



Building a more prosperous world through cooperatives



US Overseas **Cooperative Development** Council



# Building a more prosperous world through cooperatives

**Cooperatives are one of the most powerful tools for building a more prosperous world. They can dramatically transform individual lives and communities by:**

- *Stimulating growth through economic enterprises;*
- *Providing social support networks; and*
- *Engaging members in democratic practices and institutions.*

**Formed in response** to market failure or distortion, where affordable goods and services are not available to a segment of the population, cooperatives enable disadvantaged people to improve their incomes, strengthen food security and gain experience with democracy.

The U.S. Overseas Cooperative Development Council brings together organizations that promote, assist and support the formation of member-owned and controlled cooperatives throughout the world.

## Who we are

U.S. cooperatives began their work in overseas development following World War II based on their conviction that cooperatives, which have enabled millions of Americans to improve their economic and social conditions, also could help rebuild Europe and assist low-income people in developing countries. OCDC was formed in 1968 to coordinate these cooperative development activities.

OCDC's members are cooperatives or associations of cooperatives engaged in international development. They represent diverse economic sectors including agriculture, finance, health care, rural electrification, housing and community building. In the U.S., OCDC's member organizations encompass more than 22,000 cooperatives with approximately 100 million member-owners.

International development activities by OCDC members provide expertise and support to nearly 5,000 cooperatives serving 130 million people in 100 countries. The projects and activities by OCDC members are delivered in partnership with U.S. government agencies (75%), foreign governments (16%), and multilateral agencies, foundations and corporations (9%).

## Our mission

OCDC's mission is to champion, advocate and promote effective international cooperative development.

## OCDC initiatives

OCDC member organizations work together on a variety of promotional efforts and also engage in collaborative research activities to improve cooperative development practices. Two of these recent efforts are:

### CLARITY: Cooperative Law and Regulation Initiative



CLARITY is an initiative launched in 2005 by the members of OCDC, with support from the U.S. Agency for International Development through its Cooperative Development Program.

It grew from the shared experiences and convictions of OCDC's members that ill-conceived or outmoded legal systems were barriers to cooperative development in many parts of the world.

CLARITY's main goal is to help development practitioners promote an enabling and conducive legal and regulatory environment that allows cooperative businesses to flourish in low- and middle-income countries.

As part of this initiative, OCDC has published three groundbreaking reports for hands-on use by those pursuing cooperative legal reform. In addition, it organizes educational events and workshops. For more information and to read the reports, visit [www.clarity.coop](http://www.clarity.coop).

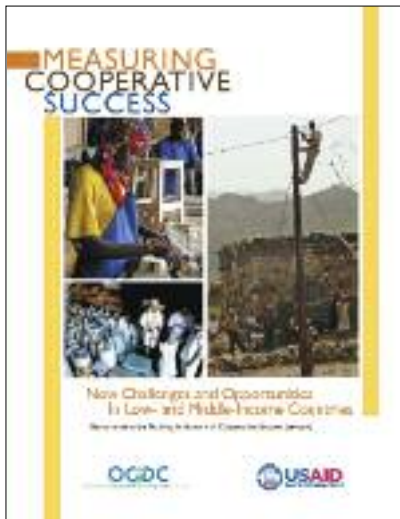


Worldwide, it's estimated that approximately 800 million people are members of cooperatives, while another 100 million are employed by them.

## METRICS: Measurement for Tracking Indicators of Cooperative Success

In 2007, OCDC members launched METRICS. The research conducted under this initiative and the survey methodology it produced identified four essential indicators of success for cooperatives:

- sound business practices,
- strong membership participation,
- support of cooperative apex organizations, and a
- facilitative economic environment.



OCDC published *Measuring Cooperative Success: New Challenges and Opportunities in Low- and Middle-Income Countries*, which articulates the case for cooperatives as an effective approach to economic development. It also outlines the indicators for success and provides an extensive questionnaire for analyzing cooperatives. Visit [www.ocdc.coop](http://www.ocdc.coop) to download the report.

## Snapshots of cooperative success

The following examples illustrate a few of the many significant trans-

formative results that cooperatives have delivered in developing and transitional economies:

**India:** 100,000 dairy cooperatives benefit 12 million members.

**Bangladesh:** rural electric cooperatives provide service for 45 million people.

**Russia:** 92,000 members receive financing through more than 800 rural credit cooperatives.

**Colombia:** insurance cooperatives insure two million people.

**Ethiopia, Rwanda, East Timor, Central America:** Fair Trade-certified coffee cooperatives link thousands of smallholder farmers directly into global markets with their premium coffee prices.

**Ecuador, Kenya:** credit unions serve more than one million members.

## Why cooperative development works

Cooperative development is one of the most cost-effective and successful methods of achieving development goals. Cooperatives serve as a catalyst for the development process by creating sustainable institutions and emphasizing self help, member ownership and control.

