THE COSTA RICAN CO-OPERATIVE MOVEMENT CHANGES ITS FLAG
The new emblem incorporates the Co-operative Marque approved by the International Co-operative Alliance as part of the new Co-operative Identity. (page 11)

SEVEN REASONS TO ADOPT THE GLOBAL CO-OPERATIVE IDENTITY
Show you’re part of a global movement, and that you support co-operation around the world. Get the coop marque and register a .coop domain name. (page 10)

NEW PUBLICATION OF CO-OPERATIVES OF THE AMERICAS
A new study examines the financial sustainability of Ecuadorian credit unions enabling the determination of preventive actions to avoid losses. (page 18)

THE ROLE OF CO-OPERATIVES IN PEACE-BUILDING PROCESSES
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THE CO-OPERATIVE MARQUE GROWS AND STRENGTHENS

CO-OPERATION AMONG CO-OPERATIVES BEYOND DISCOURSE: INTERVIEW TO STANLEY KUEHN OF NCBA CLUSA (page 16)

A POWERFUL MESSAGE WITH ONLY FOUR LETTERS (page 6)
Undoubtedly, one of the core pillars of the Blueprint for a Co-operative Decade where there have been concrete advances and proposals is Identity. According to the strategy defined by the Alliance for this issue, the generation of a new visual identity for our co-operative movement is, clearly, paramount. And, as part of this proposal of a new identity, the Co-operative Marque and the .coop domain name are crucial factors. We are very pleased that our region is the one with the highest rate of response to both these tools. At the beginning of 2015, 44% of co-operatives using the new Co-operative Marque, and 55% of the .coop domain names registered belonged to countries in the Americas. However, we are aware that this is only the beginning. For these new distinctive elements of the co-operative movement to be really effective, they must be adopted and actively used by many more co-operatives. For this reason, a large part of this issue of CoopsAmericas Newsletter is devoted to providing information on both these tools, as a form of encouraging more co-operatives to fully incorporate them in their communication strategies and as the graphic expression of their identity.

The Third Co-operative Summit of the Americas held in November last year in the city of Cartagena was also the stage for the execution and announcement of an agreement between the government and the co-operative movement of Colombia, with the aim of harnessing the benefits of the co-operative model to address some of the multiple social, economic and political challenges involved in a national pacification process such as the one started in that country. This new experience of participation of the co-operative movement as a central actor in a national post-conflict reconstruction agreement motivated us to prepare a report presenting some of the multiple experiences in this respect to attempt to outline an explanation of this very special potential of our movement.

Finally, we have included information on the experience of United States co-operatives in the promotion of commercial agreements with co-operative enterprises of other countries, in particular the poorest regions, which have difficulties placing their products abroad. We present these initiatives as an example of the practical application of the sixth principle of “Co-operation among Co-operatives”, and as a model to imitate and learn from.

We hope you find the topics of this new issue of our newsletter interesting and you enjoy reading it!
The Blueprint for a Co-operative Decade argues that greater visibility for the co-operative model will lead to more awareness of the benefits of choosing co-op products and services over their alternatives. In order to achieve this greater visibility, and under the guidance of the International Co-operative Alliance’s Communications Committee, in January 2013 a brief was issued to 29 worldwide branding and design agencies to develop a new global visual identity for co-operatives.

Capable of almost unlimited application, contemporary and business-like and fit for cross-border use, the new identity was set to replace the rainbow flag and the logo of the Alliance.

Designed by British worker co-operative Calverts, with research support from the Barcelona and Buenos Aires-based Guerrini Island Design, and signature images produced by BrandOutLoud from The Hague, the new identity was guided by survey feedback from over 1,000 respondents in 86 countries. The global Co-operative Marque, with its associated slogan, colour palette, messages, signature images and brand language was launched at the Alliance’s Global Conference and General Assembly in Cape Town in November 2013.

The new visual identity includes:

- The Marque for placing on co-ops letterheads, emails, website homepages, products and packaging, advertising and promotions. It is available in seven colours (black, blue, emerald green, orange, red, spring green and turquoise)
- A Slogan "co-operative enterprises build a better world" which can be used alongside the Marque
- A range of co-operative messages that can be used in place of the Slogan. There are also instructions on how to create a personalized slogan
- A set of seven signature images which symbolise the co-operative values and principles. Each image contains a representation of the interlocking 'o's from the Marque, these are: Cit-
yscape, Farming, Festival, Football, Formation, Living and Seascape.

By using the new visual identity in their online and offline communications co-operatives can help make people aware of their options when faced with the choice between a co-operative or an investor or privately-owned business.

The Alliance aim is for the co-operative identity to become one of the best known ethical marques in the world by 2020 with users in 100 countries. In January 2015 the number of successful applicants for the global Co-operative Marque has already exceeded 1,000, reaching out to 91 countries from all over the world.

