

# The Future of Cooperative Statistics




A project of ILO  
In cooperation  
with COPAC

Presenter



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Membership in co-operative businesses has grown to **1 billion** people across **96** countries. It is estimated that there are 100 million jobs provided by cooperatives in the world today (Takigawa, 2012)

<https://geology.com/world/world-map-310.gif>

A world map is visible in the background, rendered in a yellow and orange color scheme against a blue background. The map shows the continents of North America, South America, Africa, Europe, Asia, and Australia. The text is overlaid on the map, centered over the Atlantic Ocean and Europe.

Currently reliable and comparable statistics on cooperatives are missing in most countries of the world.



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- As it stands, data on cooperative around the world are collected without a harmonized definition for cooperatives and through a variety of means, which result in widely varying statistics and different kinds of information being collected and prioritized.

# Overview of International Definition of Cooperatives (10 Criteria)

Overview of Definition	ICA	SNA	CIRIEC (2006)	Eum (2016)	Carini,et al (2017)
Private and legal/formally organized entity/institutional unit with legal status	x	x	x	x	x
Created to meet members' needs through the market	x	x	x	x	x
Distribution of Net surplus according to the members' transaction		x	x	x	
Members must also be customers, employees or supplier or be otherwise involved in the activities of the cooperative		x	x		
Democratic governance principle one man -one vote	x	x	x	x	x
Voluntary /freedom of membership	x		x	x	x
Self governing entity with autonomy of decision	x		x	x	
Limited interest on share capital			x	x	
Voting rights of investor members, if allowed, must be limited so that control remains vested in the user members			x	x	
In the spirit of winding up, net assets and reserves must be distributed according to the principles of disinterested distribution			x		

SNS - System of Natl accounts; CIRIEC- International Centre of Research and Information on the Public. Social and Cooperative Economy

The 19th ICLS Resolution recognizes the need to produce statistics on cooperatives in all countries of the world and recommends that the ILO carries out further developmental work on the measurement of cooperatives



Thus, the ILO's Promotion of Cooperatives Recommendation, 2002 (No. 193) proposed the framework for measuring cooperative statistics in the 20<sup>th</sup> ICLS.

- ILO highlighted the need for better national statistics on cooperatives
- To have measures to promote the potential of cooperatives in all countries, irrespective of their level of development



- Cooperatives are well-placed to contribute to the SDGs. Role of cooperatives to create and develop sustainable decent employment, develop human resources, increase savings and investment, etc

# 20th International Conference of Labour Statisticians

10 - 19 October 2018, Geneva, Switzerland

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## 20th International Conference of Labour Statisticians



**Doc. 20: Statistics on Cooperatives**

On Oct 18, 2018, the delegates from across regions as well as workers' and employers' delegates welcomed the draft guidelines and voted for their adoption at the ILO Headquarters in Geneva.

# Guidelines – Future Work

Assessing the economic contribution of cooperatives:

- a) Employment
- b) Revenue & value added
- c) Assets & liabilities
- d) Use of profits or surpluses  
investment
- e) Earnings of workers

Guidelines will only be officially finalized with the approval by the Governing Body at the ILO in 2019

[https://www.ilo.org/stat/Publications/WCMS\\_635966/lang--en/index.htm](https://www.ilo.org/stat/Publications/WCMS_635966/lang-en/index.htm)

# Philippine Practices in Developing Statistics on Cooperatives

**Chiara Carini**

**European Research Institute on  
Cooperative and Social Enterprises –  
Euricse**

**A project of ILO**



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Cooperatives have been an important economic actor for more than a century (Sibal, 2001). They are recognized as an important tool to empowering people and improving conditions of poverty and income inequality.

## Philippines



CDA (2017)  
reports of  
having 26,000+  
cooperatives  
with 10,400  
**million**  
members.

