



The United Nations has designated 2012 as the International Year of Cooperatives to highlight the contributions of cooperative enterprises to poverty reduction, employment generation and social integration. It also provides an opportunity to recognize the value of cooperatives in the field of global development.

## The Global Reach of Cooperatives

CHF International's organizational roots are well grounded in the US cooperative movement of the 1950s. Founded as the Cooperative Housing Foundation, CHF's mission was to promote the development of cooperative

housing throughout the US. As CHF's focus shifted to projects overseas, it applied the successful model of cooperative development in the US to its international work. As CHF celebrates its 60th anniversary this year, it continues to recognize the importance of promoting cooperative development around the world.

Examples of the global reach of cooperatives:

- 1 billion people are members of cooperatives worldwide, including credit unions, and employ 100 million people (Source: [www.ica.coop](http://www.ica.coop))
- In Kenya, 63% of the population derive their livelihoods from cooperatives. Approximately 250,000 Kenyans are employed or gain most of their income from cooperatives. (Source: ILO, 2009)
- In Colombia, cooperatives provide 137,888 jobs through direct employment and an additional 559,118 indirect jobs, providing 3.65% of all jobs in the country. (Source: CONFECOOP)

## What is a Cooperative?

A cooperative enterprise is usually a jointly-owned business or production group that is run and operated by its members.

Cooperatives may be organized for a number of reasons including: to improve bargaining power, business and transaction costs; obtain products or services otherwise unavailable (e.g. credit); expand new and existing market opportunities; improve product or service quality; and increase income.

The benefits accrued from the enterprise are shared among the members and it is the membership-owned and democratic nature of cooperatives that make them successful tools for addressing poverty and economic insecurity.

### COOPERATIVE PRINCIPLES:

- Voluntary and open membership
- Democratic member control
- Member economic participation
- Autonomy and independence
- Education, training and information
- Cooperation among cooperatives
- Concern for community



## CHF Promoting Cooperative Development around the World

For CHF, International Year of Cooperatives is an occasion to reflect on its roots, organizational history, and past successful programs. The Cooperative Development Program (CDP), which was launched in 1998 and is now in its 3rd phase, has been instrumental in creating and maintaining local employment, contributing to local economies through improved farming and marketing techniques, and including community members, who previously did not have a voice. The PACE methodology (Participatory Action for Community Enhancement), which widely used today across CHF programs worldwide, was perfected and tested under the CDP program. It reflects the cooperative method through the engagement of communities and promotes the sharing of mutual benefits and challenges. CDP program is also shaping other CHF projects—asset building groups (ABGs) in Ethiopia and South Sudan and integrated savings and lending groups (ISLGs) in Rwanda and based on cooperative models.

Highlights of the past achievements of CHF's Cooperative Development Program include:

- **Poland (1991 - 2000)** – Established local non-profit agencies to facilitate cooperative housing delivery resulting in construction of more than 2,000 new housing units
- **South Africa (1998 - 2004)** – 198 housing units were developed by the Amalinda Cooperative Settlement Project in East London under the Housing Subsidy program
- **Bosnia (2004-2009)** – Worked with cooperative organizations to create an improved environment for cooperatives, following the post-war destruction of economy and social structures
- **Philippines (2004 - 2007)** – Helped the Cooperative Development Agency (CDA) design and implement a country-wide database to collect and maintain information about local cooperatives
- **Mongolia (2010 - present)** – Through the Enabling Market Integration through Rural Group Empowerment (EMIRGE), CHF is building the capacity of dairy producers, training group members in new skills in the areas of animal husbandry, crop production, silage making and milk production, and helping members make investments in improved livestock shelters and livestock quality
- **Rwanda (2008 - present)** – Through EMIRGE, CHF is teaching cooperative farmers how to form Integrated Savings and Lending Groups (ISLGs) in conjunction with the CHF's programs assisting people living with HIV/AIDS



Founded in 1952, CHF International currently operates in more than 20 countries and territories. CHF's mission is to be a catalyst for long-lasting positive change in low- and moderate-income communities around the world, helping them improve their social, economic and environmental conditions.

For more information, please visit our website at: [www.chfinternational.org](http://www.chfinternational.org)