Entrepreneurial Ecosystems for Cooperatives

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Cooperatives & SDGs: Gained Momentum

“People at the center of sustainable development”
UN GA Resolution A/RES/66/288 ‘The Future We Want’

“Private-sector companies should support the SDGs in practical and measurable ways, in their policies, production processes, and engagement with stakeholders”
Sachs, 2012

Cooperatives will play “invaluable role” in the international community’s roll-out of sustainable development goals
Ban Ki-Moon, UN Secretary General, 2015

“cooperatives, in their various forms, promote the fullest possible participation in the economic and social development of local communities and all people, including women, youth, older persons, persons with disabilities and indigenous peoples, whose inclusion strengthens economic and social development, and contribute to the eradication of poverty and hunger”
UN GA Resolution A/RES/74/119 ‘Cooperatives in social development’
## Why Cooperatives are Sustainable Enterprises?

### Sustainable goals

| Cooperatives address not only the economic, but also the social and environmental of their member communities | The Sustainable Development Goals aim to end poverty, protect the planet and ensure the global well-being of human beings. |

### Needs-based approach to sustainable development

| “Cooperatives exist to meet the needs of people” (ICA, 2015) | “The satisfaction of human needs and aspirations is so obviously an objective of productive activity that it may appear redundant to assert its central role in the concept of sustainable development” (Brundtland report, 1987 item 42). |

### Leave no one behind

| Inclusiveness and the prohibition of discrimination is in the tradition of the founders of the co-operative movement (ICA, 2015) | By adopting the 2030 Agenda, Member States have committed to leave no one behind in their implementation of the Sustainable Development Goals (SDGs) |

### Principle and value-based organisations

| Sustainability is inscribed in cooperatives’ values and principles. The 7th principle reads: Cooperatives work for the sustainable development of their communities through policies approved by their members. |  |
United Nations & Cooperatives: Some Highlights

Committee for the Promotion and Advancement of Cooperatives (COPAC), 1968

The ILO’s work on the promotion of Cooperatives Recommendation No. 193, 2002

The United Nations proclaimed 2012 International Year of Cooperatives

UN Inter-Agency Task Force on Social and Solidarity Economy (UNTFSSSE), 2013

Report of the UN Secretary-General on “Cooperatives in Social Development”, 2019

UN Inter-Agency Task Force on Social and Solidarity Economy (UNTFSSSE), 2013

UN GA Resolution A/RES/74/119 “Cooperatives in Social Development”, 2020

The Center of Excellence on Cooperative Financial Institutions founded by the World Bank

UNDESA, FAO, UNRISD & ILO: research, policy and training support to cooperatives

Cooperatives are recognised as part of the Social and Solidarity Economy during the 110th International Labour Conference, 2022
Methodological approach

**Data sources:** government agencies and the UN agencies – Economic Commission for Latin America and the Caribbean (ECLAC); International Labour Office (ILO); and Ecuador, Honduras, Mexico, Mongolia, Peru, Philippines, Poland, Portugal, Timor-Leste, Zimbabwe. The analysis also includes the information provided by the ECLAS on Uruguay, Colombia, Argentina, Chile, Brazil and Costa Rica.

**Methodological approach:** policy analysis as a research method (Browne et al., 2019); thematic analysis approach (Braun, Clarke, 2012).

**Conceptual framework:** Entrepreneurial Ecosystems approach (Spigel, 2015; Mason & Brown, 2014); EE adaptation for cooperatives (Beishenaly, Dufays, 2021).
Entrepreneurial Ecosystems

Entrepreneurial ecosystems (EE): set of interconnected entrepreneurial actors, organisations, institutions and processes that coalesce to connect, mediate and govern the performance within the local environment (Mason & Brown, 2014).

The World Economic Forum has published a report the EE in different regions focusing on emerging-stage enterprises and entrepreneurial ecosystem policies (WEF, 2014).

EEs increasingly studied in the context of social enterprises and other hybrid organisations to explore how different logics of market and community drive entrepreneurial ecosystems (Roundy, 2017).

