

11th Asia-Pacific Cooperative Ministers' Conference (APCMC)
28-30 April 2024
Dead Sea - Jordan

Partnerships between Government and Cooperatives for Cooperative Resilience, Sustainable Development, and Inclusive Growth in Asia Pacific, Middle East and North Africa (MENA)

Background Paper

Introduction

The Asia-Pacific Cooperative Ministers' Conference (APCMC) established in 1990 by the International Cooperative Alliance Asia Pacific (ICA-AP), is a quadrennial event organized to provide a platform for cooperatives and governments to discuss current and emerging issues and set a common agenda towards the establishment of new forms of cooperation between governments and cooperatives. The APCMC helps to create a sustained and enabling policy and regulatory environment that is conducive to cooperative development.

The APCMC's have been held in Australia (1990), Indonesia (1992), Sri Lanka (1994), Thailand (1997), China (1999), Nepal (2002), India (2004), Malaysia (2007), Thailand (2012), and Vietnam (2017). The 10th APCMC was organized in Hanoi in 2017 in collaboration with the Ministry of Planning and Investment (MPI), the Government of the Socialist Republic of Vietnam and the Vietnam Cooperative Alliance (VCA). The Hanoi Conference was inaugurated by H.E. Madam. Dang Thi Ngoc Thinh, Vice President of the Socialist Republic of Vietnam, it was attended by over 200 participants from 23 countries and eight countries were represented by their Ministers in charge of cooperatives. The theme of the Conference was, "Visioning Ahead to 2030: Promoting Stronger Partnership between Government and Co-operative Stakeholders in Realizing the Sustainable Development Goals (SDGs)."

Cooperatives have been recognized as key agents of socioeconomic development, particularly in the Asia Pacific region. With their democratic, member-owned and community-oriented structure, cooperatives have the potential to foster resilience, sustainable development, and inclusive growth. To maximize their impact, collaboration between governments and cooperatives is crucial. However, to unlock the full potential and partnership between government entities and cooperatives there is a need to foster a collaborative and supportive environment, establish a clear legal framework, and develop policies that recognize the value and importance of

cooperative enterprises as a vital component of the economy and society. By working together and building a strong partnership, the government and cooperatives can create a conducive environment for economic growth, job creation, and social development, benefiting both the cooperative sector and society as a whole.

The 11th APCMC has set forth the theme: *Partnerships between Government and Cooperatives for Cooperative Resilience, Sustainable Development, and Inclusive Growth in Asia Pacific, Middle East, and North Africa (MENA).*

The 11th APCMC is being hosted by the ICA-AP, together with the Jordan Cooperative Corporation (JCC) on behalf of the Ministry of Agriculture of the Hashemite Kingdom of Jordan from 28 to 30 April 2024 in Dead Sea, Jordan.

Hosts of the 11th APCMC

The ICA is an independent, non-governmental organization established in 1895 to unite, represent and serve cooperatives worldwide. ICA-AP regional office was established in New Delhi in 1960 to provide a voice and forum for knowledge, expertise and coordinated action for and about cooperatives in the region. The 110 ICA-AP members are national cooperative organizations across 29 countries from all sectors of the economy, including agriculture, industry, services, banking, retail, fisheries, health, housing and insurance.

A member of ICA, the Jordan Cooperative Corporation (JCC) is an independent organization formed by the government which supervises the cooperative sector (societies and unions) and works to raise the economic, social, cultural, and local communities. As the official umbrella for cooperatives, they promote self-reliance to achieve the social and economic benefits of cooperatives. The conference is supported by the Ministry of Agriculture of the Hashemite Kingdom of Jordan.

Cooperatives in the Asia Pacific

The Asia-Pacific region spans diverse cultures, economies, and landscapes, and faces a myriad of challenges. Cooperatives in the Asia-Pacific region have deep historical roots, with some dating back to the late 19th and early 20th centuries. They emerged as a response to the exploitation faced by workers, farmers, and small-scale entrepreneurs during colonial times and rapid industrialization. The first cooperatives in the region were primarily agricultural cooperatives, focused on improving the livelihoods of rural communities by pooling resources and sharing risks.

