



Meeting Documentation - part 1

COOPERATIVE ENTERPRISES BUILD A BETTER WORLD

www.ica2011.coop





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ICA General Assembly Programme, Friday 18 November

Time	Topic	Speaker
14h00	Opening	Dame Pauline Green, President
	Orientation to Voting Procedures	Paul Hazen, Chair, Elections Committee
	Approval of the Agenda	
	Approval of the General Assembly Minutes	
	Presentation of Candidates	
	Ratification of ICA Vice-President for Europe	Dame Pauline Green, President
	Election of Board Members	
	Recognition of Mr. Surinder Kumar Jakhar	
	Ratification of Sectoral Organisations elections as necessary	
	Ratification of Director-General	
	Director-General's Report	Charles Gould, Director-General
	Financial Report and approval of ICA Accounts 2009 - 2010	Kathy Bardswick, Chair, Audit & Risk Control Committee
	Approval of ICA Regional Rules:	
	<ul style="list-style-type: none"> • Africa • Asia-Pacific • Europe 	Dame Pauline Green, President
Motions:		
<ul style="list-style-type: none"> • Resolution to open consultative process and convene an Extraordinary General Assembly in Manchester in 2012 • Amendment to Seventh Principle • Resolution to support the establishment of a Co-operative Institute for the Promotion of Peace and Social Cohesion • Admission of Mutuels to Membership • Declaration of Rochdale as World Co-operative Capital • Resolution on the use of sustainable timber & forest products 	Dame Pauline Green, President	
Invitation to the next General Assembly	Dame Pauline Green, President	
18h00	Closing	



Proposed Amendments?

Members wishing to make amendments to the Minutes should send their proposed changes in writing to the ICA Director-General, Mr Charles Gould, before 1 November 2011. Email: gould@ica.coop or Fax +41 22 798 41 22.

Voting Information

The ICA Elections Committee has approved the following procedure for the distribution of votes at the General Assembly in Cancun. For the first time, the ICA will use an electronic voting system (SmartVote). This is a small electronic voting card. There will be enough SmartVote cards that equal the possible number of Representatives who could attend the ICA General Assembly.

Distribution of Voting Cards

Representatives of member organisations will be asked to pick up their SmartVote cards on Friday 18 November. These will be available as of 08:00 from the ICA Registration Desk and will be open throughout the morning during breaks and during the lunch hour. Once the General Assembly commences at 14:00, no further votes will be distributed.

At the start of the General Assembly, the Chair of the Elections Committee, Mr Paul Hazen of the National Co-operative Business Organisation (NCBA), will explain how to use the electronic voting system and Representatives will be given an opportunity to do some test votes.

Each Representative will receive the number of SmartVote cards based on the voting entitlement of each member organisation calculated according to the ICA Bye-Laws (excerpt below). Please have one Representative from each Member organization pick up all of the SmartVote cards for their organisation and then distribute these to the other Representatives in your organisation. If an organisation is entitled to more than 12 votes, then two Representatives need to pick up the SmartVote cards for their organisation.

Some Representatives will also be picking up SmartVote cards on behalf of other ICA Members in their country, as long as the

ICA has received a letter of proxy entitling the person or organisation to make votes on their behalf. If you would like to delegate an ICA member to make votes on your behalf, please send a letter of proxy by 10 November 2011 to the ICA Director of Membership, Gretchen Warner, at warner@ica.coop or by fax +41 22 798 41 22.

When picking up the SmartVote cards, Representatives will be asked to:

1. Check that the number of SmartVote cards that they have been given is correct at the time of picking them up. Once the Representative has signed their name and left the table where the SmartVote cards are distributed, there will be no possibility of adding or subtracting the number of SmartVote cards distributed.
2. Sign for the SmartVote cards with a signature next to their organisation name along with the number of SmartVote cards received.

The questions on the SmartVote cards will be prepared in English, French and Spanish. All questions will be answered with three possibilities: YES.... NO.... ABSTAIN.... Should there need to be a longer explanation of a question, this will be put on a screen at front to be displayed to all delegates.

Excerpt from ICA Bye-Laws: III. Representation at the General Assembly

1. The basis for calculating the number of representatives that each Member may send to the General Assembly is based on the number of individual members or individual members represented and in accordance with the following scales: *(for the relevant scales, please refer to the ICA Bye-Laws at <http://www.ica.coop/ica/rules.html>.)*
2. Each Member, or a group of Members, from one country is entitled to at least one voting representative for each complete payment of their total subscription with a maximum of 25 representatives per country, excluding the President of ICA, as laid down in Article 15 of the *Statutes*.
3. In countries where there is more than one Member, the number of representatives and votes are divided

- proportionally among Members. ICA also permits Members in a given country to voluntarily agree to distribute votes among themselves on condition that no representative holds more than twelve votes. Any cases of dispute will be decided by the Board, subject to appeal to the General Assembly.
4. Individual Member organisations have the right to entrust votes to one or more representatives from the same country, provided that no representative holds more than twelve votes.
 5. Members have the right to send observers to the meeting.
 6. Observers from non-member organisations, unless invited by ICA, are only admitted by a decision of the Director-General.
 7. A registration fee, as determined by the Board, will be paid



ICA Board Elections

The European region elected Felice Scalvini to be a co-president of Co-operatives Europe, thereby filling the then-vacant seat on the ICA Board reserved for the Vice President from Europe. Mr. Scalvini had already been elected to an at-large position on the ICA Board during the Geneva General Assembly, and so his election to the European Vice President seat created an at-large vacancy on the Board. The Board co-opted Mr. Janusz Paszkowski to the Board vacancy in July 2010 to fill the open seat until the next General Assembly. Mr. Paszkowski was chosen as he had secured the next highest number of votes from among the un-elected candidates standing for election at the 2009 Geneva General Assembly. That seat will now be formally filled by the General Assembly.

Second, the Board vacancy that is created by the tragic death of Mr. Surinder Jakhar in December 2010. Out of respect for Mr. Jakhar, the Board invited Mr. Jakhar's co-operative, IFFCO, to send another of its directors to attend the single Board meeting that remained prior to our Cancun General Assembly. IFFCO nominated Mr. K. Srinivasa Gowda to attend. That seat will now be formally filled by the General Assembly.

Ratification of the ICA Vice-President

Mr Felice Scalvini was elected by the Cooperatives Europe General Assembly as President. The appointment of Mr Scalvini as Vice President for Europe to the ICA Board requires ratification by the ICA General Assembly.

ICA Board Candidates

Mr K. Srinivasa Gowda, nominated by Indian Farmers Fertiliser Cooperative Ltd. (IFFCO)

Mr. K. Srinivasa Gowda was born on 24 August 1947 at Kuduvanahalli Village of Karnataka State and graduated from Bangalore University. His background in agriculture and orientation in socioeconomic conditions of a vast country like India inspired him to work to uplift rural poor, particularly the farming community, through co-operatives. He has worked in the movement for 35 years. Mr. Gowda is currently Chairperson of IFFCO-Tokio General Insurance Company Limited, Director on the Board of the Karnataka State Cooperative Marketing Federation Limited, Director of IFFCO Foundation, and Director IFFCO Kisan Bazar Limited. Mr. Gowda has been three times a Member of the Legislative Assembly, Kolar (Karnataka) and Cabinet Minister for Agriculture, Government of Karnataka. He held various positions in the past such as President of Karnataka State Cooperative Marketing Federation Limited Bangalore, Chairperson of IFFCO, Chairperson of KRIBHCO, New Delhi, Director of Indian Potash Limited, Director of National Cooperative Development Corporation, New Delhi, Director of National Agricultural Cooperative Marketing Federation of India Limited, New Delhi, Director of District Cooperative Central Bank, Kolar, Member Governing Council NCUI, and Director of National Film & Fine Arts Cooperative Limited. Mr. Gowda has widely travelled to various countries like USA, UK, Australia, Italy, France, Brazil, Norway, Singapore, UAE, Netherlands, China, and South-East Asia to acquaint himself with the agriculture and co-operatives there.

Mr Albolhassan Khalili, Iran Oilseeds and Vegetable Oil Processing Co-operative (Farda)

Mr Khalili was born 25 April 1971 and in 1994 received a BS in Food Industries & Sciences from Tehran University. He is currently the Managing Director of Farda. His social activities includes Member of the Board and Secretary of Iran Vegetable Oil Industry Association, Member of the Board and General Secretary of Iranian Food Industry Associations, Member of the Board and General Secretary of Tehran House of Industries & Mines, Member of the Board of the Central Council of Iran Confederation of Industries, Member of the Board of Representatives of Tehran & Iran Chamber of Commerce & Industries & Mines, Member of the Council of Dialogue between Government and the Private Sector. His economic activities includes Chief of the Board of Techno Pars Company, Chief of the Board of Pars Ava Iranian Company, Chief of the Board of Bar Golza Transportation Company, Member of the Board of Oilseed Research and Development Company, Member of the Board and Directing Manager of Farda. His cultural activities include Editor in Chief of Aftabgarden Magazine which specializes in vegetable oil industries, and creator of the Farda Training Center. His scientific activities includes member of the Immunity Managing Systems of Food Industries in Shahid Beheshti University of Medical Sciences, Member of Health Ministry Technical Committee in Executing Acts of Foodstuff, Drinks, Cosmetics, & Hygienic Materials, and teaching in the Farda Training Center.



ICA Board Candidates, *continued*

Mr Janusz Paszkowski, nominated by the National Auditing Union of Workers Cooperatives (NAUWC) of Poland

Mr. Paszkowski is President of the National Auditing Union of Workers' Co-operatives. Paszkowski is currently serving on the ICA Board after he was co-opted following the election of Mr. Scalvini to Regional President, because he had the largest number of votes of those candidates not elected in 2009. He has a degree in co-operative marketing and management and began his career in the movement in 1973. Since that time he has been deeply engaged in co-operative life. He is active both in the national and international arena. He fights for the well-being of the co-operative movement in Poland and through meetings with co-operative representatives from all over the world. He tries to bring the whole co-operative family together. He believes that the co-operative business model is one of the best solutions for social and economic problems of today's world. He also serves on a number of boards and advisory committees including the Executive Committee of CICOPA, Board of the European Confederation of Workers' Co-operatives, Social Co-operatives and Participative Enterprises (CECOP). He has published numerous articles and papers in professional journals and been involved in developing co-operative legislation.