Co-operative Alternatives, a workers’ co-operative located in Belfast, North Ireland, and dedicated to promote the cooperative business model through research, training and advice, was the thousandth successful applicant for the Marque. According to official data from the Alliance, the first month of 2015 ended with a total of 1,006 approved applications. According to these same data, the Alliance region with the largest number of organizations using the Marque is the Americas with 441, followed by Europe with 308, Asia-Pacific with 188 and Africa with 69. Therefore, almost half of the applications (44%) come from countries in our region.

The country with the largest number of organizations using the Marque is the UK with 152 approved applications. The second and third places on the list are occupied by American countries: the United States with 140 and Canada with 90. Among the top 10 there are four other countries in the region: Colombia with 67, Argentina with 32, Brazil with 30 and Mexico with 25 organizations. The number of American countries with at least one organization using the new Co-operative Marque totals 25.

About half of the applicant organizations already had a .coop domain name. More than 75% of those that did not have a .coop at the time of applying went on to register one in order to complete their co-operative identity and demonstrate their pride in being a co-op.

All these figures suggest an encouraging start that has long exceeded initial expectations. However, organizations that have incorporated the use of the Marque to express and disseminate our common identity are still very few compared to the universe of those that make up the global cooperative movement. Co-operatives of the Americas encourages member organizations of the Alliance and all cooperatives in our region to adopt the elements of the new visual identity of our movement and, in particular, the Co-operative Marque, as a way to promote and give greater visibility to our distinctive model of business.

Applying is easy – visit www.identity.coop. It should not take more than 5 minutes and the site is available in English, French & Spanish. And if you are a direct or indirect member of the International Co-operative Alliance the process is even quicker.

**HOW TO USE THE MARQUE?**

The appearance of a new global cooperative Marque raised doubts in some cooperatives regarding their nature and use. The first thing to be clear is that the Marque is not a logo. What is sought is not that co-operatives adopt it as its new corporate logo. The recommendation is that you position the Marque and slogan alongside any
other identity, certification, quality or accreditation marks that you already use – for instance, Fair Trade mark, ISO mark, etc.

The marque is a visual element intended to become the universal symbol of co-operatives, the distinctive of our organizational and business model. The purpose is that the marque reaches the highest possible level of recognition within and outside the movement, transmitting the particular set of principles, values and practices that define cooperatives in all corners of the world. In order to give substance to the initiative is also essential that the marque be used in full compliance with its terms of use, clearly stated in the User Guidelines.

Recently the British cooperative Calverts, responsible for the design of the marque, issued a set of useful and simple tips for getting the most benefit from its use:

- Appoint a Marque ‘champion’ in your organization, with responsibility for making sure everyone uses the Marque correctly, consistently and creatively.

- Keep the Marque style guide handy, and preferably in a shared access folder, so that you and others can easily check that they are using the Marque in the right way. Give a copy to any external designers who are working with the Marque artwork on your behalf.

- Consider which colour version of the Marque harmonizes best with your own visual identity. Seven colours are available, plus black. Use the Marque at a size which balances well on the page with your own logo.

- Use .png rather than .jpg versions of the Marque artwork for all screen applications (for instance web pages, email footers, e-newsletters and presentation slides). The .jpg versions can appear ‘blotchy’; flat colours work best in .png format.

A slogan and six other 'key messages' are available to download and use as part of the Marque. But you can also create your own slogan, provided it's an 'alignment' rather than a 'selling' message, and you follow the guidelines.

The 'master' artworks from which all the others are made - including your bespoke version - are in .eps (encapsulated postscript) format. You will need the help of a professional designer, or be able to use design software such as Adobe Creative Suite, to work with the .eps files.

HOW CAN YOU HELP TO PROMOTE THE MARQUE?

To achieve the objectives pursued by the new Co-operative Identity is essential that an increasing number of cooperatives adopt it and actively it. If your co-op is already using the marque you still can contribute to the success of the initiative inviting and stimulating other cooperative organizations to join the proposal.

To encourage more organizations to complete their Co-operative Identity Domains.coop have created a downloadable Toolkit which includes, banners, videos and editorial for you to use in your own communications:

- Editorial and messaging for newsletters and websites.
- Call to Action from Dame Pauline Green highlighting the importance of a unified co-operative identity
- A downloadable poster on Co-operative Identity which we are calling '7 Reasons'
- "How to" video Tutorials
- Multi-lingual banners linking to identity.coop
- Templates for presentations and flyers using the Marque
- Where to get COOP Marque branded merchandise and the co-operative flag icashop.coop
- Marque Guidelines

GET MORE INFO

If you have any questions about how to use and apply the Marque, or you are not sure that you are eligible to use it, please contact us today at info@aciamericas.coop or global@identity.coop.
The strategy proposed by the International Co-operative Alliance on the new Co-operative Identity in the Blueprint for a Co-operative Decade encourages cooperative organizations to adopt the new Marque and use the .coop domain name in their Internet presence. The .coop domain names have existed for over one decade, since their appearance in 2002, and today they are a key component of an organization’s cooperative identity as promoted by the Alliance.

