Cooperatives and Sustainable Development Goals: The Asian Experience with Lessons to African Cooperatives

By

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Sustainable Development Goals: An Introduction

The Sustainable Development Goals (SDGs) are a set of 17 global objectives adopted by 193 United Nations member countries on September 25, 2015, to be implemented starting January 1, 2016, with a target completion date of 2030. These universal goals aim to address social, economic, and environmental challenges, ultimately creating an inclusive, sustainable, and equitable world. The SDGs build upon the Millennium Development Goals (MDGs), which focused primarily on developing countries and consisted of only eight goals. In contrast, the SDGs encompass 17 goals, 169 targets, and 248 indicators, reflecting a broader scope and a commitment to "Leave No One Behind."

The origins of the SDGs trace back to key milestones in environmental awareness, starting with the 1972 "Limits to Growth" report by the Club of Rome, which emphasized the finite nature of Earth's resources. This was followed by the Bruntland Commission's 1987 report, "Our Common Future," which called for sustainable development as a holistic approach. The 1992 Rio Earth Summit established a global framework for addressing climate change, and the subsequent formation of the MDGs in 2000 aimed to provide a development strategy for the 21st century. The Rio+20 Conference in 2012 marked a pivotal moment, leading to the decision to create the SDGs as a successor to the MDGs.

The SDGs are structured around five key themes: People, Planet, Prosperity, Peace, and Partnerships, promoting a balanced approach to economic, social, and environmental issues. They encourage all countries to transition from a business-as-usual mindset to proactive strategies that foster collaboration and shared responsibility. By emphasizing local resources and innovative financial models, the SDGs aim to mobilize collective action toward sustainable development, ensuring that progress is made equitably across the globe. Figure 1 presents SDGs and its interaction with sustainable development.

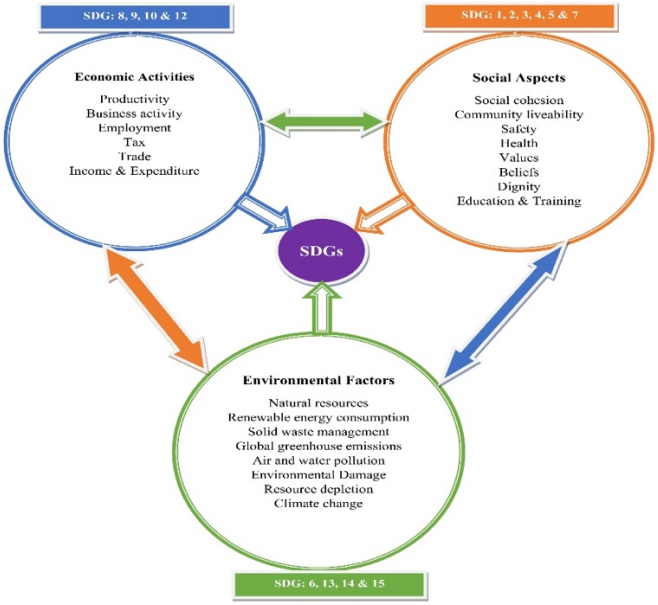

Figure 1: SDGs and sustainable development.

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To achieve the Sustainable Development Goals (SDGs), the United Nations Organisation (UNO) has recognized cooperatives as integral players within the private sector, which includes NGOs, community-based Organisations (CBOs), private enterprises, associations, and collectives. Cooperatives are essential in advancing the SDG agenda due to their ability to foster economic resilience, create jobs, and promote social inclusion. The 2030 Agenda for Sustainable Development underscores the potential of cooperatives to drive sustainable development. They represent a proven institutional model that effectively supports members in achieving both economic and social objectives, prioritizing people and purpose over mere products and profits.

Cooperatives have a long history and wide reach, impacting various aspects of human life while addressing the needs of disadvantaged populations. They are recognized as an important sector for achieving the SDGs, characterized by their participative, democratic, economic, and socially progressive nature, with transparency ensured through public audits. With over 1 billion members globally—representing 12% of the world's population cooperatives employ or create work opportunities for approximately 280 million people. The top 300 cooperatives generate a combined turnover exceeding $2.4 trillion. Both the International Cooperative Alliance (ICA) and the International Labour Organisation (ILO) emphasize the critical role that cooperatives can play in realizing the SDGs, noting a clear alignment between cooperative values and the goals themselves. For over 160 years, cooperatives have been vital to many economies, particularly in rural areas, by ensuring income, job security, and supporting community initiatives such as schools and social Organisations.