Mr Bandupala Ranawake, nominated by the National Co-operative Council (NCC) of Sri Lanka

Mr Ranawake grew up in a remote village in Sri Lanka. As a result of his concern for community, he joined the Sri Lanka Freedom Party and became Chairperson of the Youth Society. After graduating from school, he became Chairperson of the Village Development Society & Credit Co-operative Society in his village. In 1989, he was elected Board Member of the Credit Co-operative Union (Matara District). In 1995, he was elected Chairperson of Kotapola Multi-purpose Co-operative Society Ltd. (KMPCS). Mr Ranawake founded Matara District Tea Producers Co-operative Union in 1998 and was awarded runner-up of the best performing co-operative society in Sri Lanka. In 1991, he was elected member of the Kotapola Pradeshiya Sabha. He served the Kotapola Provincial Council as a member and opposition leader until 1991. Mr Ranawake is currently Chairperson of NCC.

Ratification of ICA Director-General

Charles Gould was appointed by the ICA Board and took office as ICA Director-General on 1 September 2010, to be ratified by the ICA General Assembly. He previously served as Chief Executive Officer of Volunteers of America, a health care, housing and human services organisation in the United States. Headquartered in Washington D.C., he provided leadership to its 16,000 staff and oversaw an annual budget of USD 1 billion. In each of the last five years of his administration he was recognised as one of the fifty most influential leaders in the United States non-profit sector. He served as a member of the board of the American Society of Association Executives, and of the American Association of Homes and Services for the Aged. Before joining Volunteers of America, Mr. Gould practised as an attorney-at-law with Arnold & Porter and with Hogan & Hartson US law firms in Washington D.C. He has a Juris Doctor (JD) degree from the University of Minnesota Law School (USA), and a Master of Studies (MSt) in International Human Rights Law from Oxford University (United Kingdom). For his full biography, please visit www.ica.coop.



Motions and Resolutions

ICA member organisations are entitled to submit resolutions and motions for the consideration of the General Assembly. All motions are to be submitted to the Director-General two months before the date of the General Assembly for consideration by the ICA Board, which determines their admissibility. To date, 6 resolutions have been received. These resolutions are provided in your meeting documentation for the consideration and decision by ICA Members in Cancun.



ICA Subscriptions

Members are reminded that the ICA General Assembly in 2001 adopted the resolution, "ICA's Financial Stability" 2001, which approved the following measure (among others):

...that lists be published before each year's Regional/General Assembly of organisations not meeting their subscription obligations...

Note that according to the ICA Statutes, members that have not paid membership dues are not entitled to vote at the ICA General Assembly. See full text of resolution: www.ica.coop/calendar/ga2001/res-financial-stability.pdf

Request to Speak Procedures

In accordance with the ICA Bye-Laws, IV. Standing Orders for the General Assembly Procedures, only representatives may speak to the Assembly. Members' representatives desiring to speak on any subject must indicate their wishes to the President, who calls upon them in the order in which their requests are received.

"Request to Speak" forms will be available at the meeting venue in the ICA General Assembly Hall and should be returned to the same desk duly completed. The ICA President will then receive these forms to be able to call on representatives to speak on the requested item(s).

Please reference the ICA Bye-Laws regarding the "Order of Debate" - <http://www.ica.coop/ica/rules.html>).

Other Important Documentation

The following other publications contain information relevant to the ICA General Assembly 2011. Participants are encouraged to bring these documents with them to the meeting. Copies will not be available in Cancun.

- ICA Statutes : <http://www.ica.coop/ica/rules.html>
- ICA Bye-Laws : <http://www.ica.coop/ica/rules.html>
- ICA Annual Report 2009: <http://www.ica.coop/publications/ar/index.html>
- ICA Annual Report 2010: <http://www.ica.coop/publications/ar/index.html> (coming soon)
- Audited Financial Statements 2009 and 2010
- ICA Member Directory (sent to all ICA Members by email)

Please note that the ICA will not be distributing onsite copies of the official meeting documentation and brochures which have been sent to members. Please bring these with you to Cancun.

Draft Minutes: ICA General Assembly 2009 Geneva

Opening

The ICA Director General, Iain Macdonald, wished all a warm welcome to the General Assembly 2009 and called the General Assembly to order.

Before turning to the business at hand, the President asked the Assembly to stand and observe a minute of silence in recognition of co-operators who had passed away, including the following: Marie-Claude Baan, Switzerland; René Zaegel, France; Jakub Janiak, Poland; Dr. Shouji Kato, Japan; Guillermo P. Cua, Phillipines; Francisco Luiz Jimenez, Colombia; Augustine Kang, Korea; Abdul Rahim Abu Bakar, Malaysia; Franco Caleffi, Italy. She made special mention of our recent President, Ivano Barberini.



Draft Minutes Geneva, *continued*

The ICA Director General announced that the Assembly was well attended with a total of 326 representatives, with 15% or 52 representatives being women. There were 21 associate member delegates of whom 33% were women, 225 observers of which 15% were women, 11 youth delegates of which 5 were women, 29 guests, 6 press and 58 personal interpreters.

Adoption of the Agenda

The DG reminded the Assembly that the draft Agenda had been circulated to members as part of the mailings and could also be found in the registration packs. The Assembly also agreed to the suspension of Standing Orders (Article IV of ICA Bye Laws, number 24) to waive the need for the circulation of documentation to members two months before the date of the Assembly.

There being no proposed changes, the General Assembly approved the agenda by show of voting cards.

Draft Minutes of the General Assembly in Singapore 2007 and the extraordinary General Assembly in Rome 2008

The draft minutes of both assemblies were approved by show of voting cards.

Election of the ICA President and Vice-Presidents

The Chair of the Elections Committee, Alban D'Amours, explained the election process and invited the candidates to address the Assembly. The Assembly unanimously approved the candidates by show of voting cards as follows:

- President: Dame Pauline Green
- Vice President, Africa: Stanley Muchiri
- Vice President, Americas: Ramon Imperial Zuniga
- Vice President, Asia and Pacific: Li Chunsheng

The President thanked Alban D'Amours and delivered her Presidential address which was received by acclaim.

"Fellow Co-operators, dear Friends,

Thank you for the great honour and trust that you have given me today by electing me as President of our global movement. I am very conscious of the great responsibility that I am taking on for the next four years, and I give you my word that I will do my very best to be worthy of it.

The values and principles of our movement, its ethos and its contribution to the struggle for equality, fairness and the development of a plural and sustainable world economy are the things that excite and drive me. I believe that co-operation is not just an alternative model of business; it is a better model of business. And I look forward to working with, and for you to enhance the strength and reach of co-operatives across the globe.

I want to take a moment to pay tribute to my predecessor, Ivano Barberini. A man who could not be faulted for the energy and commitment he gave to our movement through his life long work for co-operatives in Italy and, during the last eight years of his

life, for the enthusiasm with which he undertook his work as President across the world. I know that we all regret that he could not be here today to complete his term of office and receive the thanks of this movement for all that he has done for us in every corner of the world. Colleagues, I can't promise to be as omnipresent as Ivano was, but what I can promise you is that I will pursue the development of the global co-operative family in my way with all of the passion and drive that I have. I hope in this way that I will be at least a worthy successor to Ivano whose memory we all cherish.

I have a particular message today to the hundreds of thousands of co-operative women serving our movement around the world. I want them to know that nearly 115 years after its foundation, the ICA has its first woman President. I feel humbled to be that woman. But we all need to acknowledge that since its inception, co-operation has upheld equality between men and women as a key principle. And yet around the world that equality is still more noticeable in its omission than in its commission. I hope our women co-operators take heart from having a woman President – I can tell them that they will have all my support.

Colleagues, the ICA is a changed organisation. Thanks to the quite incredible work of the outgoing global Board and with the support of the staff of the ICA in Geneva, in Costa Rica, in New Delhi, in Nairobi and in Brussels, this organisation has reformed itself. It now has a constitution and a subscription structure that brings it into the 21st century. So internally, the organisation is ready to move on from the reform platform of the last years.

At the same time, the world is travelling through a difficult and stressful economic period when trust and confidence in the traditional financial and business model has been severely shaken, some would say destroyed!

Our model with its commitment to returning surplus to the business, members and the community, its unique ownership structure and democratic traditions built on the enduring values and principles that have served for nearly 200 years, has a real potential to build a more plural economy, a diversified economy that will ensure that such a corporate collapse should never again occur. Our model gives back to communities and individuals a sense of control and engagement with their own economic good health; and how inspiring it was to hear Elinor Ostrum the first woman Nobel Economic Laureate supporting this thesis.

So now colleagues it is time to make all that internal reform work for you, our members, and to capitalise on the opportunity that the global recession now offers for us to further serve families and communities across the globe.

Now it is time for change – a change of pace, of focus, of direction.

In the true spirit of our founding fathers, it is time for us to take our own future in our own hands and begin to act like a global organisation. To force upon an unsuspecting world the knowledge that the largest 300 of the hundred of thousands of co-operative organisations across the world – just the largest 300 – have a GDP equivalent to that of Spain the 10th largest economy in the world. That together we employ 20% more



Draft Minutes Geneva, *continued*

people than all the multi national companies, and that we are owned by nearly 1 billion people across the world. There is not another sector of the economy that can compare with those figures.

Very shortly, the United Nations will declare that 2012 will be the International Year of the Co-operative. It is our responsibility to make sure that we are not only ready for that year, but that we maximise the value it offers to us. That means that we have to act now and with speed.

Firstly, let's prepare by making sure that we drive our co-operative visibility into the decision-making global institutions and create a real sense of the strength and values of the co-operative economy in the world.

