



25 November 2011

**Report to members from the President of ICA Housing on proceedings at the ICA General Assembly in Cancun, including proceedings at the ICA Housing Plenary meeting held during the General Assembly**

I am pleased to report to members the proceedings at the ICA's biennial General Assembly in Cancun, Mexico, and the proceedings at the ICA Housing Plenary meeting held during the General Assembly.

The General Assembly had the biggest number of delegates attending a General Assembly in the history of the ICA. You will be aware that 2012 is an auspicious year because it has been declared by the United Nations to be the International Year of Co-operatives. The UN logo for the international year is at the top of this report. The logo and strap-line "**Co-operative enterprises build a better world**" is emblematic of the message the UN wishes to convey to the global community. The aim of the ICA during the international year is to raise public awareness of the scope and nature of co-operative business enterprises. It is a unique opportunity, at a time of global disaffection with the capitalist, investor owned model of business enterprise to show the world how successful co-operatives are and particularly how resilient and sustainable they are at a time of global financial and economic crisis. This was shown by some of the key statistics about co-operatives that were reported at the General Assembly:

- Globally:
  - Over 900 million individual members worldwide are members of cooperatives affiliated to the ICA
  - The largest 300 cooperatives – the Global 300 – turnover US\$ 1.6 trillion – a turnover equal to the world's 9<sup>th</sup> largest economy (Spain) and that is just our top 300!
  - Cooperatives provide more than 100 million jobs worldwide
  - Financial cooperatives serve over 857 million people - 13% of the world's population
  - If you include members, employees and their dependents, according to the United Nations, over half the world's population depends on co-operative enterprise of one type or another to improve their basic standard of living
- In Europe:
  - 160,000 co-operative enterprises
  - 123 million members
  - 5.4 million Jobs
  - € 300 billion turnover
- A report by Johnston Birchall, Professor of Social Policy in the Department of Applied Social Science at Stirling University, Scotland and Lou Hammond Kettilson, Director of the Centre for Co-operative Studies the University of Saskatchewan, Canada, commissioned by the International Labour Organisation for ILO entitled "Resilience of the Co-operatives business model in times of economic crisis" has shown that Co-operatives of all types, including Co-operative banks and credit unions have been much more resilient in the face of the global economic crisis than the investor capital owned model of business.
- Housing co-operatives represent:
  - **In Turkey:** 25% of the total housing stock with 1,408,603 units
  - **In Sweden:** 18% of the total housing stock with 750,000 units (that would be 5 million homes in UK)

- **In Norway:** 15% of the total housing stock with 320,000 units
- **In Germany:** 10% of the total rental housing stock with 2,200,000 units
- **In Austria:** 8% of the total housing stock with 334,000 units
- **In Portugal:** 1/3 of the social housing portfolio with 180,000 units
- **In Egypt:** 2.2 million housing co-op homes housing – approx 10% of population
- **But less than 0.6%** of housing in the UK.

### **The UN International Year of Co-operatives 2012 (IYC 2012)**

The United Nations has declared 2012 to be the International Year of Co-operatives and ICA's General Assembly marked the launch of the year for the global co-operative movement following the formal launch at the UN on 31<sup>st</sup> October. The UN slogan for the year is **"Co-operative Enterprises Build a Better World"**. This International Year represents a once in a lifetime opportunity to raise the profile of co-operatives as a distinct and highly successful form of business enterprise.

The UN International Year of Co-operatives 2012 (IYC 2012) will be celebrated and marked in countries all over the world in many different ways. While it is an opportunity for co-operatives to organise events for members to celebrate their resilience and the fact that, globally, co-operatives as a form of democratic, people centred, business enterprise are highly successful. The major thrust of activities during IYC 2012 will be directed outwards to raise awareness among politicians, opinion formers and the general public of the existence, nature, extent, success and economic importance of co-operatives. I would encourage all ICA Housing members and their member co-operatives to grasp the opportunity presented by IYC 2012 to find ways to deliver the central message of IYC 2012 **"Co-operatives Enterprises Build a Better World"** to their members and the general public in their neighbourhood.