Global Key Initiatives for Cooperatives

Global Organisations such as the International Cooperative Alliance (ICA), the International Labour Organisation (ILO), the United Nations Organisation (UNO), and the Food and Agriculture Organisation (FAO) have undertaken various proactive measures to promote cooperative ideologies in the international arena. These initiatives aim to enhance the vibrancy of cooperatives and their contributions to achieving the Sustainable Development Goals (SDGs). One notable event is the International Day of Cooperatives, celebrated since 1923 and recognized as the International Cooperative Day from 1995 onward. Every year on the first Saturday of July, this day highlights the significance of cooperatives, showcasing their success stories and raising public awareness. The theme for the 102nd International Cooperative Day on July 6, 2024, was "Cooperatives Make a Better Future for All," emphasizing the unifying power of cooperatives across millions of lives.

The United Nations has provided guidance on the principles of cooperative enterprises through its Guidance Notes, which detail their practical application to foster understanding and adoption among the global population. In 2002, the ILO adopted Resolution 193, promoting the strengthening of cooperatives by advocating for supportive public policies and enhancing awareness of their economic and social roles. This resolution emphasizes the critical relationship between workers and Organisations in achieving the SDGs. Additionally, the World Cooperative Monitor (WCM), established in 2011, serves as a unique annual research report that captures quantitative data on the cooperative movement worldwide, illustrating its economic, Organisational, and social contributions. This initiative continues to develop a multi-dimensional database that highlights the socio-economic impacts of cooperatives both globally and within specific regions.

Recognizing the cultural significance of cooperatives, UNESCO added them to the list of intangible cultural heritage of humanity in 2016. The German government underscored that cooperatives facilitate community-building practices by identifying and recognizing shared interests. Furthermore, the G20 India Presidency Declaration in 2023 acknowledged cooperatives as vital in preserving cultural diversity and promoting sustainable development. In April 2023, the UN adopted a resolution aimed at promoting the Social and Solidarity Economy for sustainable development, proposing measures to support cooperatives and micro, small, and medium enterprises (MSMEs). Looking ahead, the UN has declared 2025 as the International Year of Cooperatives, reiterating the theme "Cooperatives Build a Better World" to showcase the enduring impact of cooperatives globally. The Coopsfor2030 platform further enhances visibility for cooperatives, aligning their goals with the SDGs and facilitating Voluntary National Reviews (VNR) to report on SDG implementation.

Cooperatives and SDGs: Major Contributions

Cooperatives have emerged as vital instruments for enhancing sustainable development, particularly in Asia, with India serving as a prominent example. The cooperative model fosters economic growth, social equity, and environmental sustainability by empowering communities and promoting self-reliance. In India, the cooperative sector is responsible for providing 13.3% of total employment, and cooperatives account for about 10% of global employment. The agricultural credit cooperative system has distributed approximately 20% of the total agricultural credit requirements, facilitating access to funds for farmers and supporting their ventures in retail, small and medium enterprises, and agricultural endeavors. This financial inclusion model not only strengthens local economies but also contributes to food security and sustainable agricultural practices.

One of the most ambitious initiatives in India is the establishment of the world's largest grain storage programme. This programme includes the construction of warehouses, custom hiring centers, processing units, and fair price shops, all designed to enhance market linkages and support farmers. For instance, the Public Distribution System (PDS) operates through 5.38 lakh fair price shops (FPS) that cater to food security needs for individuals living below the poverty line. Such cooperative frameworks ensure that essential goods are accessible to marginalized populations while simultaneously supporting local agricultural economies. The model provides valuable lessons for African cooperatives, particularly in the realm of food security and economic empowerment.

In addition to these initiatives, the Asian Confederation of Credit Unions (ACCU) has made significant strides in promoting cooperative principles across the continent. With a reach of over 10 million individual members through 2,750 credit unions in countries such as Bangladesh, Cambodia, India, Indonesia, and the Philippines, ACCU has exemplified the impact of cooperatives on community development. In just seven years since its inception, ACCU has achieved 50% of its membership target, showcasing the growing acceptance and effectiveness of cooperative models. African cooperatives can learn from this approach by focusing on member outreach and capacity building to strengthen their own frameworks, particularly in areas like financial inclusion and community engagement.

The impact of cooperatives extends beyond mere economic contributions; they also play a crucial role in enhancing social welfare. For instance, Kerala's health index score of 82.20, which ranks first in India, highlights the contributions of cooperative health initiatives. The Global Healthcare Security Index 2021 ranked India 66 out of 195 countries, showcasing the potential for cooperatives to improve healthcare access and outcomes. By emphasizing cooperative governance, accountability, and member participation, African cooperatives can draw lessons from these successes to enhance their own health and social service delivery systems. As cooperatives continue to be recognized as strategic pillars for development, their contributions toward achieving the 2030 Agenda become increasingly evident, underscoring the importance of cooperative models in addressing local and global challenges.