And to do that we have to recognise that we are not visible enough now - that the ICA is not a sufficiently recognised brand within the walls of the global institutions - that our co-operative identity is not given the priority that our size and contribution deserves and demands. So let's change that and change it now. Let's use the name that our founders gave us - lets make sure that it is know around the globe that we are proudly and confidently Co-operatives.

If we are going to respond to the UN announcement for the International Year, and if we are going to signal that the global movement is now ready to move on from a period of internal reflection and modernisation - lets use this moment to re-launch ourselves and mark a clear and focussed change of direction by taking action and pursuing influence now that we have modernised ourselves. The International Year will give us the opportunity for enhanced visibility and we must use it.

Secondly, we need to recognise that if we are going to succeed in 2012, we must build up our global influence.

That means colleagues we must devote our limited resources and time to how we can best influence global decision making in the UN, the World Bank, the IMF, the Economic and Social Fora and other global institutions. This means acknowledging where the centres of economic and political power increasingly reside in the world today and for the foreseeable future. And we have to make sure that we have adequate and active representation and lobby capacity in those centres.

We need to be present in North America making our arguments with the global institutions that are situated there, and we need to recognise the huge opportunity presented to us to put our global issues to the co-op friendly Obama administration through close collaboration with our partners in the US.

We need to build on the growing influence of the European co-operatives in the corridors of power in Brussels and the European Union. Whilst five years ago the European Commission told a Co-operatives Europe conference that 'co-operatives were invisible in the European Commission', now they are actively seeking us out as partners in a range of European activities. Our voice has got to be driven yet further, so that in global discussions the European Union is arguing for co-operative development.

But the US and the EU are not enough.

Today we have to be extending our reach to the governments of the emerging economic and political nations, and in particular at this moment to China and India and Brazil. We have to work with our influential co-operative colleagues in those countries so that global co-operative issues are in the forefront of their government's minds when they meet in the global institutions to discuss economic and political evolution. We know that these and other countries are going to make the pace in the coming years, and our global body has to be ahead of the game, light on its feet so that we can respond as the economic and political environment changes.

Colleagues, we are constantly being challenged to identify just what membership of the ICA is worth. For too long we have had to answer this by relying on the altruism of our members - urging them to keep the ICA alive because we needed to do so. It is time that we began to repay that commitment by proving that we have the drive, the energy, and the imagination to go forward and to create the visibility and influence for the movement that only the global body can truly do. And that this work will manifest by growing recognition of, and support for our movement by decision-makers and opinion formers in the economy, governments and the media. That is the real difference that a truly global body can make for our members on the ground.

In pursuit of that agenda, I have asked the Director General to set up a meeting of the new Board before we leave Geneva this week - all the candidates for election have been advised that it will happen. At that meeting I will be bringing forward ideas for the first six months work of this new mandate. I hope that we will come out of that meeting with some clear decisions that will give you a positive signal of change and determination to make a difference.

Colleagues, I am certain in my own mind that a membership owned and led organisation doesn't deserve to exist, unless it is able to demonstrate its worth to its members.

I am also sure that to do that means that change is a constant for a service based body.

We cannot stand still nor, having spent the last four years reforming the ICA, can we rest on our laurels.

I know that the quality of candidates up for election here today will throw up a Board that is more than up for the challenge set for them by the excellent Board, that it has been my privilege to serve with for the last four years, and which is passing on an ICA ready to move on to the next stage of its development.

I am hugely excited by the coming four years and look forward to working with you all in building a co-operative sector of the global economy, that is able to create a fairer world, a better world, a more sustainable world for its people.

Thank You."

So now colleagues it is time to make all that internal reform work for you, our members, and to capitalise on the opportunity that the global recession now offers for us to further serve families and communities across the globe.

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Draft Minutes Geneva, *continued*

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Very shortly, the United Nations will declare that 2012 will be the International Year of the Co-operative. It is our responsibility to make sure that we are not only ready for that year, but that we maximise the value it offers to us. That means that we have to act now and with speed.

Firstly, let's prepare by making sure that we drive our co-operative visibility into the decision-making global institutions and create a real sense of the strength and values of the co-operative economy in the world.

And to do that we have to recognise that we are not visible enough now - that the ICA is not a sufficiently recognised brand within the walls of the global institutions - that our co-operative identity is not given the priority that our size and contribution deserves and demands. So let's change that and change it now. Let's use the name that our founders gave us – lets make sure that it is known around the globe that we are proudly and confidently Co-operatives.

If we are going to respond to the UN announcement for the International Year, and if we are going to signal that the global movement is now ready to move on from a period of internal reflection and modernisation - lets use this moment to re-launch ourselves and mark a clear and focussed change of direction by taking action and pursuing influence now that we have modernised ourselves. The International Year will give us the opportunity for enhanced visibility and we must use it.

Secondly, we need to recognise that if we are going to succeed in 2012, we must build up our global influence.

That means colleagues we must devote our limited resources and time to how we can best influence global decision making in the UN, the World Bank, the IMF, the Economic and Social Forum and other global institutions. This means acknowledging where the centres of economic and political power increasingly reside in the world today and for the foreseeable future. And we have to make sure that we have adequate and active representation and lobby capacity in those centres.

We need to be present in North America making our arguments with the global institutions that are situated there, and we need to recognise the huge opportunity presented to us to put our global issues to the co-op friendly Obama administration through close collaboration with our partners in the US.

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European Union. Whilst five years ago the European Commission told a Co-operatives Europe conference that 'co-operatives were invisible in the European Commission', now they are actively seeking us out as partners in a range of European activities. Our voice has got to be driven yet further, so that in global discussions the European Union is arguing for co-operative development.

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Colleagues, we are constantly being challenged to identify just what membership of the ICA is worth. For too long we have had to answer this by relying on the altruism of our members - urging them to keep the ICA alive because we needed to do so. It is time that we began to repay that commitment by proving that we have the drive, the energy, and the imagination to go forward and to create the visibility and influence for the movement that only the global body can truly do. And that this work will manifest by growing recognition of, and support for our movement by decision-makers and opinion formers in the economy, governments and the media. That is the real difference that a truly global body can make for our members on the ground.

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I am hugely excited by the coming four years and look forward to working with you all in building a co-operative sector of the global economy, that is able to create a fairer world, a better



Draft Minutes Geneva, *continued*

Report of the Director-General

The President assumed the chair and invited the Director-General to report on the activities of the ICA in 2007 and 2008.

"I am very pleased to give the report for the last two years, although sad that it will be my last one. However, it is very hard to do this without mentioning Ivano Barberini. We worked very closely together over the last eight years, and I came to hugely respect this man whose passion for the cooperative movement knew no bounds. Much of our agenda here this week, and indeed still to come, is fashioned by his legacy:

- our campaign against poverty
- the restructuring of ICA
- the International year of cooperatives
- the conviction of the superiority of our business model

All came from him.

And much of 2007 and 2008 was taken up with restructuring the ICA, not least the establishment of Co-operatives Europe. Following the general assemblies in Seoul and Oslo, a task force considered how to reshape the ICA to equip it to deal with the challenges of the twenty first century.

It was in June 2008 in Rome at an extraordinary General Assembly that the restructuring was finally approved. In essence, the Assembly recognised ICA as one global entity operating on a decentralised system with six constituent parts - that is the central office, four regional offices, and the sectoral organizations. It also recognised that a governance committee of the Board should be established, whose first task would be to examine the structure and operations of the sectoral organisations and thematic committees. This work still continues. Perhaps the most fundamental change, however, was the establishment of a new membership subscription system based on numbers of members, as opposed to financial strength. A cooperative principle, if ever there was one! This will undoubtedly lead to a much more transparent and fairer subscription system, which will make it much easier to attract new members. Indeed, despite some teething problems, we are already seeing an increase in membership

The Assembly also approved the establishment of four board committees – membership, audit and risk, human resources, as well as governance. While these committees, consisting only of Board members, are monitoring the day to day functions of the ICA, working groups, with an open membership, were also established in the fields of international accounting standards, legislation and mutuality. Legislation, of course, is probably the field in which most questions are asked and where, I feel, we could make a very significant contribution in getting governments to accept the legitimacy of co-operative enterprise and their role in the market place and I was pleased to attend a meeting of that working group yesterday. The working group on international accounting standards has been in existence for two years and is beginning to show real signs of progress in terms of convincing the International Accounting Standards Board that cooperative shares must be accepted as equity. **In fact I would like to ask**

Jean-Claude Detilleux, the chair of our working group to elaborate on this.

Another feature of our restructuring has been the establishment of a global strategic plan. A global vision and mission has been agreed.

Vision

To be prized as the organisation of reference which provides an effective and efficient global voice and forum for knowledge, expertise and co-ordinated action for and about co-operatives.

Mission

The International Co-operative Alliance (ICA) unites co-operatives world-wide. It is the custodian of co-operative values and principles and makes the case for their distinctive values-based economic business model which also provides individuals and communities with an instrument of self-help and influence over their development. The ICA advocates the interests and success of co-operatives, disseminates best practices and know-how, strengthens their capacity building and monitors their performance and progress over time.

The strategic plan, itself, is based on four objectives in the areas of membership, influence, development and governance. These objectives apply to all of our component parts, the centre, the regions and the sectors. It is the first time therefore that ICA is operating in a truly global way and with the strategic plan acting as an umbrella over the individual plans of each part. There is now a considerable degree of independence and autonomy as part of our decentralisation process, but there is a serious global agenda.