Agricultural cooperatives have helped farmers gain access to credit, modern farming techniques, and markets, thus enhancing productivity and income levels. In many Asia-Pacific countries, traditional financial institutions have limited reach in remote and underserved areas. Cooperatives, particularly credit unions and savings cooperatives, have filled this gap by providing

essential financial services to marginalized communities. Consumer cooperatives have played a vital role in empowering consumers. By prioritizing the needs of their members and serving the community, they have fostered a sense of ownership and solidarity among consumers. In recent years, cooperatives in the Asia-Pacific have recognized the importance of sustainability and environmental stewardship and engaged in eco-friendly practices, such as organic farming, renewable energy production, and waste management initiatives.

In the 21st century, the relevance of cooperatives in Asia-Pacific countries remains undiminished. As the region faces complex challenges like income inequality, climate change, and digital transformation, cooperatives can offer innovative and inclusive solutions. Cooperatives have a role to promote inclusive economic growth by empowering marginalized groups, such as women, youth, and indigenous communities. Cooperatives have been at the forefront of social innovation, starting as business models that prioritized people and the planet over profit alone. There is a continued need to demonstrate the potential of cooperatives to address pressing societal challenges. As the world rapidly adopts digital technologies, cooperatives in the Asia-Pacific need to leverage these tools to enhance their operations and reach a broader audience. Cooperatives need to be actively involved in climate change mitigation and adaptation efforts.

Cooperatives During Times of Crisis

Cooperatives have proven to be invaluable in times of crisis, providing a resilient and community-focused response to various challenges. Whether facing economic downturns, natural disasters, or public health emergencies, cooperatives have demonstrated their ability to support members and communities with solidarity, resource pooling, and adaptive strategies.

During economic crises, cooperatives acted as stabilizing forces in local economies. By sharing risks and resources among members, cooperatives helped alleviate the impact of financial hardships on individuals and small businesses. They prioritized job retention over layoffs, ensuring the livelihoods of their members and contributing to sustainable employment. AMUL in India, a dairy cooperative, responded by increasing support to its dairy farmers. Instead of reducing milk procurement, AMUL continued to purchase milk from its members at competitive prices, ensuring a steady income for farmers during a time of market uncertainty.

In the face of natural disasters, cooperative networks play a critical role in disaster response and recovery efforts. Whether in agricultural, housing, or consumer cooperatives, the collective nature of these organizations allows for the mobilization of resources and immediate assistance to affected communities. In the aftermath of the 2004 Indian Ocean earthquake and tsunami, typhoon Hyain in 2013, 2015 earthquake in Nepal and other disasters, cooperative organizations in affected countries and from across the region played a crucial role in providing relief, rehabilitation, and long-term support to impacted communities.

Cooperatives also demonstrated their resilience and adaptability during public health crises, such as the COVID-19 pandemic. The Palestine Agriculture Cooperative Union supported

the community by collecting fresh vegetables from members as grants and distributing them to the closed governorates affected by the virus. In the Philippines, cooperatives launched a nationwide campaign of donations to combat the virus and used the Cooperative Development Fund to help the elderly and the most vulnerable in their community. In India, the Indian Farmers Fertilizer Cooperative (IFFCO) led efforts to contain the spread of COVID-19 by organizing social awareness campaigns to highlight preventive and precautionary measures like social distancing, sanitization, healthy diet and prevention through face masks. Healthcare cooperatives, across the region provided essential medical services to communities, while consumer cooperatives ensured food security and distribution to vulnerable populations.

Building a Better Asia and Pacific

From economic integration and environmental sustainability to cultural exchange and cooperation, cooperatives have been contributing to a comprehensive and harmonious approach to shaping a brighter future.

