

## Learning Outcome 1

### Analyse the scale, diversity and impact of co-operatives world-wide

#### Performance Criteria Checklist

Evidence may be presented for individual Performance Criteria or gathered as a whole by combining assessments holistically in one single activity. Learners may work individually, in groups or in pairs, depending on the centre. Learners may demonstrate their knowledge by way of a written or oral response. Oral responses may be given by way of a formal presentation or as part of a group discussion. Oral responses may also be videoed. Use of ICT is encouraged. Learners may be assessed by the teacher or by teacher and peer assessment.

There are many different ways of assessing the Performance Criteria in this Unit and centres should structure their assessments in a manner appropriate to their individual needs, therefore allowing access for all.

In order to achieve a Level 6 pass, learners must satisfy *all* performance criteria.

#### Performance Criteria 1.1

*The learner has demonstrated:*

An understanding of what the International Co-operative Alliance is ☐

An understanding of the International Co-operative Alliance membership in terms of:

Who its members are ☐

*The learner has demonstrated:*

An understanding of the work of the ICA: ☐

### Performance Criteria 1.2

*The learner has used at least **three** statistics to analyse:*

The **scale** of co-operatives in Europe and North America ☐

The **geographical spread** of co-operatives in Europe and North America ☐

### Performance Criteria 1.3

*The learner has demonstrated an understanding of:*

The **scale** of co-operatives outwith Europe and North America ☐

The **geographical spread** of co-operatives outwith Europe and North America ☐

### Performance Criteria 1.4

*The learner has demonstrated understanding of:*

Four economic sectors in which large percentages of co-operatives exist. ☐

### Performance Criteria 1.5

*The learner has used relevant statistical information to analyse:*

The ways in which co-operatives **impact** on the **economy** in general ☐

The ways in which co-operatives impact on **employment**, in particular, in Europe and North America. ☐

In the course of this assessment, learners will also develop broad generic skills for life, learning and work. These skills include evaluating a range of sources of information and skills in the use of statistics and research.

Performance Criteria 1.1-1.5 lend themselves to the development of literacy skills particularly reading a range of texts and drawing conclusions from chosen sources. Skills of numeracy will be developed through the evaluation of a range of numerical, statistical and graphical sources of information.

Citizenship and sustainability will also be an important aspect of this Unit as a whole.

There may also be opportunities for other additional skills for learning, skills for life and skills for work to be developed in the Unit. However, this could vary across centres depending on approaches being used to deliver the Unit in a centre and this should be for individual teachers and lecturers to decide.

## Learning Outcome 1

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### Instrument of Assessment

In order to assess your learning and attain a pass in Learning Outcome 1, you will be required to analyse the scale, diversity and impact of co-operatives world-wide. This assessment will take the form of a Portfolio of Evidence, which can be presented orally, as a written report, a Power-Point presentation, or any other manner acceptable to your teacher/lecturer.

Carefully follow the instructions in below to structure your evidence.

#### INTRODUCTION

- Give a brief summary of the purpose of your Portfolio

#### SECTION ONE

You must be able to describe clearly:

what the International Co-operative Alliance is.

#### SECTION TWO

You must be able to describe clearly:

the membership of the International Co-operative Alliance using at least **three** statistical facts to demonstrate the diversity and scale of the membership.

### SECTION THREE

You must be able to describe clearly:  
what the International Co-operative Alliance does.

### SECTION FOUR

You must be able to use relevant statistical information to analyse:  
the **scale and geographical spread** of co-operatives in Europe and North America

### SECTION FIVE

You must be able to demonstrate clearly:  
an understanding of the **scale and geographical spread** of co-operatives **outwith** Europe and North America.

### SECTION SIX

You must be able to demonstrate clearly:  
an understanding of at least **four** economic sectors in which large percentages of co-operatives exist.

## SECTION SEVEN

You must be able to demonstrate clearly:

the ways in which co-operatives **impact** on the **economy** in general and **employment**, in particular, in Europe and North America.

**Note! Make sure you are using at least three statistical facts to demonstrate your understanding.**

In order to achieve a Level 6 pass in Learning Outcome 1, you must make sure you have collected and presented evidence for each section and used statistical facts where instructed to do so.

Good luck!

## Learning Outcome 1

### *Analyse the scale, diversity and impact of co-operatives world-wide*

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#### Finalised Marking Instructions

It is **strongly** emphasised that the references in the marking instructions indicating expected responses are for guidance only and **MUST NOT BE VIEWED AS PRESCRIPTIVE**.

The performance of candidates is measured against the **Performance Criteria Checklist** and it is against these, rather than a checklist of responses, that they should be assessed.