Membership

- 14 new members
- ICA-Americas launched an online assistance for Members

Influence

- new web page on demutualisation.
- Cooperatives Europe website launched
- International Day of Co-operatives 2007 "Co-operative values and principles for corporate social responsibility".
- 86th ICA International Co-operative Day 2008 "Confronting Climate Change through Co-op Enterprise".
- United Arab Emirates and ICA Asia-Pacific, joint Consultative Dialogue in Abu Dhabi (UAE) between the governments and the co-op movements in the Asia-Pacific region,
- The University of Bologna honours ICA President Ivano Barberini with its most prestigious award, The Sigillum Magnum.
- ILO/ICA publication on Child Labour
- Leadership Council created on Climate Change and Sustainability.
- Cooperatives Europe launched the "Hands off our co-ops"



Draft Minutes Geneva, *continued*

petition

- ICA Africa launched its new website, www.icaafrica.coop.
- Americas newsletter launched in English

Development

- post-tsunami reconstruction work
- solidarity with and support for China's earthquake and Myanmar disaster's victims
- Development conference with Government of Fiji, Fiji Co-operative Union and Integrated Human Resource Development Programme of ILO in Fiji.
- ICA Africa Members' Forum, held in Nairobi, Kenya, launched the restructuring of ICA Africa and the revitalization of the regional movement.
- Sectoral Organisations become Authorities of ICA

Governance

- First ICA Youth Committee for Asia-Pacific, Singapore.
- Cooperative Europe established as European region of ICA.
- ICA Board meetings in Leon, Singapore, Paris, Geneva, Washington, Rome, Lisbon, Hanoi
- The Cooperatives Europe 3rd Co-operative Convention, Prague, Czech Republic
- The 15th ACI-Americas Regional Conference, Santo Domingo, Dominican Republic,
- The ICA General Assembly Singapore. October 2007
- Cooperatives Europe General Assembly in Brussels, Belgium, April 2008
- The Extraordinary ICA General Assembly, Rome, Italy, June, 2008
- ICA-Americas Regional Conference, San José, Costa Rica, July.2008
- ICA Research Conference, "The Role of Co-operatives in Sustaining Development and Fostering Social Responsibility", Trento, Italy, October. 2008
- ICA Africa Regional Assembly, Abuja, Nigeria, November. 2008
- ICA Asia-Pacific Regional Assembly and related meetings, Hanoi, Vietnam, December. 2008

Our Global 300 project is about to enter a new phase as we create an online database. This will allow members of the Global 300 to update their own information, allowing for greater accuracy and speed, making this an even more significant promotional tool.

Indeed, the raising of our profile is probably the greatest challenge we have and in the declaration of the UN International Year of Co-operatives we have probably the best

promotional tool we will ever have – so thanks to the Mongolian Government for pushing this forward and of course Ivano. You will hear a lot more about this in the very near future, but your support is essential. At the moment, we were waiting for confirmation that 2012 will be that year.

Of course, our work with the UN and its agencies continues. Having met with representatives of the World Bank, they now have a much more positive attitude towards cooperative development. The world food programme is encouraging the tackling of poverty through cooperatives, and we continue working on our Memorandum of Understanding with the ILO. Indeed the ICA's Deputy Director General has spent two years on a 50% secondment working with the ILO, and its Co-operative Unit.

Of particular note have been joint publications on Child Labour, and the Cooperative Resilience to the Financial Crisis. The latter publication showed quite clearly, that co-operatives are surviving the financial crisis much more successfully than their investor owned counterparts. Our job is of course to exploit that evidence and prove conclusively to governments and international organisations that cooperatives present a very real alternative to the profit maximisation and self promotional methods of investor owned businesses.

Our Board is determined to raise the profile of co-operative enterprise and to take advantage of the current situation. We continue to emphasise our business credentials, and in that connection, the first international cooperative trade fair (EXPO 2008), took place in Lisbon in 2008. This was a modest success but a success nevertheless particularly as the first one. This has been a big step for ICA, but set very much in line with our strategy of promoting co-operative enterprise as the better business model. I am confident that the next event in December 2010 in Bangalore, India will build on that success and show co-operative business at its best. Our EXPO organizers are with us here so please talk to them and support this important event. There is great strength in our collective unity and this applies to our economic, as well as our social objectives.

My successor, I hope will move our strategic plan into real action. There is so much going for us at the moment and we must grab this unique opportunity with both hands. Our problem as always is to convince governments and international organizations, first of all of the sheer size and scale of our movement, but more particularly its ability to resolve many of the world's problems. As the movement in the United States has shown, we are the better business model, but we have to prove it - most particularly to those who feel there is only one form of enterprise - the investor owned type. And they are not going to lie down quietly. There is a political dimension to our work. We are not capitalist enterprise, we are cooperative enterprise, and we offer a serious alternative way of doing business. We should not be frightened to say that and as my UK colleagues have shown, that when we emphasise our cooperative credentials, we also become commercially successful whilst still retaining our social goals - and people start to take notice

I hope I leave ICA in a better place than it was in 2002. I cannot imagine a better way of completing my cooperative career than working as the Director-General of the ICA. I know when I tell



Draft Minutes Geneva, *continued*

colleagues outside the movement about my job and its international dimension, it's hard to convince them that it can be very hard work, stressful and tiring!

But I do agree that it has been a privilege to work for all of you, my board members, and in particular, my work colleagues regionally and globally.

Thank you for that opportunity"

His report was approved by show of cards.

ICA Financial Situation and Approval of ICA Accounts 2007 and 2008

The Chair of the Audit & Risk Committee, Mr. Surinder Kumar Jakhar, presented the ICA Financial Report and submitted its recommendation to the General Assembly to approve the audited accounts for the years 2007 and 2008.

Following some questions, the General Assembly approved the ICA annual accounts for the years 2007 and 2008 and the report from the Chair of the Audit and Risk Committee.

Election to the Board

The Chair of the Elections Committee, Alban D'Amours, advised the Assembly of the election procedures and invited the 25 candidates for election to each briefly address the Assembly.

Alban D'Amours then asked the member representatives to cast their votes.

Please see table on facing page 13.

Retiring Members

The President asked those Board members who were not seeking re-election to approach the podium and be recognized for their work and commitment over the years. They were:

- Alban D'Amours
 - Gun-Britt Martensson
 - Isami Myata (absent)
 - Juan Carlos Mejia Cuartas
- Certificates and a small gift were presented.

Report of Elections

The President asked Alban D'Amours as Chair of the Elections Committee to announce the election results.

Mr. D'Amours reported that 618 votes were distributed and that 608 votes were cast with 4 invalid. She then declared that the candidates in bold (*page 14*), were elected for a four year term as member of ICA Board:

Sectoralisation and the Implementation of the ICA Restructuring Report

The President invited the Chair of the Governance Committee, Gun-Britt Martensson, to present her committee's report. Mrs.¹²

Martensson presented her report in two parts – sectoralisation and amendments to the ICA Rules and Bye-Laws.

Following some discussion, her report and amendments to ICA Rules and Bye-Laws were approved unanimously as circulated. The circulated revised rules for the Americas region were also approved.

Motions

The following motions were adopted:

Co-operatives and Nuclear Disarmament

The ICA at its General Assembly in Geneva on 20 November 2009,

NOTING that twenty years have passed since the end of the Cold War and that at the time there was the view that the world would be extricated from the stress of the war and that a new period of peace and affluence would begin,

AWARE that economic inequality will lead to an increasing number of disputes and conflicts around the world and these will continue to challenge the attainment of international peace,

FURTHER NOTING that pandemics, natural disasters, starvation and poverty, climate change and the depletion of biological diversity create additional instability,

RECOGNISING that we live in a time propitious to coming together as co-operators with the same philosophy to enable us to face the difficult challenges in our time,

AFFIRMING that the world needs Co-operation today more than ever before

NOTING that for more than 60 years, the existence of nuclear weapons has constituted one of the greatest challenges to mankind alongside that of Global Warming,

FURTHER NOTING that these nuclear weapons can destroy all life on our planet,

CONCERNED that despite the continuous efforts of world leaders and the Nobel Peace Prize Laureates and peoples' movements calling on-going movements in the world today for nuclear disarmament and the complete elimination of nuclear weapons, there continues to be a proliferation of nuclear weapons and an increasing risk of their use,

AWARE that in 2010, the Nuclear Non-Proliferation Treaty (NPT) member states will hold a review conference on the treaty,

CALLS on ICA member organisations to lobby their governments to support concrete action towards nuclear disarmament and the destruction of nuclear weapons,

URGES that co-operators worldwide appeal for the elimination of starvation and poverty, call for world stabilisation and prosperity and build a peaceful world without nuclear weapons.

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List of Candidates

	Candidate	Organisation	Country
1	Ms Kathy Bardswick,	Canadian Co-operative Association (CCA)	Canada
2	Mr Deepak Prakash Baskota	National Co-operative Federation (NCF)	Nepal
3	Mr Won-Byong Choi	National Agricultural Co-operative Federation (NACF)	Korea
4	Mr Jean-Claude Detilleux	Groupement National de la Coopération (GNC)	France
5	Mr Steinar Dvergsdal	Federation of Norwegian Agricultural Co-operatives	Norway
6	Mr Juan Carlos Fissore	Confederación Cooperativa de la República Argentina (COOPERAR)	Argentina
7	Ms Hajah Armi Zainudin	National Co-operative Union of Malaysia (ANGKASA)	Malaysia
8	Mr Paul Hazen	National Co-operative Business Association (NCBA)	USA
9	Mr Lennart Hjalmarson	Kooperativa Förbundet KF / HSB / Riksborgen	Sweden
10	Mr Surinder Kumar Jakhar	Indian Farmers Fertiliser Co-operative Limited IFFCO / Indian Farm Forestry Development Co-operative IFFDC	India
11	Mr Evgeny Kuznetsov	Central Union of Consumer Societies of the Russian Federation (Centrosoyuz)	Russia
12	Mr Mamoru Moteki	Central Union of Agricultural Co-operatives (JA-Zenchu)	Japan
13	Mr Janusz Paszkowski	Nat'l Assoc. of Co-op Savings & Credit Unions / Nat'l Auditing Union of Workers' Co-ops / SPOLEM	Poland
14	Mr Felice Scalvini	AGCI / CONFCOOPERATIVE / Legacoop	Italy
15	Ms Lourdes Ortellado Sienra	Cooperativa Universitaria Ltda.	Paraguay
16	Mr Seah Kian Peng	Singapore National Co-operative Federation (SNCF)	Singapore
17	Mr Muhammad Sharif Bhajji	Karachi Co-operative Housing Societies Union	Pakistan
18	Mr Petar Ivanov Stefanov	Central Co-operative Union (CCU)	Bulgaria
19	Mr Thomas Tar (absent)	Co-operative Federation of Nigeria (CFN)	Nigeria
20	Mr İlhami Teke	Central Union of Turkish Agricultural Credit Co-operatives	Turkey
21	Mr Americo Utumi	Organisation of Co-operatives of Brazil (OCB)	Brazil
22	Mr Len Wardle	Co-operative Group / Co-operatives^{UK}	United Kingdom
1	Mr Jean-Louis Bancel	Nominated by the Sectoral Organisations	France
2	Ms Anne Santamäki	Nominated by the Sectoral Organisations	Finland
1	Mr. José Antonio Chávez Villanueva	Nominated by Youth Co-operators	Mexico