ICA Housing has five specific global projects that it has agreed as its contribution to IYC 2012. They are:

- ❖ Sustainable use of timber and other forest products from certified forestry management sources
- ❖ The Governance Project for sound co-op housing governance
- ❖ The Global IYC Co-op Housing Banner
- ❖ A joint publication with CECODHAS – Housing Europe of ICA Housing 'In-country' co-op housing profiles
- ❖ Co-op housing development conference – probably South Africa

A brief description of each of these five IYC 2012 ICA Housing projects are as follows:

- **Commitment by all ICA Housing members only to use timber and other forest products from sustainable and certified forest management sources:**

This project came out of the ICA Housing symposium on housing co-operative responses to the climate change challenge held in London in October 2010. At the symposium representatives from The Borneo Initiative, a community owned sustainable forestry management project in Borneo and the Forest Stewardship Council, a global body, which certifies sustainable forestry management, challenged housing co-operatives around the world to make a commitment only to use timber and other forest products from sustainable forest management programmes certified as such by the FSC or by PEFC (the Programme for the Endorsement of Forest Certification International), another international certification scheme. The FSC also challenged ICA Housing to put forward a resolution to the General Assembly of the ICA that has just finished in Cancun to urge the whole worldwide co-operative movement also to ask its members to commit only to use timber and other forest products from sustainable sources.

ICA Housing agreed to accept this challenge and a resolution to that effect was approved at the General Assembly by a majority of 89% with only 30 votes against, the biggest majority on any resolution. The

passing of this resolution links IYC 2012 with the past two UN International Years: 2011 the International Year of Forests and 2010 the International Year of Biodiversity. If implemented by co-operatives around the world this commitment will reduce deforestation and help combat climate change.

The resolution is not about using less timber, it actually about using more timber in housing construction and maintenance because trees are a carbon sink. Trees absorb CO<sub>2</sub> from the atmosphere as they grow during daylight hours and emit oxygen, but the global balance is precarious and there is a significant loss of forest cover every year because of illegal logging and unsustainable exploitation of forest resources. To avoid deforestation timber must be harvested in a sustainable way that maintains rather than destroys the world's forests. Timber frame housing construction also has 40% lower carbon emissions during construction than alternative brick and concrete construction technologies, but timber must be sustainably sourced.

The feedback from some of those voting against, who we understand were mainly from Latin American Countries, was because in some countries small community owned forest management schemes consider that the cost of achieving FSC certification is too high or beyond their capacity. ICA Housing will be asking the FSC and PEFC to consider offering such small community owned forestry schemes a viable route to certification.

Of course, passing a resolution is one thing, ensuring that it is implemented is another. ICA Housing is providing the lead, by ensuring that the use of timber and other forest products from certified sustainable forest management schemes is embraced by housing co-operatives around the world. ICA Housing is making it easy for members to specify sustainable timber in all maintenance and construction projects by providing sample specification clauses to be inserted into building contracts, which will soon be available on ICA Housing's website at [www.icahousing.coop](http://www.icahousing.coop). However it is up to national apex co-operative housing organisations, like CCH, to make their members aware of what is now global ICA policy and up to individual housing co-operatives to commit to complying with it. The full resolution is on the ICA Housing website.

I will write to all apex housing co-operative member organisations in every ICA member country making them aware of this policy resolution and encouraging them to ask their members to sign-up to it and implement it in practice.

**I therefore respectfully formally to request all national apex co-operative housing organisations and their members to endorse and implement the policy of the ICA by encouraging all member housing co-operatives formally to commit in their housing construction and maintenance projects and in their other work only to use timber and other forest products that are from sustainably managed forests, certified as such by the Forest Stewardship Council, the Programme for Forest Certification International or similar internationally recognised certification scheme that certifies every stage of the supply chain. I also ask that apex and regional co-operative housing organisations and secondary organisations that provide services to housing co-operatives to inform their member co-operatives of this resolution and ask them formally to commit to comply with it by inserting the requirement only to use timber and other forest products from sustainable forest management sources certified as such by FSC or PEFC in their housing construction and repair projects.**