Nowadays it is no longer necessary to highlight the importance of digital communication for a business or organization, regardless of its size, sector or nature. The choice of an adequate domain name for the institutional website and email accounts is a crucial, though very often underestimated, element.

A domain name is a marketing asset, which can have a significant value in the business and communication strategy of a company. This potential is enhanced when it is possible to choose a domain name that can convey a strong message in a few characters. In essence, .coop is a domain extension that can only be used by authentic co-operative organizations (fully guaranteed by a rigorous verification process), so that just these four letters at the end of an electronic address have a huge communicative power (see below).

.COOP TODAY

According to the latest data of the International Co-operative Alliance, there are currently slightly over 8,000 .coop domain names registered by co-operatives in 92 countries worldwide. Of those, over 55% were registered by organizations from 26 different countries in the region of the Americas. The second region with the greatest number of registrations is Europe, with over 37% of total registrations, while in Asia and the Pacific...
there are slightly over 6%, and around 1% in Africa.

Most of the domain names registered in the region of the Americas is concentrated in United States and Canada. In the rest of the region, there are almost 550 registered domain names, with a significant participation of cooperatives from Argentina, Colombia, Mexico and Puerto Rico.

**MYTHS AND REALITIES OF .COOP DOMAIN NAMES**

The experience of Co-operative of the Americas with .coop domain names has allowed drawing conclusions and lessons about the most frequent reasons why organizations in our region resist the migration to the exclusive co-operative domain name. Some of these reasons actually respond to an erroneous concept about the nature and operation of a .coop domain name.

Firstly, it has been found that some co-operatives think that the adoption of the .coop domain name is a technically complex process that entails challenges that are not faced with other types of domain names. From the technical and operational standpoint, the .coop domain names function exactly in the same way as any other domain name. Its management and maintenance does not entail any difference or additional complication. The only distinctive aspect lies in the prior verification process on the eligibility of the registrant, an essential step for guaranteeing the integrity of the .coop as the exclusive domain of co-operatives. This is translated into a single additional step at the time of registration: providing the information required for the accreditation of the co-operative status of the registrant organization, which is normally provided simply and quickly.

A second aspect that causes some co-operatives to delay the use of the .coop domain name is the belief that there may be a loss of contacts if they stop using the domain name they have used so far, in certain cases for several years. Although it is true that it is necessary to protect the capital of having a consolidated and well-known domain name, the advantages of incorporating the .coop domain name justify the investment of resources required to do so without losing contacts and visibility on the internet. The co-operatives that have faced these situations have adopted various strategies. Some opt for using two do-

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**DOMAINS.COOP: A SUBSIDIARY OF THE INTERNATIONAL CO-OPERATIVE ALLIANCE**

Domains.coop has been operating as the largest registrar of .coop domains since its launch in October 2002. As the first and largest accredited .coop registrar, continues to deal primarily with the .coop domain and handle around 80% of all .coop sales. More than 8,000 .coop names have been registered so far through Domains.coop.

Wholly owned by the International Co-operative Alliance, it is fully accredited both by the Internet Corporation for Assigned Names and Numbers (ICANN) and dotCoop. Its mission is to contribute to the cooperative movement by providing co-operatives with exclusive access to a unifying identity. It is dedicated to educating and informing fellow co-operatives on good practice in digital presence and encouraging co-operation between co-operatives through a directory to create a global community.

Unlike other registrars who try to sell names in as many extensions as possible, its main focus is on providing co-ops with the .coop extension. Domains.coop does this because is committed to improving the online visibility of the global cooperative movement and because is a co-operative as well.

In addition domains.coop offers web services:

- **Email addresses** are a great and effective way of communicating your co-operative identity. Domains.coop offers email hosting packages at a very competitive price. For every domain registered you will also receive two email addresses, completely free.

- **Web hosting** provides a space for you to publish your website on the Internet. Domains.coop packages include multiple levels of security, 24 x 7 monitoring, data protection, frequent back-ups and a global network of web servers.

- **A Website Builder** to create your own website instantly choosing from over 100 themes or simply drag-and-dropping to customize your design.

- **Digital Certificates** to protect your customer's personal data including passwords, credit cards and identity information.

Get more info on these services at [http://www.domains.coop](http://www.domains.coop).
mains simultaneously – the old and the new .coop domain name – for an indefinite period, either by redirecting one to the other or, in some cases, by publishing contents or distributing differentiated information on each domain. Other organizations opt for an orderly and phased migration to the .coop domain name, maintaining both domain names in operation during a reasonable period of time so that contacts may take note of the changes in the website and email addresses.

Another very common belief is that .coop domain names are very expensive. Those who hold this belief are generally based on the comparison of the cost of the .coop domain name to the cost of registration of the so-called “generic” domains, such as .com, .org, and .net. However, this comparison is misleading because it compares products that are essentially different. Only a co-operative, or an organization that supports co-operatives, is eligible to use a .coop domain.