Draft Minutes Geneva, *continued*

Results of Elections

Candidate	Organisation	Votes	Ranking
Ms Kathy Bardswick,	Canadian Co-operative Association (CCA)	518	1
Mr Deepak Prakash Baskota	National Co-operative Federation (NCF)	185	20
Mr Won-Byong Choi	National Agricultural Co-operative Federation (NACF)	332	14
Mr Jean-Claude Detilleux	Groupement National de la Coopération (GNC)	428	8
Mr Steinar Dvergsdal	Federation of Norwegian Agricultural Co-operatives	255	17
Mr Juan Carlos Fissore	Confederación Cooperativa de la República Argentina (COOPERAR)	246	18
Ms Hajah Armi Zainudin	National Co-operative Union of Malaysia (ANGKASA)	370	13
Mr Paul Hazen	National Co-operative Business Association (NCBA)	469	3
Mr Lennart Hjalmarson	Kooperativa Förbundet KF / HSB / Riksbyggen	454	4
Mr Surinder Kumar Jakhar	Indian Farmers Fertiliser Co-operative Limited IFFCO / Indian Farm Forestry Development Co-operative IFFDC	545	2
Mr Evgeny Kuznetsov	Central Union of Consumer Societies of the Russian Federation (Centrosoyuz)	434	6
Mr Mamoru Moteki	Central Union of Agricultural Co-operatives (JA-Zenchu)	444	5
Mr Janusz Paszkowski	Nat'l Assoc. of Co-op Savings & Credit Unions / Nat'l Auditing Union of Workers' Co-ops / SPOLEM	277	16
Mr Felice Scalvini	AGCI / CONFCOOPERATIVE / Legacoop	434	6
Ms Lourdes Ortellado Sienra	Cooperativa Universitaria Ltda.	378	12
Mr Seah Kian Peng	Singapore National Co-operative Federation (SNCF)	402	11
Mr Muhammad Sharif Bhajji	Karachi Co-operative Housing Societies Union	111	22
Mr Petar Ivanov Stefanov	Central Co-operative Union (CCU)	286	15
Mr Thomas Tar (absent)	Co-operative Federation of Nigeria (CFN)	195	19
Mr Ilhami Teke	Central Union of Turkish Agricultural Credit Co-operatives	139	21
Mr Americo Utumi	Organisation of Co-operatives of Brazil (OCB)	425	9
Mr Len Wardle	Co-operative Group / Co-operatives^{UK}	416	10
Mr Jean-Louis Bancel	Nominated by the Sectoral Organisations	542	elected
Ms Anne Santamäki	Nominated by the Sectoral Organisations	552	elected
Mr. José Antonio Chávez Villanueva	Nominated by Youth Co-operators	572	elected



Draft Minutes Geneva, *continued*

Motions, continued

Co-operatives and Peace

The ICA at its General Assembly in Geneva on 20 November 2009,

RECALLING that global peace is the shared goal of all mankind, but peace on earth is a goal as yet unachieved,

AWARE that violence and hatred threaten peace between groups and communities no less than between nations and states,

REAFFIRMING that understanding, trust, confidence and joint endeavour are fundamental to the peaceful resolution of conflicts,

REMINING that enduring peace can only be realistically achieved when conflict resolution is linked to sustainable human development, so that peace brings people a better life today and a greater hope for tomorrow,

RECALLING that the International Co-operative Alliance (ICA) has been committed to the advancement of peace since its birth in 1895,

EMPHASISING that co-operative thought is rooted in the search for a more peaceful world and co-operative values further that search,

NOTING that the ICA and its member co-operatives have successfully engaged and linked together people divided by social, economic, cultural, political and religious differences through projects and organisations devoted to the common good,

REAFFIRMING that the co-operative model, through its emphasis on inclusion and democratic process, has proved to be a effective way in which tensions can be reduced within communities, in nations and across regions,

CONSIDERING that co-operatives and co-operative organisations can effectively create and support people-to-people initiatives which are central to achieving peace,

FURTHER CONSIDERING that co-operatives and co-operative organisations can serve as **effective** agents in linking sustainable human development and conflict resolution,

REAFFIRMS its longstanding and ongoing commitment to the furtherance of peace everywhere in the world and its readiness to contribute actively to its achievement,

CALLS on the peacemaking institutions – international agencies, governments and civil society bodies – to recognise ICA and the co-operative movement as effective partners at the table of the peacemakers,

ENCOURAGES co-operatives around the world to further develop their peace-building activities and to make better known their work in promoting peace and social inclusion.

The Co-operative Agenda on Climate Change

The ICA at its General Assembly in Geneva on 20 November 2009,

RECALLING that the International Co-operative Alliance (ICA) represents 1 billion co-operators throughout the world active in many important sectors of the world's economy, including agriculture, food production and fisheries, energy, communications, banking and insurance, housing, health and welfare provision and in the distribution of goods and services as consumer co-operatives,

REMINING that the ICA is the largest membership-based non-governmental organisation recognised by the United Nations,

NOTING that the ICA is well qualified to understand the complex issues involved in the climate threat that the world faces, from the many perspectives of the countries and sectors of the economy of its membership,

EMPHASISING that the unique set of co-operative values, especially those of equity and social responsibility, incite co-operative action on Climate Change,

ISSUES the urgent call below to the United Nations and to the governments of all countries participating in the Conference of Parties (COP) 15 Climate Change Conference in Copenhagen, in December 2009 to secure a fair, ambitious and binding agreement at the global climate negotiations by:

- Recognising that global warming exceeding 2 C above pre-industrial levels that is currently predicted for later this century would create seriously adverse consequences for many peoples and countries;
- Committing to peak global greenhouse gas emissions by no later than 2020 (preferably earlier) and to reduce them by at least 50% relative to 1990 levels by 2050;
- For developed countries, recognising their historical contribution to global warming, and committing to emissions reductions of at least 80% relative to 1990, by 2050, with challenging intermediate targets to be set;
- For developing countries, committing by Copenhagen to significant gains in energy efficiency, reductions in carbon intensity, and cuts in non-CO2 greenhouse gas emissions over the next 2 decades, to support sustainable development and to lead to a substantial reduction in business-as-usual emissions;
- Recognising that the impacts of changes in climate are mainly due to past emissions by developed countries, and that unless the burden of poverty in developing nations is alleviated by significant financial support for mitigation, adaptation and the reduction of deforestation, the ability of developing countries to pursue sustainable development is likely to diminish, to the economic and environmental detriment of all,

15 CALLS on ICA members to take this message to their



Draft Minutes Geneva, *continued*

governments for action.

Co-operative Enterprise and the Economic Crisis

The ICA at its General Assembly in Geneva on 20 November 2009,

AWARE of the fact that economic conditions rapidly declined on a global scale since the 2008 financial crisis,

RECALLING that the International Monetary Fund (IMF) expects that the growth rate of real gross domestic product (GDP) for the world as a whole is expected to turn negative for the first time since the end of World War II as the situation takes on all the appearances of an economic crisis,

CONSIDERING this crisis, attributable to profit seeking driven by excessive market fundamentalism, has lowered corporate profits, decreased employment and has impacted co-operatives, dealing a direct blow to the production activities and daily lives of co-operative members and leading to financial suffering for co-operatives,

RECOGNISING that despite this, co-operatives are more resilient to the crises than investor owned companies,

CALLS on ICA Members and co-operatives worldwide to widely disseminate to the general public, including non-co-operative members, information on the value of the co-operative model of enterprise as a voluntary and democratic business model that addresses people's needs, and protects the productive activities and livelihoods of co-operative members,

URGES co-operatives to undertake organisational and business administration in line with their co-operative values and principles,

WELCOMES efforts of co-operative leadership to take measures to upgrade co-operative management and enhance efficiency while cultivating new businesses,

URGES co-operatives to collaborate with their communities and spare no effort for the sake of maintaining and creating employment and pursuing sustainable development of communities,

AFFIRMS that through these efforts, co-operative will be able to promote the recruitment of new members as well as increase members' use of and participation in their co-operatives,

WELCOMES the development of a diversity of collaborative efforts and networks in communities to expand the new circle of co-operation, and

CALLS on ICA members to enhance co-operation with more vulnerable co-operatives in developing countries.

Towards a Sustainable Energy Economy

The ICA at its General Assembly in Geneva on 20 November 2009,

ACKNOWLEDGING that the world faces unprecedented threats

of global economic failure, rising energy prices and real time impacts of climate change on the earth's ecosystems, particularly on agriculture and food production,

RECOGNISING that policy-makers lack a clear economic vision and plan of action to address the challenges of global economic recovery, energy security and climate change for the 21st century,

NOTING that renewable forms of energy—solar, wind, hydro, geothermal and biomass – are becoming increasingly competitive and that to maximise the potential of intermittent renewable energies, an enhanced energy infrastructure and storage technologies will need to be developed,

FURTHER NOTING that residential, commercial and industrial buildings worldwide consume a significant percentage of all energy produced and therefore represent a major opportunity for energy innovation through efficiency improvements and on-site generation,

CONSIDERING that a reconfiguration of the power grid that takes advantage of new communication technologies will allow enterprises and individuals to have much greater control over their future energy use,

BELIEVING that if millions of individuals and communities around the world take control of their own energy future through the local commitment to renewable energy technologies and energy efficiency improvements, the result would be a profound shift in the configuration of power where local peoples would be less subject to the will of remote decision-making and communities would be better enabled to produce goods and services locally, thus contributing to a democratisation of the energy sector and to sustainable economic development worldwide,

RECOGNISING that co-operatives with their unique set of values and principles as well as their geographical coverage are particularly well placed to lead this initiative,

CALLS on ICA members and the worldwide co-operative movement to play a central role in fostering new frameworks for the democratisation of energy by engaging co-operatives in all sectors to encourage the implementation of a renewable energy/energy efficiency vision.