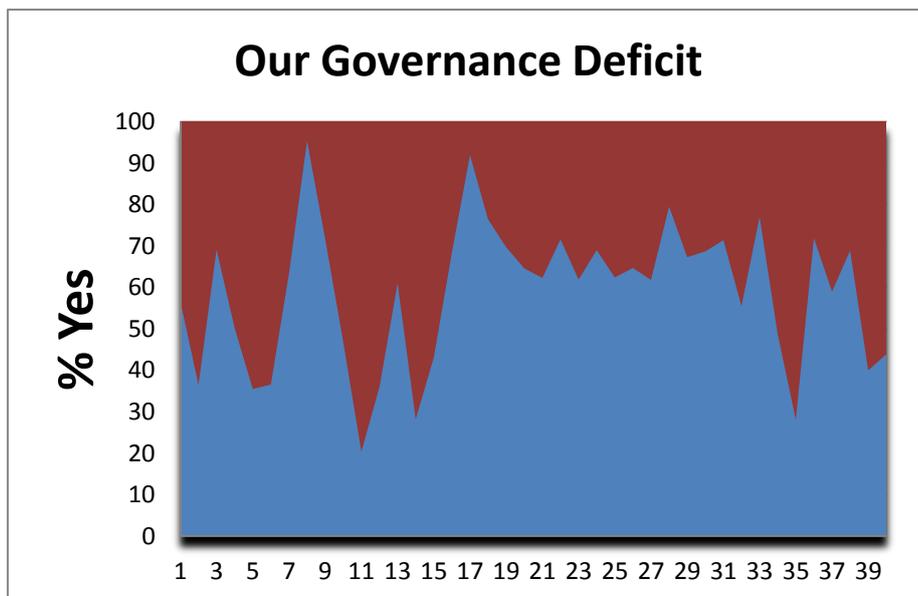
Deforestation is a major global environmental treat and it is important that this resolution is implemented. I therefore also request that, at least annually all ICA Housing members report to us progress in securing your members agreement to comply with this now global ICA policy on the use of sustainable timber and other forest products from certified sustainable forest management schemes.

Using timber and other forest products from sustainably managed sources, certified as such by the Forest Stewardship Council (FSC) or the Programme for the Endorsement of Forest Certification International, ensures that, by independent third party certification throughout the entire forest supply

chain, timber and other forest products are produced with respect for the highest ecological, social, ethical and environmentally sustainable standards.

- **The Governance Project for sound co-op housing governance**

Like their 20:20 Vision project for governance and management accreditation, this too is an initiative that started with CHF Canada, the national apex organisation for housing co-operatives in Canada. In recognition that some member co-operatives may not wish go through the full accreditation process, it is CHF Canada's view that all co-operatives should be encouraged to at least test themselves regularly against a code of sound governance standards, which CHF Canada has dubbed the 'good governance test'. This has been designed by CHF Canada to result in a governance chart which illustrates compliance with the objective standard governance code. CHF Canada is encouraging its member co-ops to publish and make available to members and the communities they serve their governance test results and their plan of action to address any governance deficits identified. This dovetails and complements the more extensive accreditation programme in that the identification of governance deficits may lead to a member co-op deciding to become fully accredited. It will also provide a simply process for well governed co-operatives to evidence that they are well governed. A copy of how a sample governance deficit chart looks against key governance standards is shown below: (blue indicates compliance and red non-compliance with a code the individual standards of which are indicated by the numbers along the horizontal axis).



ICA Housing has decided to commend this approach to all members around the world. It is particularly important in new and emerging democracies like Egypt and the former Soviet States. ICA Housing recognises that there need to be three elements to the IYC 2012 Good Governance Project. They are:

1. A Governance Code and Best Practice Guidance
2. Training for Governance (where the initiative dovetails with the CCH/TSA co-regulation accreditation process and accreditation training and certification)
3. The Good Governance Test and results publication

In order to turn this from a national to an international initiative there needs to be work done to produce a governance code and best practice which can form an internationally agreed standard code but which permits adaptation to meet particular national requirements without diluting its core 'good governance' standards.

Nick Gazzard, the director of the Co-operative Housing Federation of Canada and Vice President of ICA Housing has been appointed by ICA Housing's Board to lead on this initiative, an appointment that was

endorsed by ICA Housing members' plenary meeting in at the General Assembly in Cancun. He will lead a 'task and finish' project with a core group of ICA Housing Board members which includes representatives from Egypt, Turkey, Poland and Pakistan, but which other national member apex organisations can also elect to participate in if they wish to contribute to the project.