Candidates must satisfy **ALL** Performance Criteria to achieve a pass in Learning Outcome 1.

### Performance Criteria 1.1

Award a tick for each point, depending on the quality of the description, relevance and accuracy.

*Candidates are required to describe clearly what the International Co-operative Alliance is.*

#### Answers may include:

ICA is an independent, non-governmental association which unites, represents and serves co-operatives worldwide.

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.

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

*Candidates are required to describe clearly the membership of the International Co-operative Alliance using at least **three** statistical facts to demonstrate the diversity and scale of the membership.*

#### Answers may include:

Founded in 1895, ICA has 269 member organisations from 97 countries active in all sectors of the economy. Together these co-operatives represent nearly one billion individuals worldwide.



*Candidates are required to describe clearly what the International Co-operative Alliance does.*

**Answers may include:**

ICA's priorities and activities centre on promoting and defending the Co-operative Identity, ensuring that co-operative enterprise is a recognised form of enterprise that is able to compete in the marketplace.

- ICA raises awareness about co-operatives. It helps individuals, government authorities and regional and international institutions understand the co-operative model of enterprise. It channels specific information to institutions and the media showing the importance of co-operatives to a wide range of economic and social issues. It disseminates information materials including the [ICA Digest](#), and other communication means and celebrates jointly with the United Nations the [International Day of Co-operatives](#) on an annual basis.
- ICA is the voice of the co-operative movement. ICA has special status with the a number of multilateral institutions including the United Nations and agencies, the Council of Europe, the regional development banks, and others. It is able to communicate the position of the Co-operative Movement on a wide range of economic, social and cultural issues.
- ICA ensures that the right policy environment exists to enable co-operatives to grow and prosper. It helps its members in their lobbying for new legislation and more appropriate administrative procedures that respect the co-operative model, its values and principles. It provides political support as well as technical expertise to enable co-operatives to compete on a level playing field. It has been recently engaged in lobbying the International Accounting Standards Board with regard to how co-operatives are classified in accounting standards.
- ICA provides its members with key contacts and information on best practice. It facilitates contacts between co-operatives for trading purposes and intelligence

sharing in a wide range of areas. It organises meetings, workshops and individual meetings to address key issues affecting co-operatives and allows discussion among co-operators from around the world.

- ICA provides technical assistance to co-operatives through its development programmes at global and regional levels, ICA promotes capacity-building, advice and financial support to movements around the world.

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## Performance Criteria 1.2

Award a tick for each point, depending on the quality of the analyse, relevance and accuracy of statistical information.

*Candidates are required to use relevant statistical information to analyse the **scale and geographical spread** of co-operatives in Europe and North America using statistical facts.*

### Answers may include:

Statistical facts:

#### Europe

In Europe, there are over 160,000 co-operative enterprises, with 123 million members, providing over 5.4 million jobs.

In Belgium, there were 29,933 co-operative societies in 200.

In Denmark, consumer co-operatives in 2004 held 37% of the market.

Finland's, S-Group has a membership of 1,468,572 individuals which represents 62% of Finnish households.

In France, 23 million people are members of one or more co-operatives or approximately 38% of the population. 75% of all agricultural producers are members of at least one co-operative and 1 in every 3 persons is a member of co-operative bank.

In Germany, there are 20 million people who are members of co-operatives, 1 out of 4 people.

In United Kingdom figures released by Co-operatives UK indicated almost 1 in 5 citizens are members of a co-operative. There are approximately 12.8 million members and over 5000 co-operative businesses.

### North America

In Canada, four of every ten Canadians are members of at least one co-operative. In Quebec, approximately 70% of the population are co-op members, while in Saskatchewan 56% are members.

In the United States, 4 in 10 individuals is a member of a co-operative (25%).

There are nearly 30,000 cooperatives in the United States, with more than 100 million members.

### **Learners analysis may include:**

In most European countries a large number of people are members of co-operatives.

In France 38% of the population are members of a co-operative, the highest percentage in Europe.

Germany has the next highest with 25%, followed by Britain (20%), Italy and Spain.

German co-operatives, however, generate the highest turnover.

In both Canada and the United States 40% of the population are members of a co-operative, higher than in Europe.

Co-operatives in the United States generate twice as much turnover as co-operatives in Germany.

Please see the ICA website: [www.ica.coop/coop/statistics](http://www.ica.coop/coop/statistics) for further statistics.

### Performance Criteria 1.3

*Candidates are required to demonstrate an understanding of the scale and geographical spread of co-operatives **outwith** Europe and North America*

#### Answers may include:

In Asia 45.3 million people are members of a credit union.