Invitation to the next General Assembly

The President invited Ramon Imperial Zuniga from Mexico to invite the Assembly to the next ICA General Assembly in 2011. The Assembly approved by acclamation.

Rochdale Award

The President reminded the Assembly that this year's Rochdale Award was awarded posthumously to Ivano Barberini and that a ceremony would take place at this evening's Gala Dinner with Ivano's wife and daughter together with Juan Somavia, Director General of the ILO as guests of honour.

Closing of the GA Statutory Business



Draft Minutes Geneva, *continued*

The President then said that the time had come to bring the General Assembly to a close. On the Assembly's behalf she expressed great appreciation to the staff of ICA for their tremendous efforts. She said that the efficient arrangements had enabled a very successful meeting. She thanked Maria Elena Chavez Hertig in particular and her organizing committee for all their hard work. Thanks went also to the interpreters who had facilitated the discussions and assisted during the meeting.

She finally thanked the ICA members who had come to Geneva in such large numbers. She said that it was only through their continued support that ICA can carry out its role – and it is thanks to them that ICA exists. She hoped that they felt that the meeting had been worthwhile and she said she counted on them all in implementing the decisions taken together. The future of Co-operation was in the Assembly's hands and she asked them to join together to make the co-operative difference to members, communities, nations and regions of the world.

ICA Audited Financial Reports 2009

To the Board of the Association of International Co-operative Alliance Geneva

Report of the statutory auditor on the financial statement for the year 2009 (for year ended 31.12.2009)

16 April 2010

11549/21506091/30-4-1

As statutory auditor, we have audited the accompanying financial statements of International Co-operative Alliance, which comprise the balance sheet, the statement of income and expenses, the statement of changes in funds and reserves and the notes for the year ended 31 December 2009. The prior year corresponding figures were audited by other auditors.

Board of Association' Responsibility

The Board is responsible for the preparation of the financial statements in accordance with the requirements of Swiss law and the articles of association. This responsibility includes designing, implementing and maintaining an internal control system relevant to the preparation of financial statements that are free from material misstatement, whether due to fraud or error. The Board is further responsible for selecting and applying appropriate accounting policies and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Swiss law and Swiss Auditing Standards. Those Standards require that we plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material

misstatement of the financial statements, whether due to fraud or

error. In making those risk assessments, the auditor considers the internal control system relevant to the entity's preparation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control system. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements for the year ended 31 December 2009 comply with Swiss law and the articles of association.

Report on the Other Legal Requirements

We confirm that we meet the legal requirements on licensing according to the Auditor Oversight Act (AOA) and independence (article 728 of Code of Obligations (CO) and that there are no circumstances incompatible with our independence.

In accordance with article 728a paragraph 1 item 3 CO and Swiss Auditing Standard 890, we confirm that an internal control system exists, which has been designed for the preparation of financial statements according to the instructions of the Board of the Association.

We recommend that the financial statements submitted to you be approved.

Geneva, 16 April 2010

BDO Ltd

Matthias Paffrath pp. *Alexandre Ogay*

Licensed Audit Expert

Licensed Audit Expert
(Auditor in Charge)

ICA Audited Financial Reports 2009, *continued*

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 clo International Co-operative Alliance - Balance Sheet - December 31 2009
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	Notes	31/12/2009	31/12/2008
		CHF	CHF
Assets			
<i>Current assets</i>			
Cash and cash equivalents	3	3'391'750	3'583'801
Accounts receivable and advances		6'10'083	2'17'040
Prepayments		42'341	42'721
<i>Total current assets</i>		4'044'174	3'843'562
<i>Non current assets</i>			
Property, plant and equipment, net		11'018	24'671
Deposits and guarantees	4	27'426	29'841
Participations	5	10'400	10'600
<i>Total non current assets</i>		48'844	65'112
<i>Total assets</i>		4'093'018	3'908'674
Liabilities, Funds and Reserves			
<i>Liabilities</i>			
Membership organisation creditors		399'032	378'226
Accounts payable		189'403	128'430
Accruals and deferrals		4'16'279	631'206
Provisions	8	163'237	198'884
Deferred development support		1'259'364	798'787
Deferred membership fees		75'251	212'674
<i>Total liabilities</i>		2'502'566	2'348'207
<i>Funds and reserves</i>			
Accumulated surplus		1'474'833	1'317'318
Special fund	7	85'634	85'634
Cumulative exchange difference		-	-
Net surplus for the year		29'985	157'515
<i>Total funds and reserves</i>		1'590'452	1'560'467
<i>Total liabilities, funds and reserves</i>		4'093'018	3'908'674



ICA Audited Financial Reports 2009, *continued*

International Co-operative Alliance - Income & Expense Statement - 31 December 2009

	Notes	2009	2008
		CHF	CHF
<u>Income</u>			
Subscriptions		2'520'507	2'776'316
Meeting revenues		666'632	673'941
Administrative contributions		130'647	126'953
Expense cover		53'375	108'000
Financial income		12'907	64'438
Special financial contributions & donations	6	14'610	54'007
Other income		154'274	132'377
Total Income		3'552'952	3'936'032
<u>Expenses</u>			
Personnel expenses		(1'635'470)	(1'826'544)
Travel expenses		(210'004)	(182'421)
Premises & general office expenses		(252'026)	(242'252)
IT & telecom		(199'737)	(289'589)
External services		(780'692)	(858'584)
Meeting expenses		(395'440)	(322'433)
Financial expenses		(11'240)	(7'271)
Depreciation & amortization		(18'199)	(20'871)
Exchange losses		(8'153)	(10'554)
Other expenses		(12'000)	(18'000)
Total Expenses		(3'522'961)	(3'778'519)
Surplus from operations		29'991	157'513
Development activity			
Development funds		929'962	1'674'624
Projects support		(929'968)	(1'674'622)
Result from development activity		(6)	2
Net surplus for the year		29'985	157'515



ICA Audited Financial Reports 2009, *continued*

International Co-operative Alliance - Notes to the Financial Statements - 31 December 2009

Note 1 - Status and objectives

The International Co-operative Alliance ("the ICA") is an independent, non-governmental organisation, which unites, represents and serves co-operatives worldwide. In 1946, the ICA was one of the first non-governmental organisations to be accorded United Nations Consultative Status. Today it holds general category Consultative Status with the UN Economic and Social Council (ECOSOC).

At the end of 2009, the ICA is composed of one Central Office and three Regional Offices ("branches").

Central Office
Route des Morillons 15
1218 Grand-Saconnex, Switzerland

Regional Offices:

Asia and the Pacific	New Delhi, India
Africa	Nairobi, Kenya
The Americas	San Jose, Costa Rica

As from January 1, 2007, a signed memorandum of understanding is in place to formalize the relationship between the ICA and Cooperatives Europe ASBL which became the European region of the ICA.

An extraordinary General Assembly was convened in June 2008 to consider the ICA Board report on Restructuring and amendments to the ICA Rules, Policies, Procedures & Standing Orders. The General Assembly approved the restructuring proposals and new ICA Rules and Bye Laws effective January 1, 2009.

The ICA is organised as an association, corporate body regulated by Articles 60-79 of the Swiss Civil Code. As of December 31, 2009, the ICA employed 23 staff (2008: 22 staff), from which 7 staff (2008: 7 staff) are employed by the Central Office. The ICA has the following objectives:

- (a) promote the world co-operative movement, based upon mutual self-help and democracy;
- (b) promote and protect co-operative values and principles;
- (b) facilitate the development of economic and other mutually beneficial relations between its member organisations;
- (c) promote sustainable human development and to further the economic and social progress of people, thereby contributing to international peace and security;
- (d) promote equality between men and women in all decision-making and activities within the co-operative movement.

Note 2 - Summary of significant accounting policies

The accounting policies have been consistently applied by the ICA.

a. Accounting convention

These financial statements have been prepared in accordance with Swiss law.

b. Development funds

The funds received from ICA' development partners are deferred for accounting and reporting purposes, as deferred development support and charged to the income and expenses development accounts over the life of the underlying project.

c. Foreign currency translation

The accounting records of the ICA are maintained in Swiss Francs (CHF). All transactions in foreign currencies are translated into Swiss Francs at the rate prevailing at the date of the transaction. Monetary assets and liabilities in other currencies remaining at the balance sheet date are translated at the appropriate year end rate. Any differences arising on the year-end translation are



ICA Audited Financial Reports 2009, *continued*

recognised in the statement of revenues and expenses if a loss, and deferred on the balance sheet if a gain.

The assets and liabilities of Regional Offices are translated at the rate of exchange ruling at the balance sheet date. The statement of revenues and expenses of Regional Offices are translated at weighted average exchange rates for the year. The exchange differences arising on the year-end translation are taken directly to funds and reserves.

d. Revenue recognition

In common with many non-profit making organisations, the ICA follows the cash receipts method for the recognition of members' subscriptions and supplementary revenues. Financial income is recorded on an accrual basis. Other income including revenues from publications and services are recorded as publications are delivered and when services are provided. All expenses are accounted for on an accrual basis.

Receipts of funds donated for specific purposes are not reported as revenues until the resources are expensed for the purpose specified. Until then, they are reported as deferred development support.

