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## ILO, ICA and CSEND SIDE EVENT AT THE FIFTH GLOBAL REVIEW OF AID FOR TRADE

### "Promoting Cooperative-to-cooperative trade for sustainable development"

1 July, 2015 15.00-16.30

WTO, Geneva

#### Background

Cooperative enterprises are major players in the global economy. They range from small grassroots initiatives to multi-billion dollar businesses and operate in all sectors of the economy. According to the most recent figures of the International Co-operative Alliance, the 300 largest cooperatives in the world have a combined turnover of USD 2.2 trillion.<sup>1</sup> Furthermore, a recent study indicates that 250 million people are employed or earn their living thanks to a cooperative enterprise.<sup>2</sup>

In conditions of globalization and increased competition in the international markets, cooperative enterprises are faced with the need to connect across the national borders, in order to achieve the objectives of its members.<sup>3</sup> Due to the values and principles they embody, as well as the economies of scale they generate, cooperatives can contribute to reducing trade costs and enhancing the ability of firms from developing countries to connect to value chains, both regionally and globally. Cooperatives enable access to goods and services while, at the same time, promote fairer trade at competitive prices, inclusive employment and sustainable economic growth. With expansion in South-South trade flows, cooperative-to-cooperative trade can be an alternative for those developing and least developed countries that are still facing high trading costs to reduce them. Furthermore, co-operatives can be an important tool for the implementation of the post-2015 development agenda particularly the proposed SDG 8 which states: *Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all.*

#### Panel Description

The panel will start with a theoretical presentation of the links between cooperatives and trade. The panel will subsequently turn to practical experiences, and build on cooperative-to-cooperative trade and how it can make value chains shorter, fairer and more efficient and competitive. The seven internationally agreed cooperative principles guide the work of cooperatives around the world.<sup>4</sup> The principle, "Cooperation among Cooperatives", is the principle most related to the trade, South-South and Global Value Chain perspectives.

<sup>1</sup> ICA: *World Co-operative Monitor* (2014) available at <http://www.euricse.eu/en/worldcooperativemonitor>

<sup>2</sup> CICOPA: Cooperative and Employment: a global report (2014), available at [http://ica.coop/sites/default/files/media\\_items/cooperatives\\_and\\_employment\\_a\\_global\\_report\\_en\\_web\\_21-10\\_1pag.pdf](http://ica.coop/sites/default/files/media_items/cooperatives_and_employment_a_global_report_en_web_21-10_1pag.pdf)

<sup>3</sup> Nikolić M. M. & Ševarlić M. M.: *Cooperatives in International Trade of Agricultural and food products*. 135 EAAE Seminar: Challenges for the Global Agricultural Trade Regime after Doha, August 28-30, 2013 Belgrade, Serbia. Available at <http://ageconsearch.umn.edu/bitstream/160390/2/17-Nikolic,%20Sevarlic%20-%20EAAE%20135.pdf>

<sup>4</sup> Cooperative principles can be found at: <http://ica.coop/en/whats-co-op/co-operative-identity-values-principles>



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In the practical part, the case of “China Coop” on promoting cooperative-to-cooperative trade in Asia through different platforms will be presented. The agricultural and consumer cooperative experiences from Italy will be presented to showcase engagement in ethical trade practices using cooperative principles and highlighting the advantages of agricultural and consumer cooperatives working together across the value chain from a perspective of fairness and competitiveness.

After the presentations, there will be a round table discussion followed by questions from the floor. The panel will address the following questions around trade costs:

- What are the trade related problems and challenges faced by workers in globalizing economies?
- What are the trade related problems and challenges faced enterprises in globalizing economies?
- How do cooperative enterprises contribute to addressing some of these pressing trade issues?
- What are the benefits of cooperative-to-cooperative cross border trade? In particular, what are the added benefits for developing and least developed countries??
- How do fair trade and similar partnership approaches to trade, that often build on partnerships with cooperatives, lower trade costs?”
- How can cooperative enterprises help developing and least developed countries link up to global and regional value chains?

## **Programme and Speakers**

### *Welcome and Introduction*

- Mrs. Simel Esim, Ph.D. Head and Senior Technical Specialist at the Cooperatives Unit, ILO
- Mrs. Lichia Saner Yiu, Ed.D., President, CSEND

### *The cooperative model as a means of implementing fairer trade at competitive prices*

- H. E. Amb. Eloi Laourou, Permanent Mission of Benin to the UN
- Aly-Khan Jamal, Expert Advisor, Dalberg Global Development Advisors
- Prof. Saner, Director, CSEND & Diplomacy Dialogue
- Rodrigo Gouveia, Policy Director, ICA
- Sergi Corbalan, Executive Director of Fair Trade Advocacy Office



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### *Presentation of successful cases of cooperatives' engagement in cross-border trade*

- Mr. Zhang Wangshu, Managing Director, International Cooperation Department, All-China Federation of Supply and Marketing Cooperatives,
- Consumer coop representative (Italy) (tbd)

### *Round Table Discussion and Closing*

### **Organizing Institutions**

This side event will be co-organized by the **International Labour Organization (ILO)**, the **International Co-operative Alliance (ICA)** and the **Centre for Socio-Economic Development (CSEND)**

The **International Labour Organization (ILO)** a specialised agency of the United Nations aims to promote rights at work, encourage decent employment opportunities, enhance social protection and strengthen dialogue on work-related issues. The ILO views cooperatives as important in improving the living and working conditions of women and men globally as well as making essential infrastructure and services available even in areas neglected by the state and investor-driven enterprises. The Cooperatives Unit of the ILO serves ILO constituents and cooperative organizations and collaborates with cooperative development agencies and training institutions in four priority areas: i) raising public awareness on cooperatives through evidence based advocacy and sensitization to cooperative values and principles; ii) ensuring the competitiveness of cooperatives by developing tailored tools to cooperative stakeholders including management training, audit manuals and assistance programmes; iii) promoting the inclusion of teaching of cooperative principles and practices at all levels of the national education and training systems; and iv) providing advice on cooperative policy and cooperative law, including participatory policy and law making and the impact on cooperatives of taxation policies, labour law, accounting standards, and competition law among others. For more information about ILO see: [www.ilo.org/coop](http://www.ilo.org/coop)

The **International Co-operative Alliance** is an independent, non-governmental organisation established in 1895 to unite, represent and serve co-operatives worldwide. It provides a global voice and forum for knowledge, expertise and co-ordinated action for and about co-operatives. The Alliance's members are international and national co-operative organisations from all sectors of the economy, including agriculture, banking, retail, fisheries, health, housing, insurance, and industry and services. The Alliance has members from one hundred countries, representing one billion individuals worldwide. 250 Million people earn their lives in or via a co-operative. The Alliance is the guardian of the co-operative identity, values and principles. For more information about ICA see: [www.ica.coop](http://www.ica.coop)

The **Centre for Socio-Eco-Nomic Development (CSEND)** is registered in Geneva, Switzerland since 1993 and accredited by ECOSOC with special consultative status. The Centre has a small, dynamic and multicultural team, providing research, technical consulting, and project design and backup support for project implementation. CSEND promotes equitable, sustainable and integrated development through dialogue and institutional learning. The Centre provides consulting services based on research on development policy especially in the area of trade, human capital development, training and educational quality, aid effectiveness and international negotiations.

For more information about CSEND see: [www.csend.org](http://www.csend.org)