Generic domain extensions may be registered by any person or organization, without any form of restriction. The only requirement is to have some of the payment methods accepted by any of the thousands of companies that sell them in the net. In fact, it is so easy to register them that this tool is often used by those who use the internet for criminal activities, such as scams or frauds.

The .coop domain name is what is technically called a “sponsored TLD” (a sponsored top level domain), which means that it was created through an agreement between the international organization entrusted with regulating the Internet domain name system (ICANN) and a sponsor, in this case a group of 7 co-operative organizations worldwide that in 2002 gathered to promote jointly the initiative of having an exclusive domain name for co-operatives. This type of domain can only be registered by those who comply with the eligibility criteria set by the sponsor and accepted by the ICANN.

Those who are currently using a .coop domain have been previously subject to an eligibility checking process. Therefore, by using a .coop domain in an electronic mail address, they are communicating that they are an authentic, formally chartered co-operative, pursuant to the applicable legislation of their country of origin, or an organization of a different legal status but whose main goals are directly associated to co-operative activities.

This essential difference between the .coop and other generic domains makes them entirely different assets. Those who introduce themselves in Internet with a .com or a .org domain name are just saying “we have our own domain”. Instead, those who introduce themselves with a .coop domain name are basically making a more important and meaningful statement: “I am an authentic co-operative”. And, with these four letters at the end of a domain name, they are communicating, also, the meaning behind this basic statement: I am part of a worldwide organized movement; my activities are governed by a set of principles and values; I am committed to the development of my community; and ultimately, everything else involved in being a co-operative.

Once the difference with other types of domain names is fully understood, it is important to known the reasons that explain the cost of a .coop domain, and how to reduce it.

Firstly, as explained above, the eligibility of each potential registrant is rigorously verified for each new registration application. This verification is not an automatic task, but rather performed through the work of a team of people, distributed in various countries. In some cases, the verification is straightforward and fast, but because applications flow in from all the corners of the planet, in other cases the task is not so simple, and several consultations and steps are required to guarantee the validity of the .coop registration requested. The registration of other types of domains does not require any verification process - the registration process is automatic and, in general, executed without human intervention. However, the verification process, which guarantees the integrity of the .coop domain name for the exclusive use of co-
operatives, involves the verification of applicants which has a cost associated.

Secondly, there are certain costs that the sponsoring organization of a top level domain needs to incur, as well as certain compulsory technological platform and information requirements to adhere to the standards set by ICANN. These costs are the same for the .coop domain, with some 8,000 domain names registered, and to a .com with around 130 million, and .org domain with over 10 million. Because these ‘technological’ costs have to be distributed amongst a significantly smaller number of users, they have a disproportionate impact on the final price.

Informing co-operative organizations about the importance of having a .coop domain name, and the difference it implies due to its "authentic co-operative" quality guarantee, as well as about the advantages associated with the differentiation of our movement among a multitude of domains on the internet, is an ongoing task. The number of co-operative organizations on the internet with a .coop domain name is still small, and a permanent effort is made to increase that number. Again, this requires investing resources in dissemination and communication efforts, which those who promote other types of domain names do not need to make.

Finally, the service structures created by the co-operative movement itself to disseminate the .coop domain attempt to provide personalized services to each user. Registrants of other types of domain names often have questions and issues, and if they do, they do not obtain adequate and timely answers from the company that sold them the domain. Again, this has associated costs that those who sell other domain extensions do not have.

Considering all the advantages of having a .coop domain, the investment required (of less than 2 dollars a week) does not seem excessive. Moreover, the best way for all co-operatives to benefit from having a .coop domain, irrespective of their size and economic power, is that they are used by an ever-increasing number of co-operatives. The economies of scale obtained should allow for a significant reduction of the price and, therefore, simplify access for more organizations. Co-operatives of the Americas calls upon all co-operatives of the region to support this initiative and register their .coop domain to strengthen this core component of the new co-operative identity and benefit from its use in the implementation of their digital strategies.

**FREE FOR THE FIRST YEAR**

With the aim of allowing all co-operatives to test the benefits of having a .coop domain, we offer free registration in the first year for the first .coop domain, including full use in the website and electronic mail addresses of the registering co-operative.

Register at www.identity and receive the global Co-operative Marque, the badge that’s just for co-operatives, free!

For more information on the .coop domain and support on how to incorporate it into your digital communication strategy, send us a message now at support@domains.coop.
Seven reasons to adopt the global co-operative identity

**Be proud**  Show you’re part of a global movement, and that you support co-operation around the world.

1. Use the global identity to show you align with co-op values. It says you’re different from investor or privately owned businesses.

2. You can have a .coop domain as your ‘online identity’ and use the Marque in your ‘visual identity’ if you are a co-op, or serve co-ops.

3. A .coop extension on your web pages and emails sparks off great business conversations. No need to hide behind a generic .com, .org or .net address.