In Argentina, there are 12,670 co-operative societies with over 9.3 million members - approximately 23.5% of the population.

In Bolivia, 2,940,211 people or one-third of the population is a member of the 1590 co-operatives. In Bolivia, Cooperativa de Ahorro y Crédito "Jesús Nazareno" Ltda. (CJN) handled 25% of the savings in Bolivia in 2002.

In Brazil, 7.6 million people are members of 7,600 cooperatives. In Brazil, co-operatives are responsible for 72% of the wheat production, 44% of barely, 43% of soya, 39% of milk, 38% of cotton, 21% of coffee and 16% of maize. Agricultural co-operatives exported over USD 1.3 billion.

In Colombia over 4.8 million people or 10.6% of the population are members of the 8,124 co-operatives in the country. The movement reports an annual growth rate of 7.78% with 348,249 new members joining co-operatives in 2009.

Costa Rica counts over 10% of its population as members of co-operatives.

In Iran, there are over 130,000 co-operative societies with 23 million members or approximately 33% of the population.

In Indonesia, 27.5% families representing approximately 80 million individuals are members of co-operatives.

In Japan, 1 out of every 3 families is a member of a co-operatives.

In Kenya 1 in 5 is a member of a co-operative or 5.9 million and 20 million Kenyans directly or indirectly derive their livelihood from the Co-operative Movement.

In India, over 239 million people are members of a co-operative.

In Malaysia, 6.78 million people or 27% of the total population are members of co-operatives.

In New Zealand, 40% of the adult population are members of co-operatives and mutuals

Please see the ICA website: [www.ica.coop/coop/statistics](http://www.ica.coop/coop/statistics) for further examples.

### Performance Criteria 1.4

Award a tick for each point, depending on the quality of the description, relevance and accuracy.

*Candidates are required to demonstrate clearly an understanding of **four** economic sectors in which large percentages of co-operatives exist.*

**Answers may include:**

#### **Agriculture**

**France:** 75% of all agricultural producers are members of at least one co-operative.

**USA:** Over 50% of all agricultural co-operatives are in the USA.

**Germany:** Almost all German farmers, gardeners and winegrowers are members of a cooperative.

#### **Financial Services**

**Cyprus:** the co-operative movement holds 30% of the market in banking services.

**France:** 1 in every 3 persons is a member of co-operative bank.

**USA:** Credit Unions have 89 million members as of 2008, comprising 43.7% of the economically active population.

### **Consumer/Retail**

**Germany:** 75% of all retailers in Germany are co-operatives.

**France:** 25% of all retailers in France are co-operatives.

**Italy:** The **Coop Italia** chain formed by many sub-cooperatives controlled 17.7% of the grocery market in 2005.

**Mauritius:** Co-operative Societies also account for more than 60% of national production in the food crop sector

**Moldova:** The Central Union of Consumer Co-operatives is responsible for 6.8% of the consumer market.

**USA:** Grocery co-operatives account for 2,124 million of revenue each year.

### **Health**

In Belgium, co-operative pharmacies have a market share of 19.5%.

In Colombia, 6,462 co-operatives were responsible for 5.25% of the GDP in 2005. Saludcoop, a health co-operative, provides health care services for 15.5% of the population. They provide 23% of jobs in the health sector.



### Performance Criteria 1.5

Award a tick for each point, depending on the quality of the analysis, relevance and accuracy of statistical information.

*Candidates are required to use relevant statistical information to analyse the ways in which co-operatives impact on the economy in general and **employment**, in particular, in Europe and North America.*

*Candidates should use at least three statistical facts.*

#### Answers may include

##### Statistics

30,000 co-operatives in the United States that operate 73,000 places of business throughout the U.S. own more than USD 3 trillion in assets, and generate over USD 500 billion in revenue and USD 25 billion in wages.

In the United States, 30,000 co-operatives provide more than 2 million jobs.

##### **Among individual sectors:**

Agriculture co-ops have a gross business volume of more than \$111 billion per year and 2.8 million members.

The Farm Credit System has approximately \$125 billion in assets and \$96 billion in loans outstanding.

Credit unions have \$668 billion in assets and more than 86 million members, who receive billions of dollars in benefits annually from lower loan rates and higher savings rates.

Credit unions have \$443.5 billion in loans outstanding.

Electric utility co-ops serve 37 million people and their lines cover more than three quarters of the U.S. land mass.

Food and grocery co-ops generate \$33 billion in annual revenues while retail food co-ops alone pay back an estimated \$4 million a year to their members.

Housing cooperatives have combined budgets in excess of \$11 billion, and make an estimated \$1.2 billion in property improvements each year.