European Commission has published series of studies on the social enterprises’ ecosystems in Europe and neighbouring countries (EU, 2020).
Previous research on Entrepreneurial Ecosystems for cooperatives

EE elements of worker cooperatives in the USA

ESSENTIAL ELEMENTS: BUILDING BLOCKS
- Member skills and capacity
- Financing
- Technical assistance
- Growth-oriented co-op developers

IMPORTANT ELEMENTS: ACCELERATORS
- Business supports
- Connections to market
- Policy
- Advocacy partnerships

ENVIRONMENTAL ELEMENTS: LEGITIMIZERS
- Values-driven businesses
- Attitudes and culture
- Cooperative education

Source: Hoover, Abell (2016)

EE elements of agricultural cooperatives in Kyrgyzstan

- Policy and Regulatory Framework
  - Cooperative legislation
- Education, Skills and Knowledge
  - University education
  - Member skills development and training
  - Knowledge and information
- Market environment
  - Access to markets
  - Support services
  - Access to finance
- Culture
  - Histories of cooperation
  - Cooperative values and principles
  - Supportive culture
- Networks and Partnerships
  - Cooperative unions and networks
  - Donor support
  - Other partnerships

Source: Beishenaly, Dufays, 2022
UNDESA: What policies and practices support cooperatives?

Ten years after the proclamation by the United Nations of the International Year of Cooperatives, what are the policies and practices aimed at the implementation of the General Assembly resolution A/RES/74/119 of 10 January 2020 on cooperatives in social development?

UNDESA survey questionnaire sent to the UN agencies and member states’ on policies, initiatives, strategies and best practices in the following areas:

(1) Activities implemented during the International Year of Cooperatives in 2012
(2) Policy and regulatory environment for cooperatives
(3) Capacity building for cooperatives
(4) Education and promotion of cooperative values and principles
(5) Plans for further promotion of the development of cooperatives
Results of the UN DESA study: a general EE framework for cooperatives

Cooperative Ecosystem Elements

1. Policy & Regulatory

1.1. Legislation
- Cooperatives as part of SSE laws

1.2. Policies
- Specific laws on cooperatives
- Coop policies

1.3. Institutions
- SSE policies
- Sectoral policies
- Economic policies
- Social policies
- Coop development agency
- No specialised agency

2. Education & Capacity

2.1. Compulsory education by law
2.2. Voluntary training
2.3. No education

3. Culture

3.1. Promoted by laws and policies
3.2. Promoted by cooperatives

4. Funding & Finance

4.1. Access to credit
4.2. Funding

5. Networks & Partnerships

5.1. Government
5.2. Educational institutions
5.3. Research & Statistics
5.4. Private intermediaries
5.5. International organisations
5.6. Coop-to-coop cooperation
5.7. Multi-stakeholder organisations
### Legislation

<table>
<thead>
<tr>
<th>Countries in which cooperatives are also part of SSE/social economy and entrepreneurship laws</th>
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</thead>
<tbody>
<tr>
<td>Ecuador: Organic Law on Popular and Solidarity Economy; Law on Entrepreneurship and Innovation (2020);</td>
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<tr>
<td>Mexico: Law on the Social and Solidarity Economy;</td>
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<td>Portugal: Framework Law on Social Economy No. 30/2013 of 8 May;</td>
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<td>*Colombia: Law on Entrepreneurship;</td>
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<table>
<thead>
<tr>
<th>Countries with legislation on cooperatives</th>
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<tbody>
<tr>
<td>Honduras: Honduran Cooperatives Law;</td>
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<tr>
<td>Mongolia: Law On Cooperatives;</td>
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<tr>
<td>Mexico: Law To Regulate The Activities Of Savings And Loan Cooperative Societies (LRASCAP);</td>
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<td>Peru: General Law Of Cooperatives;</td>
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<td>Philippines: Republic Act (RA) No. 10744, Known As “The Credit Surety Fund (CSF) Cooperative Act Of 2015”;</td>
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<td>Poland: Act Of 27 April 2006 On Social Cooperatives;</td>
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<td>Portugal: Decree-Law “Cooperativa Na Hora” No. 54/2017 Of 2 June;</td>
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<tr>
<td>Timor-Leste: Decree On Cooperatives Number 16/2004;</td>
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<td>Zimbabwe: Cooperative Societies Act Chapter 24:05;</td>
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<td>*Uruguay: General Law On Cooperatives;</td>
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<td>*Chile: General Law on Cooperatives;</td>
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## Results: Cooperatives in national policies