4. A .coop domain and the Marque on your homepage, email signature, advertising, products and packaging means your co-op brand is visible 24 hours a day, 7 days a week, 52 weeks a year.

5. .coop is a restricted domain, so it’s easy to choose a name that’s memorable, unique, relevant and short.

6. With an automatic listing in directory.coop, it’s easy for people to find you.

7. Find a great .coop name using the domain checker at domains.coop. At less than 2 USD per week, it’s a fantastic investment.

Register at identity.coop
THE COSTA RICAN CO-OPERATIVE MOVEMENT CHANGES ITS FLAG

Costa Rican co-operatives are starting 2015 with a new flag, according to the decision of the XIII National Co-operative Congress in the month of December. The new emblem incorporates the Co-operative Marque approved by the International Co-operative Alliance at its last Conference and General Assembly held in Cape Town.

The decision to change was made in the thirteenth edition of the National Congress of Co-operatives (CONACOOP), held on December 6th and was then ratified by the National Assembly, held on December 19th in Puntarenas. CONACOOP is the highest body of the Costa Rican co-operative structure, and it organizes the Congress and the National Assembly of the sector.

The motion passed at the close of the National Congress establishes that: "the Costa Rican co-operative Movement and its governing bodies shall adopt the flag proposed by the International co-operative Alliance (ICA) and the COOP symbol, as official emblems of the sector and undertake to promote their widespread dissemination, in order to strengthen the identity and public image of the national co-operative movement".

Co-operatives of the Americas helped promote the initiative through its Regional Director, Manuel Mariño, who participated in the National Congress with a presentation on the characteristics and the initial progress in the implementation of the Blueprint for a Co-operative Decade, developed and promoted by the International Co-operative Alliance with the core purpose of making the co-operative business model the recognized leader in the construction of economic, social and environmental sustainability, the model preferred by people, and the fastest growing business model for 2020.

The new Marque -which together with the .coop domain constitutes the core of the proposed new identity of the co-operative movement worldwide- is one of the key results of the work of the Alliance on one of the five pillars of the Blueprint, and it has already been adopted by hundreds of co-operative organizations worldwide. Speaking at the National Congress, Mr. Mariño stressed the importance for the co-operative movement of Costa Rica to actively join this global initiative, both to benefit from it as well as to support the global efforts towards reaching the so-called "2020 Vision".

The new symbol sports in its center the new Co-operative Marque in white letters on a blue background. Technically, the pantone (exact color) used in the background is #2d47bb, one of the seven color alternatives proposed by the Alliance in the manual of this new identity component.

This decision has then established the replacement of the flag of seven horizontal colors (emulating the rainbow) which the co-operative movement had been using since 1923. This flag had never been registered by the co-operative movement representative organizations, so it has been in use by other social groups around the world, generating frequent confusion. According to Gustavo Fernández, communications manager of the National Institute for Co-operative Development (INFOCOOP), "it has been found to be in use by Italian unions and indigenous people in the southern part of America. Since the 70s and 80s it has been used by the diversity movement, a group that managed to position it very well internationally." The symbols of the co-operative movement are not binding so "in recent years some groups, particularly students' co-operatives, have refused to use the previous flag" admitted Fernández.

Because this agreement was reached at the CONACOOP, the highest organ of the movement, it is expected that the new flag will be displayed in all the activities of co-operatives. Meanwhile, Jesús Villalobos, president of CONACOOP, said that "this agreement seeks to further enhance the image of the co-operative movement".

It should be mentioned that organizations wishing to use the new flag of the Costa Rican co-operative movement must request prior authorization at www.identity.coop.
One of the most significant outputs of the activities conducted during the Third Co-operative Summit of the Americas was the announcement of an agreement between the co-operatives and the government of Colombia, aimed toward promoting the adoption of the co-operative model as a key instrument to advance in formalizing employment and businesses, one of the core issues of the post-conflict process initiated in that country.

The announcement was made by the Minister of Labor of Colombia, Luis Eduardo Garzón, in his address during the opening ceremony of the event. “We will work together toward this pact”, stated the Minister, who subsequently explicitly requested the support of the co-operative movement, and pointed out that this is not a minor request. “Consolidating a peace process in Colombia is a replication of the sector for the world”, stated the Minister.

This pact aims at bringing together efforts so co-operatives in Colombia strengthen the creation of decent jobs and guarantee economic sustainability, as they has been doing in the past.

In his address, Garzón congratulated co-operatives for their convening power, and conveyed a “a special greeting to those who join us from the rest of the world, on an occasion that is complex, but full of opportunities”, referring to the historical moment that the country is initiating. “This is no ordinary scenario, no ordinary situation, no ordinary moment”, he stressed.

According to the announcement made by the government of Colombia, it is expected that co-operatives would develop a Plan to encourage the dissemination of the experience, create new co-operatives and, at the same time, prevent the model from being misused. In order to put this plan into practice, sectoral workshops will be organized jointly by co-operatives and the government as part of the Development Plan associated to the current planning process. The aim is to define a “co-operative mission” in order to create a comprehensive strategy for the strengthening of the co-operative sector.

