Let’s stop ”belling the cat”

Hyungsik Eum
Strategy and statistics coordinator
International Co-operative Alliance

V Cooperative Summit of the Américas - Buenos Aires - October 23-26, 2018
Belling the cat
Motivations
– Why do coops cooperate across borders?

• Entrepreneurial reason
• Institutional reason
• Ethical reason
Motivations
– Why do coops cooperate across borders?

• Entrepreneurial reason
  – Internationalisation of business of a coop
    • Subsidiary + Cooperate with local coops
  – Transnationalisation of coops
    • Bottom-up – creation of transnational coops or common subsidiaires by existing coops
    • Top-down – creation of transnational coops from scratch / cooperativisation of multinational coops’ subsidiaries
  • Among coops in the same sectors for scaling up their business
Motivations
– Why do coops cooperate across borders?

• Institutional reason
  – Among federations and non-business units for strengthening institutional cooperations, such as exchanges, education, training, lobbying for regional authorities etc.
Motivations
- Why do coops cooperate across borders?

- Ethical reason
  - Development perspective
    - Empowerment of coops in developing countries
    - Networking between coops in the North and in the South
  - CSR: Support coops in developing countries
  - Fair trade

=> Still anecdotal
Lessons from experiences

• ICA-AP Malaysia Business Office
  – Initiative supported by 4 ICA members (JP, CH, KR and MA) from consumer and agriculture sectors
  – Objective - Facilitation of CtoC businesses among AP members
  – Difficulties in realizing CtoC business except training programs
    • No information on possible trade items – who should make this information?
    • Mismatch of different level of requested quality

V Cooperative Summit of the Américas - Buenos Aires - October 23-26, 2018
Lessons from experiences

• **Coopspace - CICOPA**
  – Idea of “Coop business facebook”
  – Difficulties in realizing CtoC business
    • Difficult to initiate and to reach critical mass – “Belling the cat”
    • Who will invest time and energy for uncertain space?
    • Why should coops come to this space for finding their business partners instead of finding their surroundings?
    • What is the business model of the space?
    • Language barrier
Some premature ideas

• Different roles for different actors
  – Creation of “spaces” – institutional actors based on political legitimacy
  – Facilitation of “spaces” – cooperative entrepreneurial actors motivated by entrepreneurship

⇒ How can we find legitimate entrepreneurial actors? Should institutional actors be “gatekeepers”? How? (e.g. Data request of a German entrepreneurs for identifying coops in garment industry)
Some premature ideas

- “Cooperative” – ethical label?
  - Do coops have to behave like ethical purchasers?
  - Are all coops ethical producers?
  - Is CtoC itself enough for guaranteeing ethical legitimacy? If not, what do we need further? – Alliance with fair trade movement + new ethical certification for coops?
  - How can we make CtoC as ”commodity” rather than special and costly project?
Let’s challenge challenges!

• Everybody know (in theory) why we have to do CtoC.
• No dramatic answer!
• Various experimentations at all levels – trial and errors
• Need to learn from experiences
Thank you for your attention!

Hyungsik Eum

eum@ica.coop