

Concept Note

Strengthening the Role of Cooperatives in achieving the targets of SDGs and Economic Democracy

26 May 2022

15h00 – 16h30 Jakarta, Indonesia (10:00 – 11:30 am Brussels time)

Background

The COVID-19 pandemic, as well as other recent or ongoing crises have caused a deep social and economic crisis worsening food insecurities as well as malnutrition in developing countries, posing serious challenges to people's health, access to quality education, decent jobs, and finance. The pandemic combined with multiple crises has revealed structural vulnerabilities in preparedness and response to the key challenges facing the world today, hindering the goal of building a better future for all. These crises are having unprecedented and far-reaching impacts globally and particularly on developing countries and threaten to erase years of progress in the implementation of the 2030 Agenda and SDGs. It is adding its burden onto other global challenges, from increasing inequalities to climate change, which are hampering our ability to achieve prosperity for all in an economically, socially, and environmentally sustainable manner. The crisis is also showing that countries should learn from shared experiences, work together on the global recovery and seize this opportunity to build forward better. Multilateral and multisectoral cooperation is more needed than ever and the G20 has a key role to play in this regard.

One of the greatest challenges ahead for the international community is to lay the basis of a sustainable recovery that accelerates progress across all SDGs, ending poverty and malnutrition in all its forms, creating decent jobs, achieving universal health coverage, reducing inequalities and addressing the causes and consequences of climate change and biodiversity loss, combating corruption and illicit financial flows, developing effective, transparent and accountable institutions at all levels as well as promoting sustainable consumption and production patterns and access to clean, sustainable, affordable, and reliable energy.

Cooperatives' role

The role of cooperatives in achieving the Sustainable Development Goals was recognised in 2017 by the United Nation's General Assembly in its resolution 72/143. ILO (2014) recognised cooperatives contain different aspects of sustainable development at their core being value-based and principle-driven organisations by nature a sustainable and participatory form of business.

The SDG process allows cooperatives to assert their cooperative identity and mainstream cooperative business model as deep-rooted in the ICA Statement on the Cooperative Identity. Whereas their core activities are designed to respond to people's basic needs and well-being which correspond to the main SDGs, their contributions are strategically guided and reinforced by the 7th cooperative principle – Concern for Community, which declares that cooperatives work for the sustainable development of their communities through policies approved by their members.

The world needs the presence of the cooperative movement to help narrow the gap between rich and poor countries. Cooperatives possess the right qualifications as 'gap-fillers' to elevate the

socio-economic conditions for the poor in collaboration with other development change-agents. The United Nations award accorded to the ICA in the Social Development category bear evidence of the fact that cooperatives play an important role in promoting and undertaking business as well as development activities that are inclusive, by integrating marginalised groups and those still left behind in the process.

Today, there are more than 3 million cooperatives operating around the world in nearly every industry and sector of the global economy, engaging 12% of the world population through membership and employment. They represent a significant portion of the world economy and are aligned with mankind's highest ideals of democracy, increased income equality, and environmental sustainability. During times of crises like what we face today, the values of cooperation, solidarity, and mutualism experience an increase in popularity – and cooperatives truly show their mettle. The world's top 300 cooperatives and mutuals operating in different sectors report a total turnover of over two trillion US Dollars.

The report from Equality Measures (2022)¹ is undoubtedly cause for alarm. One could almost be certain that the SDGs target in 2030 will be quite hard to accomplish. Most countries categorized as “poor” will find it arduous to make enough progress in meeting the 2030 targets.

G20 Development Working Group

At the G20 Toronto Summit in 2010, the Leaders agreed to establish the G20 Development Working Group (DWG) with a mandate to lead the implementation of the Group's development agenda. The DWG focuses its work on narrowing the development gap and reducing poverty as integrals to G20 broader objective of achieving strong, sustainable, and balanced growth and ensuring a more robust and resilient global economy for all.

Following the G20 leader's commitment in 2015 to align the G20's work with the 2030 Agenda for Sustainable Development, the G20 leaders endorsed the G20 Action Plan on the 2030 Agenda for Sustainable Development in 2016 and specifically indicated DWG as the coordinating body and policy resource for sustainable development across the G20.

Objectives

INKUR Federation, ICA's member in Indonesia, taking the lead in cooperatives' engagement in the G20 this year, is organising a side event in collaboration with ICA under the framework of the G20 Development Working Group, to share best practices and modalities of successful cooperatives in the G20 countries and in developing countries in promoting economic democracy and social justice. Cooperatives, as a business network focusing on the well-being of communities, are strategically positioned to increase value-addition to the economy at all levels. The vision and role of cooperatives that offer opportunities to create inclusive business ownership for and by communities, especially for those still left behind, will not only create greater economic welfare for communities but also function as market regulator for the benefit of society at large. More so when the digital economy is opening new windows of opportunities for enterprises to create new talents.

¹ Equality measures report: The 2022 SDG Gender Index sounds the alarm on global progress towards gender equality and unveils a blueprint for change. Download full report here: https://www.equalmeasures2030.org/wp-content/uploads/2022/03/SDG-index_report_FINAL_EN.pdf

This event aims to show how cooperatives can support government policies in wealth distribution, poverty and citizen's education, while remaining independent and autonomous. The central issue of "governance" among these successful cooperatives will describe the way cooperatives manage sustainable businesses that are fully committed to implementing the SDGs as a viable solution to re-balancing economic, social and environmental objectives.

To discuss the above objectives, ICA and INKUR as part of the C20 Working Group on SDGs and Humanitarian is organising a webinar on **May 26, 2022, at 15h00 in Jakarta, Indonesia (10h00 in Brussels).**

Programme

Opening Remarks

Bruno Roelants, Director General, ICA

Keynote speech

Honorable Suharso Monoarfa, Chair of Indonesia G20 DWG, Minister of National Development Plan (BAPPENAS).

Themes and speakers:

1. **Governance in cooperatives;** key to business success of cooperatives since 1895.
Iñigo Albizuri Landazabal- Global Head of Public Affairs at Mondragon Corporation in the Basque Country of Spain and President of CICOPA.
2. **Cooperatives' role in digital democracy and financing for development;** key initiatives by cooperatives to accelerate sustainable development and digital transformation in the communities.
Giuseppe Guerini – President of Cecop-Cicopa Europe, Italian Cooperative Alliance, Italy
3. **Economic democracy:** how cooperatives help in reducing poverty and tackling inequalities and vulnerabilities, build resilience and sustainability in transitions towards sustainable development that are just and fair, for economic growth, particularly in developing countries.
George Ototo – Managing Director, Kenya Union of Savings & Credit Co-operatives Ltd, Kenya
4. **Enabling environment for cooperatives;** conducive to enhancing cooperatives' role in building national economy and implementing the SDGs.
Savitri Singh - Executive Director, National Centre for Cooperative Education (NCCE) and International Relations at National Cooperative Union of India (NCUI), India
5. **Looking ahead,** - the way forward for cooperatives as key drivers for sustainable development.
Eva K. Sundari - INKUR Federation, Indonesia

Closing Remarks:

Howard Brodsky – Chair of the ICA G20 WG and CEO of CCA Global Partners, USA

Moderators: *Robby Tulus & Mahfirlana Mashadi*