The Association of Asian Confederation of Credit Unions (ACCU) has included as its Sixth C – Climate Compliance to its credit lending in addition to character, collateral, capacity, capital, and condition (risks). In Australia, the Business Council of Cooperatives and Mutuals (BCCM) has shown that cooperatives play an important part in economic recovery by virtue of being resilient and stable businesses. The Australian government has recognized cooperatives and listed them alongside other business structures. IFFCO, India has developed nano fertilizers which can reduce the excess use of urea application, reduce harmful effects on the soil, protect plants better and improve crop yield. In Japan, the Japanese Workers Cooperative Union (JWCU) was successful in getting the Workers Cooperative Act passed during the pandemic. The Act will allow them to create diverse employment opportunities for vulnerable people such as the elderly, people with disabilities and women/ youth with various social difficulties and to implement businesses to meet diverse demands in local communities.

In Korea, COOP built the Natural Dream Park in Guyre in 2014, a new cooperative business model, which combines production and consumption. Each part of the consumer, producer, and provider system is a cooperative owned and managed by its members. The park was built with loans and investment from cooperative members who view the process as a way to practice self-help and autonomy. In Nepal, the National Cooperative Federation (NCFN) has launched a campaign with its members to promote SDG 12 – sustainable production and consumption. The Nepal Agricultural Central Cooperative Federation managed to collect and sell members' fresh vegetables in Kathmandu during the lockdown period, selling products at as low a cost as possible. MASS-SPEC Cooperative Development Center in the Philippines launched the Reconstruction and Rebuilding Financing Program (RRFP) to assist member-cooperatives who have been affected by disruptions or disasters to provide re-financing with more flexible terms and conditions and putting into practice the cooperative ideology of cooperatives who 'have more' help members who 'have less.'

Recognition to Cooperatives

The importance of cooperatives has been recognized across countries and is reflected in the National Constitution, strategy documents to enhance contribution to GDP, the creation of new Ministries, and in the implementation of SDGs.

The UN Secretary-General Report, ‘Cooperatives in Social Development,’ presented at the seventy-sixth session (July 2021) states, “Business as usual is not sustainable, and the world needs a new social contract that acknowledges the interlinkages among the economy, social protection, health and the environment. The cooperative identity and business model can lead the way towards a just recovery from COVID-19, as their principles and many actions during the pandemic have shown.” In June 2022 at the 110th session of the ILO conference on Decent Work and the Social and Solidarity Economy (SSE), there was explicit mention of cooperatives in the definition of the SSE. In 2016, UNESCO added cooperatives to the list of intangible cultural assets. Cooperatives were described as entities that “allow for community building through shared interests and values creating innovative solutions to societal problems.

The United Nations General Assembly, adopted a new [resolution on cooperatives in social development](#), on November 3, 2023 calling for the proclamation of **2025 as an International Year of Cooperatives (IYC)**. The resolution encourages the member states, the United Nations as well as all other relevant stakeholders to take advantage of the IYC as a way of promoting cooperatives and raising awareness of their contribution to the implementation of the Sustainable Development Goals and to overall social and economic development. The resolution further draws governments’ attention to the recommendations of the 2023 [UN Secretary General report on cooperatives in social development](#) to strengthen the entrepreneurial ecosystem for cooperatives as sustainable and successful business enterprises.

For the period 2016 to 2022, 28 countries from the Asia-Pacific region which have one or more members of the ICA presented their Voluntary National Reviews (VNRs) on the implementation of the SDGs. Cooperatives in some form or the other found mention in the VNRs of 15 countries - China, Indonesia, Japan, Jordan, Kiribati, Kyrgyzstan, Malaysia, Nepal, New Zealand, Palestine, Philippines, Singapore, Thailand, Timor Leste, and Vanuatu. They were largely mentioned in relation to SDG 1 (No Poverty), SDG 2 (Zero Hunger), SDG 8 (Decent Work and Economic Growth) and SDG 13 (Climate Action). This reflects the number of cooperatives working in agriculture and rural areas. The frequent reference to cooperatives in SDG 8 shows that Governments expect them to play their role in promoting inclusive and sustainable economic growth, full and productive employment and decent work.