Cooperatives and SDGs: Experiences and Lessons

Cooperatives have the potential to play a pivotal role in achieving the Sustainable Development Goals (SDGs), as highlighted by the Prime Minister of India, who noted that much of the country's development agenda is aligned with these global objectives. Even before the formulation of the SDGs, India had initiated various development programmes that are now categorized under these goals. For instance, the cooperative sector in India not only addresses economic needs but also fosters social inclusion and environmental sustainability. Similarly, Japan has implemented integrated measures aimed at building a sustainable society, emphasizing the importance of creating an inclusive environment where individuals can reach their full potential. Japan aims to serve as a role model for SDG implementation, showcasing how cooperatives can enhance societal progress through collaboration and community engagement.

There is a clear alignment between the principles of cooperatives and the values embedded in the SDGs. Cooperatives promote democracy, economic development, social inclusion, and environmental care. However, their focus on local communities often diminishes their visibility on national and international platforms, limiting their potential contributions to the SDGs. To amplify their impact, cooperatives must enhance their

involvement in monitoring and accountability processes related to the 2030 Agenda. A comprehensive analytical framework is needed to understand how cooperatives can succeed or fail in this endeavor, yet such a framework is currently lacking in academic literature. The concept of polycentricity illustrates that implementing the SDGs is a decentralized process involving a diverse range of public and private actors with overlapping and sometimes conflicting agendas. For cooperatives to effectively contribute to the SDGs, a supportive environment is essential, including favorable cooperative policies, laws, and support institutions.

Innovation within the cooperative business model is crucial for enhancing competitiveness and addressing emerging challenges. For instance, IFFCO in India has developed Nano urea liquid, which has received positive feedback from the farming community. Similarly, Japanese cooperatives have creatively repurposed milk cartons into toilet paper for schools, earning environmental accolades. These examples of product innovation illustrate the capacity of cooperatives to address social and environmental issues while remaining economically viable. To strengthen their capital base and enhance business efficiency, cooperatives must also engage in partnerships with public and private sectors. Collaborative initiatives, such as the NCOI's partnerships with IIT and NIFT for establishing market linkages, demonstrate the potential for cooperatives to thrive through innovation and collaboration. Additionally, cooperatives should explore emerging business areas, such as health, education, and renewable energy, to diversify their impact and better serve their members. By adapting to the digital landscape and embracing new technologies, cooperatives can bridge existing inequalities and ensure their relevance in a rapidly changing business environment. With visionary leaders and a commitment to holistic growth, cooperatives can not only survive but flourish, driving sustainable development and contributing significantly to the realization of the SDGs.

Conclusion

The implementation of the Millennium Development Goals (MDGs) proposed by the United Nations aimed to address social, economic, and environmental issues in developing nations, yielding a mixed bag of experiences. This foresighted initiative led to notable achievements in many developing countries, including reductions in poverty and child mortality, improvements in primary education, and enhanced efforts in combating diseases like tuberculosis and HIV/AIDS. These successes underscored the importance of sustaining the development process, ultimately paving the way for the promotion of the Sustainable Development Goals (SDGs), which commenced on January 1, 2016 with 193-member countries as signatories. All member nations have committed to achieving these goals within the SDG framework, aligning their development priorities accordingly.

Cooperative enterprises have emerged as vital players in the private sector's role in achieving the SDGs, alongside private enterprises, associations, trusts, and collectives. As a student of cooperation, the author has developed a keen interest in understanding how cooperatives can contribute to this journey. Key questions arise regarding the types of cooperatives that actively participate in reaching the SDGs, their specific roles, and the significant contributions they make to society. This descriptive study explores the intricacies of the SDGs and highlights the efforts of cooperatives, particularly in Asia and Africa, focusing on Tanzania and Kenya, as well as India and Japan, which boast high rankings in the global cooperative movement.

To achieve the SDGs effectively, cooperatives must strengthen their capacities and resources while expanding their involvement beyond traditional business models. Emphasizing modern and innovative practices is crucial in today's dynamic environment. Given their potential for democratic governance, inclusive growth, and distributive justice, cooperatives should advocate for more financial support and tax relief measures. While they have made significant contributions to various SDGs, further efforts are needed to address additional goals, as outlined in the paper. Ultimately, by harnessing their strengths and adapting to evolving challenges, cooperatives can play a transformative role in the pursuit of sustainable development.