- **The Global ICA Housing banner:**

This project is specifically designed to get the core IYC 2012 message across to the general public that "Co-operative enterprises build a better world". Housing co-operatives around the world have many buildings at the heart of the communities they serve. They are therefore uniquely well placed to get this core message across by proclaiming it on their buildings.

ICA Housing has therefore decided to encourage members of our member co-ops to hang banners proclaiming the key IYC 2012 message on their co-op housing buildings. As soon as possible, but certainly by the beginning of 2012, there will be two standard banner designs available on ICA Housing's website with open source copyright which housing co-ops can use. In the UK the aim is also to have a banner maker who will add individual housing co-op names to the banner and make banners (of varying sizes) for an set price. Canada and other countries are doing the same (including we hope, Egypt whose housing co-op representatives recognise that their new democracy needs rooting and reinforcing in their emerging democratic society). Copies of the type of banner design while will need refinement for a global campaign (in two styles – one for tall buildings and one for long terraced housing) are shown below:



I therefore formally request that:

**All ICA Housing members to endorse this global ICA Housing IYC 2012 banner campaign and encourages their member co-operatives to participate in it.**

- **Publication of Country Housing Co-operative profiles jointly with CECODHAS Housing Europe**

Over the past few years, ICA Housing has worked with member apex organisations in each member country to produce profiles of co-op housing systems in each country, including details of statistics, history, legislation and administrative arrangements under which housing co-operatives operate in each country. These country profiles are available on ICA Housing's website at [www.icahousing.coop](http://www.icahousing.coop).

While they are a very useful source of information and are frequently referred to in visits to our website, they are not as consistent in form, content and structure as is desirable for easy reference and for easily comparing one country's co-op housing system with another. In partnership with the Co-operative Section of CECODHAS Housing Europe, the representative body for social housing providers in the European Union, ICA Housing has agreed to work with CECODHAS to update the country profiles, improve and standardise their format and publish them as a global information project during IYC 2012.

The publication event is likely to be held in the European Parliament during European Co-operatives' Week in Brussels during the week commencing 23 April 2012. ICA Housing's next global Board meeting and symposium will also be held during that week. ICA Housing members may wish to nominate a representative or a number of representatives to attend the publication launch, the ICA Housing Board meeting (under our rules, this must be as an observer but observers are normally granted speaking rights if they wish to contribute to debate) and the attend the ICA Housing Symposium.

- **Co-op housing development conference – probably South Africa**

ICA Housing is aware that much of our activity, inevitably, centres on developed countries where there are established co-operative housing systems. There is therefore a desire, particularly during 2012 to respond to interest in housing co-operatives in the emerging economies and the developing world by holding an ICA Housing conference or symposium in the southern hemisphere that is designed for and accessible to emerging co-operatives in the developing world and focuses on the issues that are relevant to their developing co-operative housing systems.

Planning for this conference, which will be held in September 2012 is at an early stage. It too will be finalised at the next ICA Housing Board meeting in Brussels. If viable, it will probably be held in South Africa where support from national and state governments may be forthcoming.

**Other resolutions passed at the ICA General Assembly (and one significant one which the UK delegation and ICA Housing successfully managed to refer back for further consideration to the Global Board of the ICA)**

In addition to the usual business of election of board members to the global ICA Board (two new Board members being elected from Poland and Iran, the first time a representative from the large Iranian Co-operative Movement has been elected to the Board, which raises some challenging issues) and administrative matters such as approval of accounts and amendments to the statutes of the four ICA regions to bring them into line with ICA statutes agreed at a previous general assembly, a number of other resolutions were considered and approved at the General Assembly. These were as follows:

- A resolution to open a consultative process on a new strategic plan for the ICA and the human and financial resources needed to deliver it and that it be discussed at an Extraordinary General Assembly held to coincide with the conference and Co-op Expo that will be held in Manchester to close IYC 2012 in October 2012.
- A resolution on the promotion of peace and social cohesion encouraging co-operatives around the world to further their peace-building activities and resolving to commit the ICA to develop a Co-operative Institute for the Promotion of Peace and Social Cohesion within three years.
- A resolution permitting admission into full membership of the ICA, after careful examination on a case by case basis following consultation with regional offices of the ICA and relevant apex or national co-operatives member, those mutual organisations that operate their business enterprises in conformity with the Co-operative Principles and Values.