The Government of India created the Ministry of Cooperation in July 2021 to deliver India’s vision of “Sahakar Se Samridhi” (prosperity with cooperation). In Malaysia, cooperatives are seen as a vehicle or “silver bullet” in driving the socio-economic growth of the people to achieve the goals set by the Government. The National Entrepreneurship Policy 2030 has targeted the contribution of the cooperative sector to GDP to be increased to RM100 billion or about 5%

by 2030. The Constitution of Nepal recognizes cooperatives as one of the three pillars of the economy along with the private and public sectors.

Cooperative sector in Jordan

In Jordan, the cooperative movement plays a major role in many aspects of people's lives and contributes to the development of society on many levels. The national strategy of the Jordanian cooperative movement (2021-2025) was developed in order to advance the cooperative movement based on a human-centered approach to promote social justice and equal opportunities for all.

Jordan has shown a high readiness to face the challenges during the COVID-19 pandemic through the steadfastness of many cooperative societies. In light of the pandemic, which has posed significant challenges to food security in Jordan, cooperatives have played a crucial role in maintaining the continuity of food and agricultural product supply chains. Their efforts have ensured an uninterrupted provision of essential goods to the citizens of Jordan throughout the crisis. Among the many other agricultural cooperative societies that played a major role in Jordanian society are the Jordan Falcons Multi-Purpose Cooperative Society, Kanz Al Ard Cooperative Society, and Kafr Soum Agricultural Cooperative Society for Pomegranate Producers.

The public sector modernization plan launched by the Jordanian government also included a clear reference to the JCC as one of the pillars of the economic activities sector. The government will take a number of institutional measures during the two years (2023-2024) to develop the business environment, stimulate local and foreign investments, and strengthen partnerships with the private sector, including restructuring the JCC. According to the plan, the restructuring aims to raise and improve the efficiency of the cooperative institution-to enhance its role in supporting the vision of economic modernization, the contribution of cooperatives to local development and develop agricultural and other economic activities.

Strength, Weakness, Opportunity, and Threats to Government-Cooperative Partnership

The partnership between governments and cooperatives is a dynamic relationship that holds the potential to drive socio-economic development, foster inclusive growth, and address pressing societal challenges. This collaboration brings together the collective strengths of both entities, aiming to harness their unique capabilities for the betterment of communities and economies. However, like any partnership, it is not without its challenges and potential pitfalls.

The Strengths, Weaknesses, Opportunities, and Threats (SWOT) analysis of the government-cooperative partnership, below provides insights into its current status and identify areas for improvement. It sheds light on the positive aspects that can be capitalized on, the weaknesses that need to be addressed, the opportunities that can be seized, and the potential threats that must be navigated.

Strength	Weakness
<p>Support: Governments can provide financial resources, policy support, and technical assistance to cooperatives,</p> <p>Regulatory Framework: Governments can establish favorable regulatory frameworks that facilitate cooperative development, protect cooperative interests, and encourage their contribution to sustainable development.</p> <p>Financial Assistance: Governments can allocate financial resources to support cooperative initiatives, including providing access to loans, grants, and subsidies.</p> <p>Technical Expertise: Governments can offer technical assistance and capacity-building programs to enhance the skills and capabilities of cooperative members and leaders.</p>	<p>Lack of Awareness: Some governments may have limited awareness of the benefits and potential of cooperative enterprises, which could hinder their support for cooperative resilience and growth.</p> <p>Inconsistent Policies: The lack of consistency and coherence in government policies regarding cooperatives create uncertainties, barriers for their development, and at times impinge on autonomy.</p> <p>Limited Resources: Governments may face constraints in terms of financial resources and capacity to provide adequate support to cooperatives across the region.</p> <p>Inconsistent Implementation: Despite supportive policies, inconsistencies in the implementation and enforcement of regulations related to cooperative development, hindering their growth and impact.</p> <p>Lack of Collaboration: Limited coordination and collaboration between government agencies and cooperatives may result in missed opportunities and ineffective utilization of resources.</p>
Opportunity	Threat
<p>SDGs: Cooperatives can align their activities with the SDGs, and governments can leverage these partnerships to advance progress towards the SDGs, particularly in areas such as poverty reduction, gender equality, and environmental sustainability.</p> <p>Innovation and Technology: Governments can support cooperatives in adopting innovative technologies and digital solutions</p>	<p>External Competition: Cooperatives face competition from other forms of enterprises, including multinational corporations and foreign companies, which may have more significant resources and market influence.</p> <p>Economic and Political Instability: Economic downturns or political instability in some countries can pose challenges for cooperative resilience and growth, as they</p>