Events which have a two year lifespan are allocated to both periods and recorded in the "Accruals and deferrals" in the balance sheet statement.

e. Property, plant and equipment

Property, plant and equipment acquired by the ICA are capitalised at cost and depreciated according to the straight-line method over the estimated useful life of the asset as follows:

Office equipment and furniture	3 to 4 years
Motor vehicles	3 years

Property, plant and equipment acquired using donors' funds to support specific projects are fully depreciated during the year of acquisition. The depreciation charge is included as part of the development projects support.

f. Intangible assets

Intangible assets are stated at cost and amortized using the straight-line method over the estimated period during which benefits are expected to be received as follows:

Software	3 to 4 years
----------	--------------

Intangible assets acquired using donors' funds to support specific projects are fully depreciated during the year of acquisition. The depreciation charge is included as part of the development projects support.

g. Pension plans

Certain officers and employees of the ICA are covered by several separate contributory pension plans or their equivalent in the Regional Offices. The contributions are calculated according to the respective pension plan regulations and local laws. The ICA' pension contributions in the year ended December 31, 2009 amounted to CHF 122'147 (2008 CHF 154'393), and are expensed as such contributions become due.

h. Income tax

In Switzerland, the ICA has the status of an association organised as a corporate body regulated by the Swiss Civil Code in Articles 60-79 and, as such, is not subject to Swiss income tax.

Under the terms of an agreement between the ICA and the Governments of Kenya, the African regional office is exempt from tax. Due to its non-profit making activities in India and Costa Rica, the ICA is not subject to local taxation in those countries.

i. Contributed facilities and services

Facilities and services that are provided by members or third parties which can be accurately valued are recorded as revenue, whereas those that cannot be accurately valued are not included in the financial statements.



ICA Audited Financial Reports 2010

j. Lease

Leases where the lessor retains substantially all the risks and benefits of ownership of the asset are classified as operating leases. Operating lease payments are recognised as an expense in the statement of income and expenses on a straight-line basis over the lease term.

Note 3 - Cash and cash equivalents

Cash and cash equivalents consists of cash in hand, bank current accounts and short-term deposits. The ICA considers cash and all liquid investments with an initial maturity of three months or less to be cash equivalents.

The restricted cash portion relates to the gratuities/pension accrued and the funds the ICA manages on account of the Sectoral organisations and the Thematic committees.

	31/12/2009	31/12/2008
	CHF	CHF
Cash in hand and current accounts	2'668'244	2'803'929
Restricted cash	650'928	708'211
Short-term deposits	72'579	71'661
	<u>3'391'750</u>	<u>3'583'801</u>
	=====	=====

Note 4 - Deposits and guarantees

Deposits and guarantees represent rental deposits made in relation to premises lease engagements, courier services and certain employees' accommodation.

Note 5 - Participations

During the year 2008, the ICA took participation and invested the equivalent of CHF 10'400, through its regional office for the Americas, in the University Fundepro Alma Mater in Costa Rica owned by the Consorcio Grupo Empresarial Cooperativo de Servicios Educativos R.L. (GECSE R.L.) The ICA has one seat in the Board of GECSE R.L.

Note 6 - Special financial contributions & donations

During the year 2008 certain members of the ICA made special donations totalling CHF 54'007 mainly to contribute to the Global 300 project. These special contributions are not refundable and have been allocated to the project. These special contributions have been classified as "special financial contributions and donations" in the statement of income and expenses.

Note 7 - Allocation to (use of) special fund

On November 15, 2009, the ICA Board agreed to cover Cooperatives Europe ASBL expected deficit 2009 from the ICA special fund. The final deficit of Cooperatives Europe ASBL amounted to EUR 31'000 (c/v CHF 45'000) that were transferred to a Cooperative bank account in Brussels on April 1, 2010. As such, the impact in ICA financial statement will appear in 2010.

Note 8 - Provisions

	31/12/2008	Additions	Utilization	31/12/2009
	CHF	CHF	CHF	CHF
President fund	-	2'000	(2'000)	-
Asian disaster (Tsunami)	55'477		(45'071)	10'405
Fund for responsible & social tourism	86'478	1'055	(2'160)	85'373
Provision exchange fluctuations	56'930	5'745		62'675
Other provisions	-	4'784		4'784
	<u>198'884</u>	<u>13'584</u>	<u>(49'231)</u>	<u>163'237</u>
	=====	=====	=====	=====



ICA Audited Financial Reports 2009, *continued*

Note 9 - Commitments

At December 31, 2009, the ICA is committed with respect to rental agreements for an amount of CHF 64'095 (6 months) and CHF 15'363 (27 months) rental copier machine.

In December 2009, the ICA concluded forex future contracts in Dollar US, amounting to CHF 400'000, for delivery and payment in four instalments during the year 2010.

Note 10 – Risks analysis and internal control system

The Association performed a risk assessment during 2008, under the supervision and the responsibility of the Board of the Association. The Management of the Association verified in 2009 that the risk assessment and the associated internal control system were still valid for 2009. The Audit & Risk Committee will validate the risk assessment during 2010.

ICA Audited Financial Reports 2010

To the Board of the Association of International Co-operative Alliance Geneva

Report of the statutory auditor on the financial statement for the year 2010 (for year ended 31.12.2010)

21 April 2011

11659/21506091/30-4-1

Report of the statutory auditor to the Board of the Association of International Co-operative Alliance, Geneva

As statutory auditor, we have audited the accompanying financial statements of International Co-operative Alliance, which comprise the balance sheet, the statement of income and expenses, the statement of changes in funds and reserves and the notes for the year ended 31 December 2010. The prior year corresponding figures were audited by other auditors.

Board of Association' Responsibility

The Board is responsible for the preparation of the financial statements in accordance with the requirements of Swiss law and the articles of association. This responsibility includes designing, implementing and maintaining an internal control system relevant to the preparation of financial statements that are free from material misstatement, whether due to fraud or error. The Board is further responsible for selecting and applying appropriate accounting policies and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Swiss law and Swiss Auditing Standards. Those Standards require that we plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or

error. In making those risk assessments, the auditor considers the internal control system relevant to the entity's preparation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control system. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements for the year ended 31 December 2010 comply with Swiss law and the articles of association.



ICA Audited Financial Reports 2010, *continued*

Report on the Other Legal Requirements

We confirm that we meet the legal requirements on licensing according to the Auditor Oversight Act (AOA) and independence (article 728 of Code of Obligations (CO) and that there are no circumstances incompatible with our independence.

In accordance with article 728a paragraph 1 item 3 CO and Swiss Auditing Standard 890, we confirm that an internal control system exists, which has been designed for the preparation of financial statements according to the instructions of the Board of the Association.

We recommend that the financial statements submitted to you be approved.

Geneva, 21 April 2011

BDO Ltd

Matthias Paffrath

pp Alexandre Ogay

Licensed Audit Expert

Licensed Audit Expert (Auditor in Charge)

Enclosures: Financial statements (balance sheet, statement of income and expenses, statement of changes in funds and reserves and notes) .

International Co-operative Alliance - Notes to the Financial Statements - *December 31 2010*

Note 1 - Status and objectives

The International Co-operative Alliance ("the ICA") is an independent, non-governmental organisation, which unites, represents and serves co-operatives worldwide. In 1946, the ICA was one of the first non-governmental organisations to be accorded United Nations Consultative Status. Today it holds general category Consultative Status with the UN Economic and Social Council (ECOSOC).

At the end of 2010, the ICA is composed of one Central Office and three Regional Offices ("branches").

Central Office

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Regional Offices:

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New Delhi, India

Africa

Nairobi, Kenya

The Americas

San Jose, Costa Rica

As from January 1, 2007, a signed memorandum of understanding is in place to formalize the relationship between the ICA and Cooperatives Europe ASBL which became the European region of the ICA.

An extraordinary General Assembly was convened in June 2008 to consider the ICA Board report on Restructuring and amendments to the ICA Rules, Policies, Procedures & Standing Orders. The General Assembly approved the restructuring proposals and new ICA Rules and Bye Laws effective January 1, 2009.

The ICA is organised as an association, corporate body regulated by Articles 60-79 of the Swiss Civil Code. As of December 31, 2010, the ICA employed 24 staff (2009: 23 staff), from which 7 staff (2009: 7 staff) are employed by the Central Office. The ICA has the following objectives:

- (a) promote the world co-operative movement, based upon mutual self-help and democracy;
- (b) promote and protect co-operative values and principles;
- (c) facilitate the development of economic and other mutually beneficial relations between its member organisations;
- (d) promote sustainable human development and to further the economic and social progress of people, thereby contributing to international peace and security;
- (e) promote equality between men and women in all decision-making and activities within the co-operative movement.



ICA Audited Financial Reports 2010, *continued*

International Co-operative Alliance - Balance Sheet - *December 31 2010*

	Notes	31/12/2010	31/12/2009
		CHF	CHF
<u>Assets</u>			
<i>Current assets</i>			
Cash and cash equivalents	3	3,800,826	3,391,750
Accounts receivable and advances		662,001	610,083
Prepayments		19,896	42,341
<i>Total current assets</i>		4,482,723	4,044,174
<i>Non current assets</i>			
Property, plant and equipment, net		12,413	11,018
Deposits and guarantees	4	32,051	27,426
Participations	5	9,400	10,400
<i>Total non current assets</i>		53,864	48,844
<i>Total assets</i>		4,536,587	4,093,018
<u>Liabilities, Funds and Reserves</u>			
<i>Liabilities</i>			
Membership organisation creditors		385,093	399,032
Accounts payable		193,189	189,403
Accruals and deferrals		426,739	416,279
Provisions	8	839,151	163,237
Deferred development support		1,190,657	1,259,364
Deferred membership fees		267,127	75,251
<i>Total liabilities</i>		3,301,956	2,502,566
<i>Funds and reserves</i>			
Accumulated surplus		1,504,825	1,474,833
Special fund	7	41,279	85,634
Cumulative exchange difference		-	-
Net (deficit)/surplus for the year		(311,473)	29,985
<i>Total funds and reserves</i>		1,234,631	1,590,452
<i>Total liabilities, funds and reserves</i>		4,536,587	4,093,018