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<tr>
<th>Policy areas</th>
<th>Countries &amp; Policies</th>
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<tbody>
<tr>
<td>Social and Solidarity Economy (SSE)</td>
<td>Ecuador: Organic Law on the People's Solidarity Economy; National Plan for Living Well 2013–2017: people’s solidarity economy (ECLAC); Honduras: Articles 92 and 93 of the Regulations of the Honduran; Cooperatives Law on Social Balance for solidarity economy; Mexico: Law on the Social and Solidarity Economy (2012); Promotion of the Social Economy Programme (PFES) 2021-2024; Poland: National Program for the Development of the Social Economy until 2023. Economy of Solidarity; Portugal: Social Economy Support Program (SICOL INVEST); Decree-Law No. 120/2015, of 30 June establishes a framework for the social and solidarity sector; Y.ES project by CASES with the objective of promoting the Social Economy sector; *Argentina: Programmes for the formation of social cooperatives; *Uruguay: Law on the Social and Solidarity Economy in 2019; *Colombia: National Development Plan 2018–2022 (became law in 2019) fostered solidarity sector enterprises;</td>
</tr>
<tr>
<td>Promoting cooperative financial institutions</td>
<td>Ecuador: CONSUCOOP issued a series of regulations for the Savings and Credit sector; Mexico: Law to Regulate the Activities of Savings and Loan Cooperative Societies (LRASCAP); Perú: Creation of a Fund of Cooperative Deposit Insurance is planned by the GTMDC as a solution to problems of savings and credit cooperatives; Zimbabwe: Sector-Specific Legislation for Savings and Credit Cooperatives (being developed by Ministry of Women Affairs, Community, Small and Medium Enterprises Development);</td>
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<td>Agricultural/fishery policies</td>
<td>Perú: Strategic plans to strengthen capacities of 17 cooperatives and agro-industrial centers in the regions of San Martín, Huánuco, Junín, Pasco, Cusco and Amazonas; MY.COOP - PERÚ Program 2012 – 2018 for the competiveness of agricultural cooperatives; *Uruguay: Fishing programme initiated by the government as a viable tool to alleviate poverty among the rural populace; *Argentina: Programme of Critical and Direct Assistance for Family, Campesino and Indigenous Farming;</td>
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<tr>
<td>Employment and inclusion policies</td>
<td>Mongolia: Herder’s Employment Promotion, Job Support, Employment Promotion of Persons with Disabilities, Senior Citizens’ Counseling Service and Child Protector programs under Employment Promotion Fund; Youth Employment and Start-up Promotion; Perú: Emergency Decree No. 075-2020 allowed cooperatives to access the different government programs such as the REACTIVA PERU, FAE AGRO funds, among others; Portugal: Ordinance No. 52/2020, of 28 February: a support system for employment and entrepreneurship for social economy entities; Ordinance No. 174/2020, of 17 July creates the measure Emprego Interior MAIS — to support geographic mobility in the labour market; Philippines: CDA and the NCIP issued, pursuant RA Act No. 6939, 9520, and 8371, CDANCIP Joint Memorandum Circular No. 01, series of 20181 on cooperatives by and among indigenous cultural communities; Section 2 of Executive Order (EO) No. 472 mandates CDA to promote cooperative development among persons with disabilities; *Argentina: Programme for the Promotion of Local Work, Ownership and Supply (PROTAAL) to promote cooperatives and associations; Programme of Critical and Direct Assistance for Family, Campesino and Indigenous Farming; *Chile: Inclusive Local Development Strategies Programme (EDLI);</td>
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<td>Entrepreneurship enabling policies</td>
<td>Ecuador: Law on Entrepreneurship and Innovation; Policies of support to Micro, Small, Medium Enterprises (MSMEs) and Artisanal Productive Units; Mongolia: Resolution No. 278 of 2018 <em>Mongolian Export</em> Program; Portugal: Resolution of the Council of Ministers No. 73-A/2014, of 16 December, creates the Portugal Inovação Social (Portugal Social Innovation) to support entrepreneurship (including cooperatives); Ordinance No. 354/2015, of 13 October - creates the COOPJOVEM Program to support cooperative entrepreneurship; *Colombia: Law on Entrepreneurship that includes cooperatives (2020); *Argentina: Public policy of the Secretariat for Small and Medium-Sized Enterprises and Entrepreneurs;</td>
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## Results: Cooperative Education