47.55 %

Reporting coops

Reporting	Membership (in Millions)	Employees (in Thousands)	Asset (in Billions)	Net Surplus (in Billions)
12,363	10.4	487.2	382.5	22.6

CDA (2017)

Type	Reporting
1 Advocacy	18
2 Agrarian Reform	816
3 Agriculture	142
4 Consumers	557
5 Cooperative Bank	23
6 Credit	1,568
7 Dairy	15
8 Education	3
9 Electric	13
Federation-Secondary	150
Federation-Tertiary	4
10 Fishermen	13
11 Health Service	28
12 Housing	48
13 Insurance-Secondary	4

Labor force	95
Insurance-Secondary	4
14 Labor Service	95
15 Marketing	350
16 Multipurpose	7,378
17 Producers	515
18 Service	273
19 Small Scale Mining	10
20 Transport	207
21 Union-Secondary	41
Union-Tertiary	1
22 Water Service	63
23 Workers	28
Total	12,363

Breakdown per  
type of coop

Philippines

# Membership

9.91%

19.13%

**104,918,090**

2017 Population

**54,363,844**

2016 Voting population

**12,363 reporting coops**



# Employment

## 487,200

CDA`2017



1.125 %

**PSA: labor  
force was  
reported at 43.3  
million**

**12,363 reporting coops**

<https://psa.gov.ph/tags/labor-force>

Lowest among the 35 countries surveyed in 2003.



Statistics on cooperatives are essential to quantify the impact of cooperatives on their members and the economy as a whole both in terms of employment and economic value added.

To reaffirm this, ILO passed a **Resolution** with a view to carry out pilot studies in a number of countries, including the Philippines to test various measurement approaches on collecting data on cooperatives.

The selection was derived from the results obtained with the global mapping initiative conducted by the ILO. The mapping, covering **69** countries, showed that around the world there are specific national cooperative models for which various types of data are provided, which in turn follow differing regulations and data collection methods.





For this reason, six countries were chosen to cover the realities of different areas of the world that differ as regards to the legal and institutional framework, the type of data



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## Why this work?

- No agreed uniform statistical definition of cooperatives
- Need for international comparability
- Need to better understand and advocate for the cooperative world with solid figures on the number of coops, workers, members, share of the GDP
- Need for a better recognition of the economic and social impacts of coops by governments and people, improved policies for a model proved valuable (resilient to crises, sources of employment and social welfare)
- cooperatives are often poorly represented in national statistics (ILO 2013b).

The case studies in six countries aims to build a common framework that synthesizes these countries practices and provide recommendations and proposals on the standard definition of cooperatives and standard classification of cooperatives



# Objectives

The research sought to answer these questions by providing a framework that included the following:

1. The Institutional and Legal Framework
2. The Conceptual Framework
3. The Data Collection Processes
4. The Available Statistics

# Methods

The study was conducted through desk research using statistics reports and interviews with key informants

# Sources of Data

	Methodological manual	Metadata webpage	online database	Statistics report
Brazil	x			x
Canada				x
Colombia				x
Philippines				x
Russian Federation	x	x		x
UK	x			x

# Research Focus and Scope

The aim of this study is to understand the data collection processes and the roles of the institutions involved (producers and/or providers), the data sources and definitions, question sets, classification schemes, and methods and the tools applied.

# Findings

# The Institutional and Legal Framework

The cooperative concept is emphasized in the Philippine Constitution, in which Section 15, Article XII, describes cooperatives as “instruments for equity, social justice, and economic development” (1987 Constitution of the Philippines). Cooperatives are regulated under Republic Act No. 9520 (“Philippine Cooperative Code of 2008”), which amends Republic Act No. 6938 (“Cooperative Code of the Philippines”), originally signed into law on March 10, 1990.



Art. 5, (RA 9520) assigns the responsibility for registering and regulating cooperatives to the Cooperative Development Authority (CDA), which is charged with supporting, developing, regulating, training, monitoring, and promoting cooperatives according to the procedures and specifications in Republic Act No. 6939, Section 3, “Powers, Functions, and Responsibilities.”