Cooperatives in these six sectors employ considerably more than 500,000 Americans, with aggregate payrolls of more than \$15 billion annually.

These cooperatives generate total annual revenues in excess of \$211.9 billion.

In the United States, the PCC (Puget Consumers Cooperative) Natural Markets in Seattle is the largest consumer-owned food cooperative.<sup>[12]</sup> The National Cooperative Grocers Association maintains a food cooperative directory.

Seattle-based R.E.I., which specializes in outdoor sporting equipment, is the largest consumer cooperative in the United States.

Similarly, outdoor retailer Mountain Equipment Co-op in Canada, is one of the country's major consumer cooperatives. In the Canadian Prairie provinces, gas stations, lumberyards, and grocery stores can be under the coop brand.

In Canada, co-operatives and credit unions employ over 155,000 people. The Desjardins movement (savings and credit co-operatives) is the largest employer in the province of Québec.

Canadian maple sugar co-operatives produce 35% of the world's maple sugar production.

All credit unions in the United States and Canada are financial cooperatives.

In Europe, there are over 160,000 co-operative enterprises, with 123 million members, providing over 5.4 million jobs.

In Belgium, co-operative pharmacies have a market share of 19.5%.

In Czech Republic, 1,298 co-operative societies with 785,202 individual members provide 56,042 jobs.

In Denmark, consumer co-operatives in 2007 held 36.4% of consumer retail market.

Finnish co-operative groups within Pellervo were responsible for 74% of the meat products, 96% of dairy products; 50% of the egg production, 34% of forestry products and handled 34.2% of the total deposits in Finnish banks.

In France, the co-operative movement has a turnover of 181 billion Euros. Co-operatives handle 60% of retail banking, 40% of food and agricultural production, and 25% of retail sales. 21,000 co-operatives provide over 1million jobs representing 3.5% of the active working population.

In Germany, 8,106 co-operatives provide jobs for 440,000 people.

Hungary, consumer co-operatives members of Co-op Hungary are responsible for 14.4% of the national food and general retail sales in 2004.

In Italy the Coop Italia chain formed by many sub-cooperatives controlled 17.7% of the grocery market in 2005.

In Italy, 70,400 co-operative societies employed nearly 1 million people in 2005.

In Latvia, the Latvian Central Co-operative Union is responsible for 12.3% of the market in the food industry sector.

In Norway, agricultural co-operatives hold 96% of the market for raw milk and 55% of the cheese market, 80% of the timber market, over 70% of the egg and fur markets, and 52% of the seed market. The 130 consumer co-operatives have 24% of the consumer market, 71 co-operative building and housing associations hold 15% of the housing stock in Norway and in urban areas like Oslo hold 40% the housing market; insurance co-operative provide hold 30% of the non-life insurance market

In Poland, dairy co-operatives are responsible for 75% of dairy production.

In Portugal, approximately 3000 co-operatives are responsible for 5% of the Gross National Product of the country

Co-operatives and mutuals in Scotland account for 4.25% of the Scottish Gross Domestic Product, having an annual turnover of GBP 4 billion and assets of GBP 25 billion.

In Slovakia, the Co-operative Union represents more 700 co-operatives who employ nearly 75,000 individuals.

In Slovenia, agricultural co-operatives are responsible for 72% of the milk production, 79% of cattle; 45% of wheat and 77% of potato production.

In Spain, co-operatives provided jobs to 21.6% of the labour market in 2007.

In Sweden, consumer co-operatives held 17.5% of the market in 2004.

In Switzerland, the two largest consumer co-operatives - Migos and Coop - are responsible for 8% of the GDP of Switzerland.

In the United Kingdom, the nationwide Co-operative Group, formerly the Co-operative Wholesale Society (or "CWS"), owns many of its own supermarkets, as well as supplying goods wholesale to the majority of British cooperative societies, providing a common branding and logo.

Learners' analysis may include:

Turnover from co-operatives is greatest in the United States, twice that of Germany, which has the third largest turnover, followed by the UK and France. Italy and Spain are seventh and eighth respectively with Canada have the ninth largest.

Co-operatives therefore make the largest contribution to the economy in the United States. However their contribution to the economy in Europe is considerable.

Co-operative make a large contribution to the economy through agriculture, credit unions and consumer co-operatives, particularly in the retail food sector, in both Europe and America.

However in the United States co-operatives are also significant in Electricity and housing.

Co-operatives employ 5.4 million people in Europe and 2 million in the United States, with Spain employing the largest percentage of the labour market (21.6% in 2007).

**[END OF MARKING INSTRUCTIONS]**