial crisis and economic recession". More information is available at: http://www.ica.coop/icaccr.

6 In conjunction with the European Liaison Committee for Social Housing (CECODHAS), ICA Housing helped fund a project designed to look at different housing co-operatives around the world and try and draw some lessons useful to other housing co-operatives. Titled Application of Co-operative Principles in Practice it documents twenty-one cases of housing co-operatives from twelve countries. The publication can be downloaded at http://www.ica.coop/al-housing.

All of your suggestions and proposals regarding the newsletter’s contents are very important for us, since our primary goal is to provide a publication enriched by your opinions. Please send your comments to: communications@aciamericas.coop