International cooperative development draws from the deep well of U.S. cooperative business knowledge, expertise and success to:



- Develop community-based private enterprises, build open markets and bring minorities, women and the poor into the mainstream economy;
- Promote grassroots democracy and strengthen human dignity through self-help and community action;
- Alleviate poverty;
- Enable people to achieve lasting economic independence and prosperity; and
- Provide jobs, income, and basic education.

Under the OCDC umbrella, its member organizations make cooperative development work by:

- Tapping the expertise and knowledge of skilled volunteers who are often their members and employees;
- Forming partnerships with each other, non-government organizations and agencies, research institutions, other cooperatives and allied organizations;
- Seeking funding alternatives, such as leveraging resources from other donors, financing projects through creative methods; and
- Stimulating cooperative development while avoiding dependence on development assistance. Members catalyze partners to build organizations and encourage their clients to take action for themselves.



## PHOTOS

### TOP ROW, L TO R:

Afghan women visit a credit union; Rural electric cooperatives in Bangladesh have increased farm production and incomes; A U.S. cooperative volunteer examines grape vines in Azerbaijan.

### MIDDLE ROW, L TO R:

Members of a Rwandan sewing cooperative at their machines; Cooperative members meet in Mongolia.

### BOTTOM ROW:

A staff member tests milk at a Ugandan dairy cooperative.

## Our Members

### ACDI/VOCA

ACDI/VOCA promotes broad-based economic growth and vibrant civil society. Long known for food security and agricultural development activities, including cooperative development, ACDI/VOCA also leads in value-chain approaches to enterprise development, the establishment of sustainable financial institutions and participatory community strengthening.

[www.acdivoca.org](http://www.acdivoca.org)



### CHF International

CHF International serves as a catalyst for sustainable positive change in developing countries, helping families improve their economic circumstances, environment and infrastructure. CHF provides technical expertise, including critical emergency management following disasters and civil conflict.



**Cooperative Resources International**

### Cooperative Resources International

With a cooperative pedigree spanning a century, CRI has been transferring knowledge and applying sustainable, scientific management in livestock improvement since 1905. For more than 40 years, CRI has been exporting that technology and know-how through commercial distributors, cooperative alliances and joint ventures, and economic and market development programs in over 70 countries. Whether in mature markets, emerging nation states or developing economies, CRI livestock technologies are modernizing animal husbandry and growing the global food supply by nearly 3 million tons annually – feeding more people with fewer cows and less land.

[www.crinet.com](http://www.crinet.com)

### HealthPartners

HealthPartners is an independent, private, member-owned and democratically governed health-care organization, created with equity financed by members who invest in order to benefit through their patronage. HealthPartners developed a community-owned, health cooperative model to empower vulnerable populations and rural stakeholders in developing countries to access quality health care. The model links community groups, health-care providers and Ministry of Health systems to prevention and treatment and includes accountability measures and tools that enable stakeholders to make results-based decisions for improving health outcomes. HealthPartners does not reinsure providers or subsidize costs for cooperative members. The HealthPartners model is 100 percent sustainable by local stakeholders who benefit through their cooperative partnerships.



### Land O'Lakes, Inc.

Leveraging 90 years of agribusiness cooperative heritage, Land O'Lakes International Development's business-oriented, integrated approach to agriculture and food systems has improved the quality of life for millions of people since 1981. Through more than 260 programs in 76 developing countries, Land O'Lakes is helping generate economic growth, alleviate poverty, enhance food security and improve health and nutrition around the world.



### National Cooperative Business Association

The mission of the National Cooperative Business Association is to develop, advance and protect cooperative enterprise. NCBA International's mission is to implement an international cooperative development program that seeks to alleviate poverty in developing countries through economic empowerment and assistance by creating locally owned and managed, commercially viable enterprises. NCBA, better known as CLUSA, currently operates 20 projects in 13 countries in Africa, Southeast Asia and Latin America, with nearly 500 staff working in the field and Washington, D.C.



### National Rural Electric Cooperative Association International, Ltd.

NRECA International, a subsidiary of the National Rural Electric Cooperative Association, provides a comprehensive range of rural electrification services. NRECA International has developed some of the most successful rural electrification programs in the world, resulting in increased agricultural productivity, millions of new jobs in micro and small enterprises and higher incomes and quality of life for more than 100 million people in over 40 countries.



### World Council of Credit Unions

WOCCU is the global trade association and development agency for credit unions. It promotes the sustainable development of credit unions and other financial cooperatives around the world to empower people through access to high-quality and affordable financial services. WOCCU advocates on behalf of the global credit union system before international organizations and works with national governments to improve legislation and regulation. Its technical-assistance programs introduce new tools and technologies to strengthen credit unions' financial performance and increase their outreach. The organization has implemented more than 280 technical assistance programs in 72 countries. Worldwide, 53,000 credit unions in 100 countries serve 188 million people.



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For more information about OCDC, visit our web site at [www.ocdc.coop](http://www.ocdc.coop) or contact us at:

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