- An excellent and well received resolution proposed by ICA America's region, the host region for the General Assembly, **declaring Rochdale England to be the World Capital of Co-operatives.**

The resolution in respect of which the UK Co-operatives's delegation proposed a procedural motion to refer it back to the Global Board of the ICA for further consideration, a procedural motion that was seconded by me as a member of that delegation and in my capacity as ICA Housing President, was a resolution from the ICA Americas region to amend the 7<sup>th</sup> Co-operative Principle to include specific reference to environmental sustainability. The UK delegation and I objected to this and asked for a referral back for three reasons:

1. The first time we had heard about this proposal was when we had received the agenda for the General Assembly, which was one month in advance of the meeting. ICA Housing had not had time to consult members. The Co-operative Principles have only been revised three times in the last 100 years after extensive global consultation. Last time, in 1995, this was after eight years of extensive consultation. Whilst it may now be desirable to have a specific commitment to environmental sustainability in the Co-operative Principles amending them by simple resolution without consultation with the global membership of the ICA is not the right process.
2. The Co-operative Principles already encompass a commitment to environmental sustainability. This is clearly shown in the background to their agreement in 1995 and the guidance issued at the time by the ICA which clearly includes concern for environmental sustainability in the meaning and content of the 7<sup>th</sup> Co-operative Principle 'Concern for Community'.
3. Thirdly and most significantly, the ICA Statement of Co-operative Identity and Values, which includes the Seven Co-operative Principles as agreed by the ICA General Assembly in 1995 are referred to in the key international policy guidance to member states from the International Labour Organisation, ILO Resolution 193 and woven into the fabric of Co-operative legislation in many countries in the world. They are referred to in the registered rules of many housing co-operatives and contracts they enter into. Whilst the Co-operative Principles are not writ in stone, the fact that they are woven into legislation and legal documents emphasises the need for a special process for amending the Co-operative Principles, which process should include giving time to consult global bodies like the UN, the World Bank and the ILO and time for national apex organisations time to consult their members and to consult governments that have the Co-operative Principles and Values written into national legislation.

The debate was significant and passionate, particularly from Latin American countries which put the resolution forward. The summary of the debate by ICA's Global President, Pauline Green was masterful in pointing out, rightly, that our concern was a concern over process not an opposition to the substance of the ICA America's proposal. The procedural motion to refer the motion back to the Board for report to the next Extraordinary General Assembly in Manchester in 2012 was passed with a majority of over 60%.

### **Other matters considered at the Plenary members' meeting of ICA Housing**

I reported on ICA Housing's governance and activity during the two years since my election at the General Assembly in 2009.

Two new Board members were elected to the Board of ICA Housing. The Board now consists of the following members:

- David Rodgers, CCH/CDS Co-operatives, UK, **President**
- Nicholas Gazzard, CHF Canada, **Vice-President**
- Alexandra Wilson, CHF Canada, **Treasurer**
- Herbert Ludl, GBV, Austria
- Luciano Caffini, LegaCo-op, Italy
- Anders Largo, HSB Riksförfund, Sweden,
- Mehmet Aksoy, TURKKENT, Turkey

- Muhammad Sharif Bhajji, Karachi Co-operative Housing Societies Union, Pakistan
- Errum Bhajji, Karachi Co-operative Housing Societies Union, Pakistan
- Tor Ekk, Co-operative Housing Federation of Norway (NBBL), Norway
- Tomasz Jordeczka, ZRSMRP, Poland
- Vit Vanicek, SCMBD, Czech and Moravian Co-operative Housing Union, Czech Republic

I also reported on activities of ICA Housing during the past two years which included:

#### **Staffing:**

- Part-time staff member paid by funds from ICA Housing budget and special contribution from CHF Canada:
  - ❖ Sylvie Moreau, consultant (3 days per week working in Quebec Canada)
- Secretariat support: direct costs paid by funds from ICA Housing budget, time cost funded by CDS Co-operatives
  - ❖ Jane Cameron, secretariat, conference organiser and web manager.