# 2. The Conceptual Framework



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## Overview of definitions Philippines

"ART. 3. RA 9520 General Concepts. - A cooperative is an **a**utonomous and duly registered association of persons, with a **c**ommon bond of interest, who have **v**oluntarily joined together to achieve their social, economic, and cultural needs and aspirations by making **e**quitable contributions to the capital required, **p**atronizing their products and services and **a**ccepting a fair share of the risks and benefits of the undertaking in accordance with **u**niversally accepted cooperative principles.

- Need of a statistical definition composed of:
  - Common-core criteria (criteria which tell without ambiguity to what extent a entity is a coop or not)
  - Additional (non-mandatory) criteria

The Code of 2008 classifies cooperatives by category and type. Regarding the classification by categories, Article 23 of the code says that the cooperatives are categorized into primary, secondary, or tertiary organizations based on the legal nature of the organization's membership (R.A. 9520, art. 23, § 24)

# 23 Coops



**RA 9520**

**CDA MC**

19 Types

Agriculture

Small Scale Mining

Labor Service

Practice of Professional

# Recommendations



1. Statistics should be released primarily for cooperative enterprises, incorporated in the form of a cooperative according to national legislation.

- Stat needed to craft program and projects;
- measure contribution to economy and development i.e. poverty reduction program (women, youth, children, farmers, fisherfolks, poor self employed, unpaid workers; migrant workers; unemployed members, etc.

2. The importance of including both a classification by economic activity - that guarantee the comparability of statistics at the national and international levels and with those of other forms of enterprise – and a classification based on the relationship between members and the cooperative.

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## Activity

Credit, consumers, producers, marketing, service, MPC, advocacy, CBs, education, electric, financial, workers, health, housing, insurance, agriculture, small scale mining, labor service,

## Membership

6

ARB, dairy, fishermen, transport, water service, practice of profession

3. For data collection, in-depth case studies using a combination of statistical registers and sample surveys seem to give the best results in terms of population coverage, robustness of the data collected and timely release of data.



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# Overview of Screening Methods

How are data on coops collected ?

- Administrative/Statistical registers
- Censuses
- Household surveys
- Establishment based surveys
- Cooperative surveys
- Some data are computed into satellite accounts (Spain, Belgium, Iran,...)

Providers of data at the national level

- Regional advisory or consultative bodies
- Cooperative organizations
- NSOs
- Quasi-governmental org
- Other government agencies

4. The process of developing statistics on cooperatives should be guided by the PSA, which guarantees scientific and methodological rigor and compliance with quality standards.