| Compulsory cooperative education | Honduras: Article 8-B of the Honduran Cooperatives Law, Legislative Decree No. 174-2013 makes mandatory curricular programs on cooperatives at the primary, secondary and higher levels; Peru: Capacity Building 'MY.COOP - PERÚ Program' (2012-2018); Philippines: Modules on cooperatives are included in the Department of Education’s Alternative Learning System; Cooperatives are integrated into the education programming including school curricula, including Pre-Registration Seminar for prospective members of a cooperatives; Timor-Leste: The State Secretary for cooperative affairs is mandated for education, training and information; *Uruguay: Programme of Support for Cooperatives Working in Formal Education (PAECEF); *Argentina: National Education Law (after 2006 reform): Federal Education Council must promote the integration of cooperative and mutual organization principles and values into education and teacher training processes and must also promote school cooperatives and mutual organizations; *Costa Rica: Basic Law on Education makes teaching about cooperatives compulsory at all educational levels; |
| Other cooperative education initiatives | Mexico: Social Economy Workshops organised by Mexican Youth Institute (IMJUVE), the Tecnológico de Chalco and the National Pedagogical University (UPN). Training Program on Social and Solidarity Economy by the National Institute of the Social Economy (INAES); Mongolia: webinars for agricultural producers, SMEs and cooperatives, online training modules for SMEs Mongolian Youth Center and Center of Civic Education with the support of government and international organizations; Peru: MY.COOP - PERÚ Program; Poland: National Program for the Development of the Social Economy until 2023 contains educational initiatives on cooperatives; Portugal: Academia ES (2014-2016); Academia Y.ES (2020-2021); ILO: Think.COOP; My.COOP; Start.COOP; |
### Actors of entrepreneurial ecosystems: what they can do to support cooperative ecosystems?

<table>
<thead>
<tr>
<th>Actor</th>
<th>Actions</th>
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</thead>
<tbody>
<tr>
<td>Governments</td>
<td>- Legislation&lt;br&gt;- Policies&lt;br&gt;- Institutions of support</td>
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<tr>
<td>Cooperatives &amp; Apex organisations</td>
<td>- Networking and partnerships&lt;br&gt;- Education, information and skills&lt;br&gt;- Advice and intermediary services&lt;br&gt;- Culture and communication</td>
</tr>
<tr>
<td>Financial sector</td>
<td>- Access to finance&lt;br&gt;- Inter-regional/cross-sectoral platforms for exchange and dialogue</td>
</tr>
<tr>
<td>UN agencies/ International/Regional organisations</td>
<td>- Policy support&lt;br&gt;- Capacity building and awareness</td>
</tr>
<tr>
<td>Private sector</td>
<td>- Business partnerships&lt;br&gt;- Intermediary services</td>
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<tr>
<td>Other actors?</td>
<td>- Other opportunities?</td>
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Policy recommendations for the UN agencies

- **Supporting research on cooperative ecosystems** for better understanding of how cooperatives serve their communities and how their experiences can be scaled up require further investigation of cooperatives’ ecosystems around the world.

- **Capacity building** of cooperative members, employees, government agencies coordinating cooperatives and other stakeholders.

- **Generating information and data on cooperatives** to address the lack of statistical information.

- **Support to cooperatives as part of SSE policies and laws**: how cooperatives promote SSE, and how SSE policies impact cooperative member communities?

- **Deepening and widening knowledge on cooperatives**

- **Bridging and connecting different actors of cooperative development**
Thank you!