#### **Membership**

- 21 members from the 4 ICA regions
- New members since last 2009 Plenary:
  - ❖ Federation of Cooperative Housing Egypt
  - ❖ Cooperative House-Building and Finance Corporation from India
  - ❖ National Co-operative Housing Union from Kenya
- Joint Geneva/ Sectoral Organisation membership recruitment strategy adopted in 2011
- Potential members for ICA Housing:
  - ❖ All ICA members interested in housing and wishing to participate:
  - ❖ Non affiliated organisations (housing organisations and developers):
  - ❖ 66 currently identified: Africa: 5 – Americas: 20 – Asia Pacific: 19 – Europe: 22

#### **Governance**

- Board meetings:
  - ❖ 4 face-to face meetings and 2 online meetings using Skype technology
  - ❖ Held in conjunction with other events to facilitate networking and sharing of knowledge
  - ❖ Open meetings: always several guests and members attending
- **Administration:**
  - ❖ Change of Secretariat from Washington to London
  - ❖ Active participation in ICA Sector Organisation discussions
  - ❖ Active representation of ICA Housing interests to Geneva
  - ❖ Ongoing financial and membership administration and recruitment with Geneva

#### **Communication:**

- Website / Facebook / Twitter
  - ❖ Ongoing updating and maintenance of ICA Housing website
  - ❖ Regular increase in website traffic
  - ❖ Registration on Facebook and Twitter
- E-bulletin
  - ❖ Design a new electronic bulletin
  - ❖ Publication of 3 issues: Summer and Winter 2010 / Spring 2011
  - ❖ Sent to more than 100 contacts
  - ❖ Available to all on-line at [www.icahousing.coop](http://www.icahousing.coop)

#### **Being a centre of expertise and advice to members:**

- **Assistance to members:**
  - ❖ **Poland** : Support our Polish members by writing letters to the President of the Republic of Poland, the Polish Prime Minister, and the Marshal of the Sejm to express concerns and reservations about the impact on co-operatives of two draft Bills. Letters were co-signed by the president of CECODHAS Housing Europe
  - ❖ **Turkey**: Support our Turkish member in the rebuilding of constructive relationships between Turkish Housing Authorities and Turkish housing movement by participating in a Round Table attended by 20 people.

- ❖ **Israel:** advice and evidence about operation of co-operative legislation
- ❖ **Europe:** liaison and co-operation with European members in CECODHAS
- ❖ **Pakistan:** initiated discussions on prospects for development of co-operative college
- ❖ **Australia:** links with credit union sector MECU
- **Requests for information**
  - ❖ Answered numerous requests for information via our website. Requests are from individuals as well as organisations; usually relate to information about the development of housing co-operatives; come from many countries
  - ❖ Provided in-depth assistance to a French organization developing a new model for housing co-operatives in France

### **Organising Symposia**

- As recommended by the members at the last Plenary in Geneva 2009, the ICA Housing Board made it a priority to organise networking and knowledge sharing events. Two Symposia have been organised and both were a great success, attracting attendance by international housing experts, knowledgeable academics and co-operative housing practitioners.
- **London 2010 Symposium:**
  - ❖ Day 1: Financing for Housing Co-operatives: The Challenges in the aftermath of the global financial crisis:
    - ❖ 10 speakers / 70 participants
  - ❖ Day 2: Cooperative responses to the climate change challenge
    - ❖ 8 speakers / 60 participants
- **Istanbul 2011 Symposium in collaboration with TURKKENT**
  - ❖ Co-operative and Community-led Regeneration Partnerships
    - ❖ 11 speakers / 70 participants
- **Seminar on use of sustainable timber in construction in Cancun**

Full details of this report to the Plenary session are in a copy of the PowerPoint Presentation on ICA Housing's website.

I trust that you will find this report helpful to you and useful in helping to keep your members informed and to see the benefits which come from participating in the International Co-operative Alliance as members of ICA Housing. I also hope that you encourage other national and regional federations of housing co-operatives (and individual co-operatives where there are no federal organisations) to become active members of ICA Housing.

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