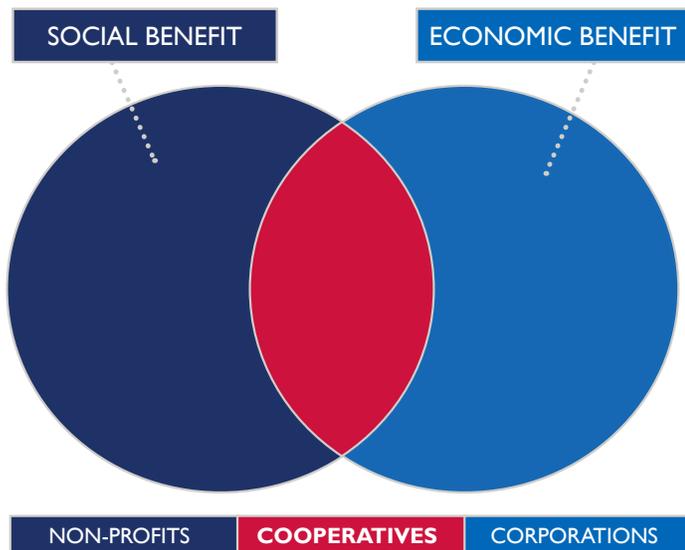


Cooperative Development Program

COOPERATIVES 101



What is a Cooperative?

A cooperative is an autonomous association of persons united voluntarily to meet their common economic, social and cultural needs and aspirations through a jointly owned and democratically controlled enterprise.

Why Cooperatives?

Cooperative businesses provide both social and economic benefit to their members and to the communities in which they serve. Cooperatives are also versatile, operating in all sectors and ranging in size from ten members to more than 50 million members.

SEVEN COOPERATIVE PRINCIPLES

Around the world, all cooperatives share the same seven principles. These principles set them apart from traditional businesses, as cooperatives commit to being responsive and resilient development actors in their communities. These principles are:

- 1 Voluntary and Open Membership**
Cooperatives are voluntary organizations and are open to all persons, regardless of gender, social, racial, political, or religious identity, who are able to use their services and are willing to accept the responsibilities of membership.
- 2 Democratic Member Control**
Cooperatives are democratic organizations controlled by their members, who actively participate in making decisions and setting the policies for their cooperative.
- 3 Member Economic Participation**
Members democratically control and contribute equitably to the capital of their cooperative.
- 4 Autonomy and Independence**
Cooperatives are autonomous, self-help organizations controlled by their members. If they enter into agreements with other organizations, including governments, or raise capital from external sources, they do so on terms that maintain their autonomy and democratic control by members.
- 5 Education, Training and Information**
Cooperatives provide education and training for their members, elected representatives, managers, and employees so they can contribute effectively to the development of their cooperatives. They inform the general public, particularly young people and opinion leaders, about the nature and benefits of cooperatives.
- 6 Cooperation Among Cooperatives**
By working together through local, national, regional, and international structures, cooperatives both serve their members most effectively and strengthen the broader cooperative movement.
- 7 Concern for Community**
Cooperatives are made up of and look out for the communities they operate in. As such, cooperatives work for the sustainable development of their communities through policies approved by members.

GLOBAL COOPERATIVE STATISTICS



ONE IN SIX PEOPLE

ARE MEMBERS OF COOPERATIVES AND CREDIT UNIONS



ANNUALLY, COOPERATIVES GENERATE MORE THAN

\$2.1 TRILLION
IN TURNOVER



10%

OF THE GLOBAL POPULATION IS EMPLOYED BY COOPERATIVES

GLOBALLY, THERE ARE MORE THAN



3 MILLION

COOPERATIVE BUSINESSES

THE LARGEST COOPERATIVE IN INDIA HAS MORE THAN

55 MILLION

MEMBERS



EXAMPLES WITHIN USAID SECTORS



Agriculture and Food Security

Agricultural cooperatives aggregate product for market, ensuring higher quality and higher prices to farmers. Additionally, they provide technical assistance, market data and favorable loans to their smallholder members.



Democracy, Human Rights & Governance

Cooperatives are inclusive, democratically run businesses. They advocate on behalf of their members and communities to ensure greater agency for vulnerable populations.



Economic Growth and Trade

Cooperatives have member equity, which allows them to make capital investments into infrastructure for increased exports and trade. Additionally, they can more easily vertically integrate by merging with similar cooperative businesses and create economies of scale.



Environment and Global Climate Change

Since cooperatives are community-owned and run, they also are better stewards of the environment by investing in climate risk mitigation practices and sustainable use of natural resources.



Gender, Equality, and Women's Empowerment

Cooperative businesses have open and voluntary membership, which allow women to become members and have access to inputs, technical assistance, finance and market information. Additionally, as members of cooperatives, women can access leadership positions in both the management and the board.

Questions about the Cooperative Development Program?

For more information, please contact us at localsustainability@usaid.gov.