Juan Camilo Restrepo, lawyer and economist of Colombia who will take office as Minister of Housing, Economy and Agriculture of his country, and who made an address at the opening conference of the Third Co-operative Summit of the Americas, published an editorial in the newspaper La Nación, describing his vision on the present and future of the solidarity sector. In his article he sustained that “whether the new economic associative models are to take hold, and whether we effectively want a more inclusive and participatory structure for Colombia, this should be done around the arrangements of the solidarity economy”. He further noted that “the supports of the State in every front in order to generate social mobility, the efficient allocation of subsidies to the strata that really need them, are materially impossible to design around individuals or individual isolated workers: hence the importance of solidarity as the backdrop for public policy-making”. In his article Restrepo concluded that “the present, which is much more important than what is often real-
ized; and its future, which is much more definitive than is often perceived, definitely make the solidarity sector a main actor today, and above all, for the future of Colombia”.

The significance of the potential contribution of co-operatives to the national peace-building process in Colombia had already been addressed in previous meetings and exchanges. In a letter sent a few months ago to the Confederation of Co-operatives of Colombia (Confecoop), the President of the Republic, Juan Manuel Santos, noted “the Government considers that solidarity, the co-operative and associative model, is the model for the generation of decent employment and the development of entrepreneurship. And we now that this model, more than any other, can help us consolidate peace in the territories, once we have made an agreement to put an end to half a century of armed conflict”. He then recalled “the first item of the peace-building negotiations in relation to integral rural development included the development and strengthening of the solidarity and co-operative sector”. “This is just another signal of our unconditional and unwavering support to the sector, in the promotion, above all, of its best practices”, concluded the letter of the President.

There is also a direct reference to this issue in the text of the final Declaration of the Third Summit. It notes “the co-operatives of America support the participation of the Colombian co-operative movement in the process of consolidation of a stable and lasting peace, by fostering social inclusion and citizen participation through the promotion of a solidarity economy and co-operative spirit. Comprehensive rural development, financial and political inclusion, the distribution of wealth for social equity, the liberating and educational revolution are reached through co-operative life and solidarity, as a conscious option of an associative enterprise formalized through co-operatives”. The text also notes that “co-operatives are emerging in Colombia as a social actor that will provide dynamism to the process of development and wellbeing, in the setting of the long-awaited post conflict era, and hence the importance of advancing in this significant agreement announced by the Ministry of Labor, recognizing the sector as multiplier of the effects of public policies, and an enterprise model that can also generate and distribute wealth, create public assets in zones often not reached by the Government and the market”.

A PROVEN AND PRESENT POTENTIAL

In her opening address at the Summit, Dame Pauline Green, president of the International Co-operative Alliance, conveyed to Minister Garzón the support of the Third Summit. It notes “the co-operatives of America support the participation of the Colombian co-operative movement in the process of consolidation of a stable and lasting peace, by fostering social inclusion and citizen participation through the promotion of a solidarity economy and co-operative spirit. Comprehensive rural development, financial and political inclusion, the distribution of wealth for social equity, the liberating and educational revolution are reached through co-operative life and solidarity, as a conscious option of an associative enterprise formalized through co-operatives”. The text also notes that “co-operatives are emerging in Colombia as a social actor that will provide dynamism to the process of development and wellbeing, in the setting of the long-awaited post conflict era, and hence the importance of advancing in this significant agreement announced by the Ministry of Labor, recognizing the sector as multiplier of the effects of public policies, and an enterprise model that can also generate and distribute wealth, create public assets in zones often not reached by the Government and the market”.

The resilience demonstrated by co-operatives during the recent financial crisis that still affects the economies and societies of many countries of the world has elicited...
a general recognition – internally and from outside the movement – of the role of co-operatives as a valid and effective collective response to the crisis. It seems unnecessary to elaborate further on this issue that has been widely highlighted and described in various recent publications. Nonetheless, a deeper examination of this phenomenon from a long-term historical standpoint, reveals it is not new. The same happened in the economic hardship times in the 1840’s in the UK (when the first co-operatives were created), during the agricultural depression in the 1860’s in Germany, the great depression of 1929 and 1930 in the United States or, more recently, in the unemployment crisis that affected Europe in the 1970’s. These examples do not mean, however, that co-operatives only succeed in times of crisis. But it is then, when there is an urgency to restore stronger economic and financial systems that co-operatives emerge more clearly as relevant solutions that are durable, and timely.

As stated in the report on Co-operatives and the Sustainable Development Goals prepared by the ILO and the International Co-operative Alliance in 2014, in post-conflict settings, co-operatives can “have transformative potential in revitalizing struggling sectors, recovery of crisis-stricken local economies, increasing returns to producers and service providers across value chains, formalizing informal employment, and generating employment for women and youth in rural and urban areas”.