<p>to enhance their efficiency, competitiveness, and sustainable practices.</p> <p>Regional Collaboration: Governments have the opportunity to collaborate with other countries in the Asia Pacific region to share best practices, exchange knowledge, and foster cooperative resilience and growth.</p> <p>Market Access: Governments can facilitate market access for cooperatives by promoting fair trade practices, creating market linkages, preferential sourcing, and supporting export opportunities.</p>	<p>may face reduced demand, limited access to resources, and uncertain regulatory environments.</p> <p>Limited Capacity and Infrastructure: cooperatives lack the necessary capacity and infrastructure to take advantage of government support effectively, including challenges in governance, management, and technological capabilities.</p> <p>Lack of Resources: Limited financial resources and budget constraints may pose challenges in providing adequate support and investment for cooperative initiatives.</p> <p>Policy and Regulatory Barriers: Inconsistent or restrictive regulations can impede the growth and operations of cooperatives, limiting their ability to contribute to inclusive growth.</p>
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Partnerships between governments and cooperatives are essential for promoting cooperative resilience and achieving sustainable inclusive growth in the Asia Pacific region. Governments can contribute by creating an enabling environment, promoting cooperative identity, and strengthening the legal framework. By implementing supportive policies, raising awareness, and enacting appropriate regulations, governments can unlock the full potential of cooperatives as drivers of economic and social development. Collaboration between governments, cooperatives, and other stakeholders is vital to address challenges, capitalize on opportunities, and build a thriving cooperative sector that contributes to a more sustainable and inclusive future in the Asia Pacific region.

Objectives of the 11th APCMC

1. To examine the current state of cooperatives in the Asia Pacific and their potential for contributing to resilience, sustainable development, and inclusive growth.
2. To analyze the existing partnerships between governments and cooperatives in the region and identify successful models that have yielded positive outcomes.
3. To highlight the benefits of collaborative initiatives between government and cooperatives, including improved access to resources, enhanced regulatory frameworks, and increased social inclusion.
4. To identify challenges and obstacles in building effective partnerships and propose strategies to overcome them.

5. To provide recommendations for policymakers and cooperative stakeholders to strengthen and expand government-cooperative partnerships for sustainable and inclusive development.

Conclusion

The cooperative sector constitutes a fundamental pillar in the economies of many countries around the world and is a driver of comprehensive and sustainable development in many societies. It plays an important role in achieving economic and social balance and enhancing environmental sustainability by:

- Enhancing democratic participation and promoting inclusivity by meeting the needs of various segments of society.
- Strengthening and developing the local economy and supporting local economic projects and activities and small and medium businesses, in a way that contributes to creating job opportunities and promoting social economic development.
- Providing basic services and improving the quality of life in by providing basic services to individuals and communities, through cooperation in many areas such as finance, insurance, health care, education, and protection from economic risks.
- Stimulating innovation and promoting sustainable development by encouraging innovation and leadership in various fields and focusing on - environmentally friendly and sustainable economic practices in the long term.
- Strengthening communication and social solidarity between communities by bringing together individuals from different backgrounds.
- Achieving SDGs which aim to eliminate poverty, improve living conditions, and preserve the environment.

The 11th APCMC will bring together distinguished leaders and leading minds with diverse experiences who are working together to advance the movement. It will provide a platform for cooperatives in Jordan and the region to build a strong and sustainable cooperation network. It marks the beginning of an extensive and promising journey towards transformative change, aspiring to create a positive and significant impact within our cooperative societies, both nationally and internationally. This endeavor is rooted in our collective ambition to bolster economic stability, which is pivotal for realizing our shared aspiration of building a better and more secure world for ourselves and future generations.