

Statement on the Co-operative Identity

The Statement on Co-operative Identity was adopted at the 1995 General Assembly of the International Co-operative Alliance (ICA), held in Manchester on the occasion of the Alliance's Centenary. The Statement was the product of a lengthy process of consultation involving thousands of co-operatives around the world.

Definition:

A Co-operative is an autonomous association of persons united voluntarily to meet their common economic, social and cultural needs and aspirations through a jointly owned and democratically controlled enterprise.

Values:

Co-operatives are based on the values of self-help, self-responsibility, democracy, equality, equity and solidarity. In tradition of their founders, co-operative members believe in the ethical values of honesty, openness, social responsibility and caring for others.

Principles:

The co-operative principles are guidelines by which co-operatives put their values into practice.

- 1. Voluntary and Open Membership:** Co-operatives are voluntary organizations, open to all persons able to use their services and willing to accept the responsibilities of membership, without gender, social, racial, political or religious discrimination.
- 2. Democratic Member Control:** Co-operatives are democratic organizations controlled by their members, who actively participate in setting their policies and making decisions. Men and women serving as elected representatives are accountable to the membership. In primary co-operatives, members have equal voting rights (one member, one vote), and co-operatives at other levels are also organized in a democratic manner.
- 3. Member Economic Participation:** Members contribute equitably to and democratically control the capital of their co-operative. At least part of that capital is usually the common property of the co-operative. Members usually receive limited compensation, if any, on capital subscribed as a condition of membership. Members allocate surpluses for any of the following purposes: a) Developing their co-operative, possibly by setting up reserves, part of which at least would be indivisible. b) Benefiting members in proportion to their transactions with the co-operative. c) Supporting other activities approved by the membership.
- 4. Autonomy and Independence:** Co-operatives are autonomous, self-help organizations controlled by their members. If they enter into agreements with other organizations, including governments, or raise capital from external sources, they do so on terms that ensure democratic control by their members and maintain the co-operative identity.
- 5. Education, Training and Information:** Co-operatives provide education and training for their members, elected representatives, managers and employees so that they can contribute effectively to the development of their co-operatives. They inform the general public- particularly young people and opinion leaders- about the nature and benefits of co-operation.
- 6. Co-operation Among Co-operatives:** Co-operatives serve their members most effectively and strengthen the co-operative movement by working together through local, national, regional and international structures.
- 7. Concern for Community:** Co-operatives work for the sustainable development of their communities through policies approved by their members.