On the other hand, the versatility of the co-operative model allows for the creation of innovative initiatives capable of addressing new needs and requirements in case of natural disasters, or caused by long-lasting national or regional conflict. This is the case, for example, of some social care co-operatives that are being formed in responding to the care needs of ageing populations, or co-operatives formed by widowed women who must support their families or care co-operatives formed to take care of orphans after earthquakes or wars. The potential of the co-operative model to generate and provide sustainability to social and economic enterprises capable of addressing the new needs of modern societies is huge, and not only expressed in theory, but mainly, through plenty of concrete, practical examples.

The report of the ILO and the Alliance describes some experiences in which women co-operatives have been active as brokers of peace and development in settings of hard conflict and recovery. In Nepal, for example, women co-operatives emerging from a ten-year insurgency in 2006, “helped women to survive, manage their livelihood options and look after their families through the provision of credit, counseling and skills development. In the midst of destruction, the co-operative worked hard identifying and recovering local and traditional products that faced extinction after the conflict, and conducted an invaluable task rescuing and helping rebuild the collective memory of the village.

The message of the Alliance on the International Day of Co-operatives of the year 2006, “Peace-building
through Co-operatives”, mentions other historical examples: the Palestine and Israeli co-operative movements working together in a range of agricultural marketing projects designed to assist Palestinian co-operators improve their livelihoods; housing co-operative movements assisting in projects in Bosnia and Serbia to help rebuild communities through the creation of co-operative housing and, with it, dialogue among peoples; long-term tsunami reconstruction efforts in Indonesia, India and Sri Lanka, including in some areas of ongoing conflict.

Also in Latin America it is possible to find numerous examples where co-operatives had a significant active role in peacemaking processes, including some where the co-operative movement itself was directly affected by armed conflict, not only in economic terms but also through the murder or incarceration of some of its leaders.

In places such as Guatemala, El Salvador and Nicaragua, co-operative integration organizations became important actors in the dialogue, negotiation and reconstruction processes, providing the sector viewpoint and contributing concrete solutions to employment issues, the reconstruction of the productive systems and the social reinsertion of demobilized individuals. On this subject, Rodolfo Orozco, Executive Director of the Confederation of Co-operatives of Guatemala recalled that the most visible contribution of co-operatives during the post-conflict period in his country was in the areas of “recognition of the identity and rights of the indigenous peoples, the determination of the role of civil society in the democracy and the economic reinsertion of victims, especially in the agricultural sector”. Moreover, he noted that the co-operative sector was one of the six sectors that composed the High Level Committee entrusted with compliance monitoring of peace agreements, along with government officials, demobilized forces, businesses, indigenous people representatives, and the academia.

In a 2012 publication of the Center of Studies on the Sociology of Work of the University of Buenos Aires compiled by Mirta Vuotto (“Construyendo relaciones sociales para la paz: el caso de las cooperativas en América Latina”), there are descriptions of several concrete experiences in Brazil, Colombia, Costa Rica, El Salvador, Mexico and Paraguay, where co-operatives contributed, in various forms and settings, to the consolidation of spaces that revalue life and peace.

In the face of so much empirical evidence, it should be worth asking why co-operatives are capable of making significant contributions to reconstructing societies and communities emerging from complex situations of deep deconstruction and fragmentation. This is surely explained by the commitment and vocation of women and men co-operators that seek to disseminate the advantages of the model they support (and firmly believe in) to the whole of their societies. But it is also undeniable that the very essence of the co-operative model makes it a markedly effective tool in these types of situations.

The fact that co-operatives are, in essence, highly committed to the communities where they promote the eradication of inequity, the effectiveness of democratic values, building and developing human capital, and the fundamental values of solidarity and mutual assistance as fundamental values, is surely inextricably linked to the achievements described above. Considering this capacity to make positive contributions in these processes provides a new, much wider meaning, to the logo “co-operative enterprises build a better world”.
For several years now NCBA CLUSA International has practiced the co-operative principle of “Co-operation Among Co-operatives”, connecting co-operatives of the United States with other co-operatives in different corners of the world. CoopsAmericas Newsletter interviewed Stanley Kuehn, Regional Director of NCBA CLUSA for Latin America and the Caribbean, to learn more about the experiences conducted by the organization and his views on the possibility of increasing this type of co-operative links.

**What is the role of NCBA CLUSA in developing trade among co-operatives?**

NCBA CLUSA approach is founded on the belief that its beneficiaries should be the decision-makers when dealing with the development issues of their communities. In order to do this, they must have the power to articulate and design locally-generated, sustainable solutions. The role of NCBA CLUSA International consists in contributing to these processes of empowerment by enhancing the organizational capacity of co-operatives and other entities, through training in analytical, problem-solving and entrepreneurial skills, as well as intensive community-based entrepreneurial and democratic governance training.

