

Cooperating out of Poverty to achieve the Millennium Development Goals by empowering the poorest of the poor

Joint ILO-ICA Statement on the Occasion of the
International Day for the Eradication of Poverty, 17 October 2005



With almost half of the world's population living on less than 2 dollars a day and 535 million working women and men surviving on 1 dollar a day or less, the need to reach out to the poorest of the poor is still imperative. A large number of these people live in rural areas, are part of the informal economy, or are otherwise socially, economically and politically excluded from the benefits of development. Cooperatives worldwide play an increasingly significant role in helping these people to find solutions on how to cooperate out of poverty by tapping their own resources, knowledge and strengths. Cooperatives contribute to develop the local economies where the poor live through their unique and strong linkages with the community. They enable poor people to have their voices heard in addition to improving their daily working and living conditions.

Because cooperatives are democratic organisations and owned by those who use their services, cooperatives are an ideal instrument to empower the poor. They are participatory, responsive to local needs and able to mobilize communities and help particularly vulnerable groups of people. For instance, cooperatives enable farmers to create economies of scale in the marketplace; they provide access to financial services including microfinance; and they provide low-income families with safe and reasonable priced consumer goods. Cooperative enterprises therefore have an important role to play in reducing poverty particularly at the community level.

For these reasons, the International Labour Organization and the International Cooperative Alliance (ICA) have joined forces to enable poor people to *cooperate out of poverty* through a Global Cooperative Campaign Against Poverty.

Cooperating Out of Poverty is a call to action to the world cooperative movement to join hands in fighting poverty. It aims to strengthen the capacity of cooperatives to make a significant contribution to poverty reduction by increasing their role in achieving the Millennium Development Goals particularly with regard to reducing poverty by half by the year 2015.

On this International Day for the Eradication of Poverty, the ICA and ILO call on cooperative organisations, development agencies, workers' and employer organisations, and the United Nations system to commit to:

- Harnessing** the financial and ethical strength of the world cooperative movement
- Demonstrating** the cooperative response to poverty reduction globally
- Strengthening** cooperative enterprise locally
- Building** cooperative solidarity
- Living** the Cooperative Principles

and join the Global Cooperative Campaign Against Poverty to help improve the lives of millions around the world.

See: www.outofpoverty.coop or www.ica.coop/outofpoverty/

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