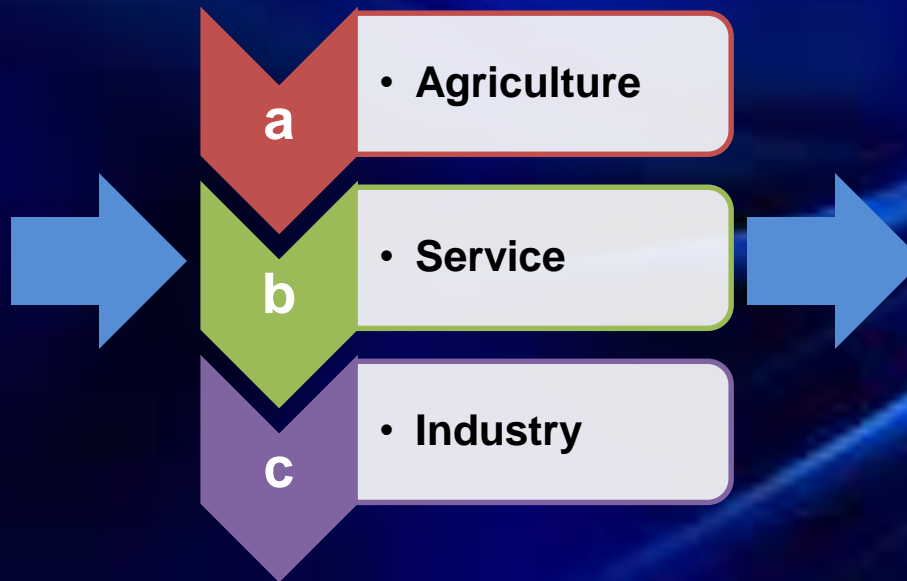


The background is a deep blue with several bright, glowing blue streaks that curve across the frame, creating a sense of motion and depth. The text is centered and rendered in a clean, white, sans-serif font.

Challen  
ges



23  
Types



Satellite  
Account on  
coops

## Guidelines – Future Work

Assessing the  
economic  
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- a) Employment
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# Overview of Boundary Issues

## Hybrid entities

### 1. **Parent organizations**

see: Typology of the World Coop Monitor

see: counting subsidiaries as a part of the « social perimeter » of coops (France)

**Parent Cooperative** - shall refer to a cooperative, which initiates the organizational of another cooperative called a subsidiary cooperative and provides technical, managerial, and financial assistance thereto (Philippines)



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# Overview of Boundary Issues

Cont. Hybrid entities

## 2. Similar but not registered as coops

- Mutual societies
- Self-help groups
- Social ventures

## 3. Isomorphization

- Forms other than coops but that partly operate like coops
- Coops that operate like companies
- ESOPs, LCAs, *Sociedad Laborales*,...



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## **Other Boundary Issues**

- False coops (v.s. social purpose status)
- Inactive coops (financial statements, census,...)
- Unregistered coops (but formally organized)

## **Other non-consensual issues (which do not belong to the common-core):**

- Limitation of transactions with non-members
- Autonomy of governance
- Limited voting rights to investor-members
- Prevention of distribution of reserves...



CDA- PSA meeting took place last September 11, 2017 at the Philippine Statistics Office (PSA) , 2/F PSA-TAM Bldg., East Avenue Quezon City

- The Role of PSA is focus on coordination, generation and compilation of data
- CDA to start with data from active cooperatives with the 7.6 Million membership, it would be better if CDA can come up with sectoral statistics. i.e how many of the membership are indigenous people, person with disability, senior citizen and members of 4Ps
- To link with Department of Information and Communications Technology (DICT) for the interoperability of data or improvement of CDA system on membership

Finally, the **agreements** arising from the first meeting:

To create a Task Force on the enhancement of cooperative registry

- Follow up exploratory meeting with CDA, National Economic Development Authority (NEDA) and PSA to be participated in by decision makers and technical staff.
- CDA will present the Conceptual Framework for the Purpose of Measurement of Cooperatives and its Operationalization
- CDA will present available data
- Request NEDA to assess as to where CDA will come in on the Philippine Medium Term Development Plan of 80+ core indicators
- Discuss what data to be generated and sources of data
- CDA will act as secretariat and will invite Dir Reynaldo R. Cancio National Policy and Planning Staff, NEDA

# PSA CDA TWG



2018



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2017





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Canada, Iran, Italy, USA, France,



**TWG Meeting April 2018**





(From left) Mr Theodoor Sparreboom, ILO STATISTICS; Professor Marie J. Bouchard, Chair of COPAC Technical Working Group on Statistics of Cooperatives and President of the CIRIEC International Scientific Commission on Social and Cooperative Economy; Mr Hyungsik Eum, member of COPAC TWG on Statistics of Cooperatives and Strategy and Statistics Coordinator at the International Cooperative Alliance (ICA); Ms Andrea Davila, ILO COOP

- With your commitment, support, involvement and cooperation, WE would like to transform cooperatives to a new level – the acknowledged organization in economic, social and environmental sustainability
- The preferred business model of people
- And the fastest form of enterprise.

Q&A