ICA Audited Financial Reports 2010, *continued*

International Co-operative Alliance - Statement of Income and Expenses

	Notes	2010	2009
		CHF	CHF
<u>Income</u>			
Subscriptions	9	2,714,756	2,762,342
Meeting revenues		264,502	666,632
Administrative contributions		112,495	130,647
Expense cover		53,949	53,375
Financial income		25,294	12,907
Special financial contributions & donations	6	42,687	14,610
Other income		124,836	154,274
Total Income		3,338,519	3,794,787
<u>Expenses</u>			
Personnel expenses		(1,810,303)	(1,635,470)
Travel expenses		(169,834)	(210,004)
Premises & general office expenses		(252,393)	(252,026)
IT & telecom		(195,383)	(199,737)
External services		(719,221)	(780,692)
Meeting expenses		(155,065)	(395,440)
Financial expenses		(7,792)	(11,240)
Depreciation & amortization		(14,908)	(18,199)
Exchange losses		(12,390)	(8,153)
Other expenses	9	(312,705)	(253,835)
Total Expenses		(3,649,994)	(3,764,796)
Surplus from operations		(311,475)	29,991
		=====	=====
<u>Development activity</u>			
Development funds		1,263,932	929,962
Projects support		(1,263,930)	(929,968)
Result from development activity		2	(6)
Net surplus for the year, before allocation		(311,473)	29,985
		=====	=====
Net (deficit)/surplus for the year		(311,473)	29,985
		=====	=====

ICA Audited Financial Reports 2010, *continued*

International Co-operative Alliance - Statement of Changes in Funds and Reserves

(all expressed in CHF) for year ended December 31 2010

	Accumulated surplus	Special Fund	Cumulative exchange difference	Net (deficit)/surplus for the year	Total Funds and Reserves
Balances at January 1, 2009	1,317,318	85,634	-	157,515	1,560,467
Reversal previous year net surplus	157,515	-	-	(157,515)	-
Reserve distribution	-	-	-	-	-
Net surplus for the year	-	-	-	29,985	29,985
Cumulative exchange difference	-	-	-	-	-
Use of special fund	-	-	-	-	-
Balances at December 31, 2009	1,474,833	85,634	-	29,985	1,590,452
Reversal previous year net surplus	29,985	-	-	(29,985)	-
Reserve distribution	-	-	-	-	-
Net deficit for the year	-	-	-	(311,473)	(311,473)
Cumulative exchange difference	7	-	-	-	7
Use of special fund (7)	-	(44,355)	-	-	(44,355)
Balances at December 31, 2010	1,504,825	41,279	-	(311,473)	1,234,631

Notes to the Financial Statements, *continued*

Note 2 - Summary of significant accounting policies

The accounting policies have been consistently applied by the ICA.

a. Accounting convention

These financial statements have been prepared in accordance with Swiss law.

b. Development funds

The funds received from ICA's development partners are deferred for accounting and reporting purposes, as deferred development support and charged to the income and expenses development accounts over the life of the underlying project.

c. Foreign currency translation

The accounting records of the ICA are maintained in Swiss Francs (CHF). All transactions in foreign currencies are translated into



ICA Audited Financial Reports 2010, *continued*

Swiss Francs at the rate prevailing at the date of the transaction. Monetary assets and liabilities in other currencies remaining at the balance sheet date are translated at the appropriate year end rate. Any differences arising on the year-end translation are recognised in the statement of revenues and expenses if a loss, and deferred on the balance sheet if a gain.

The assets and liabilities of Regional Offices are translated at the rate of exchange ruling at the balance sheet date. The statement of revenues and expenses of Regional Offices are translated at weighted average exchange rates for the year. The exchange differences arising on the year-end translation are taken directly to funds and reserves.

d. Revenue recognition

In common with many non-profit making organisations, the ICA follows the cash receipts method for the recognition of members' subscriptions and supplementary revenues. Financial income is recorded on an accrual basis. Other income including revenues from publications and services are recorded as publications are delivered and when services are provided. All expenses are accounted for on an accrual basis.

Receipts of funds donated for specific purposes are not reported as revenues until the resources are expended for the purpose specified. Until then, they are reported as deferred development support.

Note 2 - Summary of significant accounting policies (continued)

e. Property, plant and equipment

Property, plant and equipment acquired by the ICA are capitalised at cost and depreciated according to the straight-line method over the estimated useful life of the asset as follows:

Office equipment and furniture	3 to 4 years
Motor vehicles	3 years

Property, plant and equipment acquired using donors' funds to support specific projects are fully depreciated during the year of acquisition. The depreciation charge is included as part of the development projects support.

f. Intangible assets

Intangible assets are stated at cost and amortized using the straight-line method over the estimated period during which benefits are expected to be received as follows:

Software	3 to 4 years
----------	--------------

Intangible assets acquired using donors' funds to support specific projects are fully depreciated during the year of acquisition. The depreciation charge is included as part of the development projects support.

g. Pension plans

Certain officers and employees of the ICA are covered by several separate contributory pension plans or their equivalent in the Regional Offices. The contributions are calculated according to the respective pension plan regulations and local laws. The ICA' pension contributions in the year ended December 31, 2010 amounted to CHF 139'447 (2009 CHF 122'147), and are expensed as such contributions become due.

h. Income tax

In Switzerland, the ICA has the status of an association organised as a corporate body regulated by the Swiss Civil Code in Articles 60-79 and, as such, is not subject to Swiss income tax.

Under the terms of an agreement between the ICA and the Governments of Kenya, the African regional office is exempt from tax. Due to its non-profit making activities in India and Costa Rica, the ICA is not subject to local taxation in those countries.

Events which have a two year lifespan are allocated to both periods and recorded in the "Accruals and deferrals" in the balance sheet statement.

i. Contributed facilities and services

Facilities and services that are provided by members or third parties which can be accurately valued are recorded as revenue,



ICA Audited Financial Reports 2010, *continued*

whereas those that cannot be accurately valued are not included in the financial statements.

j. Lease

Leases where the lessor retains substantially all the risks and benefits of ownership of the asset are classified as operating leases. Operating lease payments are recognised as an expense in the statement of income and expenses on a straight-line basis over the lease term.

Note 3 - Cash and cash equivalents

Cash and cash equivalents consists of cash in hand, bank current accounts and short-term deposits. The ICA considers cash and all liquid investments with an initial maturity of three months or less to be cash equivalents.

The restricted cash portion relates to the gratuities/pension accrued and the funds the ICA manages on account of the Sectoral organisations and the Thematic committees.

	31/12/2010	31/12/2009
	CHF	CHF
Cash in hand and current accounts	3,115,322	2,668,244
Restricted cash	609,342	650,928
Short-term deposits	76,162	72,579
	<u>3,800,826</u>	<u>3,391,750</u>
	=====	=====

Note 4 - Deposits and guarantees

Deposits and guarantees represent rental deposits made in relation to premises lease engagements, courier services and certain employees' accommodation.

Note 5 - Participations

During the year 2009, the ICA took participation and invested the equivalent of CHF 9'400, through its regional office for the Americas, in the University Fundepros Alma Mater in Costa Rica owned by the Consorcio Grupo Empresarial Cooperativo de Servicios Educativos R.L. (GECSE R.L.) The ICA has one seat in the Board of GECSE R.L.

Note 6 - Special financial contributions & donations

Certain members of the ICA made voluntarily financial contributions totalling CHF 42'687 (CHF 14'610 in 2009) above their membership subscriptions fees. These contributions are not refundable and were classified as "special financial contributions and donations" in the statement of income and expenses.

Note 7 - Use of special fund

On November 15, 2009, the ICA Board agreed to cover Cooperatives Europe ASBL expected deficit 2009 from the ICA special fund. The final deficit of Cooperatives Europe ASBL amounted to EUR 31'000 (c/v CHF 44'355) that were transferred to a Cooperative Europe bank account in Brussels on April 1, 2010.

On July 7, 2010, the ICA Board approved that any deficit created in the region and central office as direct and verifiable result of payments to the Sectoral organisations should be covered by ICA reserves. As such, the deficit 2010 of Cooperatives Europe ASBL, amounting to EUR 50'313 (c/v CHF 70'400), will also be covered. The impact in ICA financial statement will appear in 2011.



ICA Audited Financial Reports 2010, *continued*

Note 8 – Provisions

	31/12/2009	Additions	Utilization	31/12/2010
	CHF	CHF	CHF	CHF
Africa Endowment Fund	-	9,029		9,029
Disaster Fund	10,405	746,964	(5,507)	751,862
Fund for Responsible & Social Tourism	85,373	564	(9,552)	76,385
Provision exchange fluctuations	62,675	-	(62,675)	-
IYC-International Year Cooperatives	-	1,875	-	1,875
Other provisions	4,784	(4,784)		-
	<u>163,237</u>	<u>753,648</u>	<u>(77,734)</u>	<u>839,151</u>
	=====	=====	=====	=====

The ICA mobilised its members and partners to provide relief and reconstruction assistance to co-operators in Haiti following the devastating earthquake of 12 January 2010. A total of CHF 751'862 was accumulated in the Disaster Fund as at December 31, 2010.

A new Endowment Fund was established with the objective to provide and guarantee greater financial sustainability and autonomy of ICA Africa Regional Office. An amount of CHF 9'029 was accumulated since June 2010.

Note 9 – Membership subscription fees and allocation to Sectoral organisations

The new subscription formula in place since 1st January 2009 is global and encompasses all membership types. Out of the membership subscription fees, an amount of CHF 300'705 (CHF 241'835 in 2009) was allocated to the Sectoral organisations to compensate for the disruption of the previous sectoral membership fees.

The 2009 figures were re-classified in order to allow the comparison.

Note 10 - Commitments

At December 31, 2010, the ICA is committed with respect to rental agreements for an amount of CHF 64'095 (6 months) and CHF 8'535 (15 months) rental copier machine.

Note 11 – Risks analysis and internal control system

The Association performed a risk assessment during 2008, under the supervision and the responsibility of the Board of the Association. The Management of the Association verified in 2010 that the risk assessment and the associated internal control system were still valid for 2010. On September 1, 2010, the Audit & Risk Committee validated the Internal Control System in place.



Notes



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