**How do you measure the impact on the co-operatives that participate in these trade modalities? And, what are some of the most outstanding indicators of this impact?**

NCBA CLUSA International uses several indicators to assess the impact on the co-operatives that participate in the initiatives, including:

- the number of co-operatives that have signed a memorandum of understanding;
- the monetary value of the business volume conducted by the co-operatives that receive support;
- the number of farmers that have adopted new technologies;
- the number of new members joining these business associations;
- the growth of markets and of the customer base (developing countries are the main source of global demand and agricultural trade growth);
- the availability of domestic products throughout the year, both for the United States and for other markets.

**How can the sustainability of this impact be extended and reinforced?**

When the organizations or individuals take active participation in the processes that affect their futures, the outputs of their production reflect more adequately their own needs and interests. In turn, this drives investment and participation while leading to a higher impact. The empowerment, and the commitment to a co-operative (that is a
result of this process of participatory design and development) constitute a significant contribution to future sustainability and success. By incorporating intellectual capital and participation through strategic partnerships among cooperatives a positive and lasting impact is achieved.

Concerning demand, do retail and supermarket co-operatives in the United States have an unmet demand for agricultural products, foodstuff and other goods produced in Latin America? And, in this context, is it a valid option to seek co-operative suppliers among United States co-operatives?

Yes, there is an unmet demand in United States co-operatives, since they tend to face certain business challenges that they must learn to overcome:

- they perceive entry in Latin American markets as too risky;
- they often face highly complicated procedures;
- there is a risk of facing corruption instances;
- costs tend to be high;
- it is often hard to identify an adequate local partner;
- there are cultural and language barriers;
- the entrepreneurial skills of foreign partners are often limited.

About the products, what are the most important requirements that agricultural or agribusiness cooperatives of the producing countries must take into account?

Co-operatives must take into account several requirements. They need to ensure:

- they offer high quality, organic and/or fair trade products;
- they have attractive labels and high-quality packaging;
- they have adequate production levels;
- they market their products appropriately;
- they have access to credit and certifications;
- there is strong leadership in the co-operative to manage all these requirements.

The development of trade among co-operatives has a long history in fair trade or other modalities. What is the value for NCBA CLUSA of the lessons drawn from alternative forms of North-South trade?

We have been successful in giving shape to experiences of collaboration with co-operatives, or intermediaries that operate on the basis of co-operative values. With the development of a sustainable economy, these alternative forms of trade allow co-operatives from developing countries to capture a higher added value from trade, and strengthen their capacity to increase the revenues of their members. And provides buyers with access to new, healthy products, and the chance to learn from experiences conducted in developing countries.

HOW DOES NCBA-CLUSA INTERNATIONAL DEVELOP TRADE AMONG CO-OPERATIVES?

- Organizes study and food trade development travel for co-operative buyers and managers of the United States to selected countries that participate in the United States “Feed the Future” initiative. The purpose is to analyze the status of agriculture, and the entrepreneurial, and other conditions and skills of producer co-operatives.
- Facilitates cross visits to U.S. co-operatives by leaders of Central American producer co-operatives.
- Works to leverage electronic market information systems, as a tool to exchange information, consultation, offers, and other support functions to facilitate trade.
- Promotes trade agreements among co-operatives by monitoring opportunities and linking buyers to sellers.
ECUADOR: CREDIT UNIONS AND FINANCIAL INCLUSION

The study examines the financial sustainability of credit unions by analyzing the evolution of a set of financial variables between December 2007 and June 2014. Results will enable the determination of preventive actions to avoid losses.

The research was carried out by technicians of the consulting firm Finanzas y Cooperativas de Ecuador, under a framework collaboration agreement subscribed by Co-operatives of the Americas, which has enabled several joint activities in the recent past. The document was also recently published in the microfinance portal of the Consultative Group to Assist the Poor (CGAP) of the World Bank.

Some of the main findings of the study are listed below:

- Capital is a first line of defense to safeguard member savings, so it should be strengthened through public policy tools that support the creation of economies of scale and revenues, capital strengthening and solvency.

- Although Ecuador ranks below average among the Andean countries in several indicators related to the level of access and use of financial services, co-operatives lead some financial inclusion indicators, such as savings accounts per 1,000 adults. Therefore, public policies and regulatory frameworks should extend and enhance the accessibility of the financial system.

- At a macro-level, the document recommends simplifying the procedures for granting microloans, prioritizing methodologies, issuing laws on collaterals and registration, and easement of active interest rates, in particular for microcredit and housing.

- At a meso-level, it recommends the adoption of actions such as the strengthening of education, culture, and financial literacy processes, credit bureaus.

- At a micro level, the recommendation is to take into account success stories, best practices and the guidelines issued by the BCE in 2012, grant funds to promote the diversification of financial products and services, coverage of underserved geographic zones and demographic groups.

The full document in Spanish can be downloaded online from the following link on our website: [http://s.coop/1v7qo](http://s.coop/1v7qo).

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.