

CO-OPERATING OUT OF POVERTY

Statement on the Occasion of the International Day for the Eradication of Poverty 17 October 2006

"Working Together out of Poverty", the theme of this year's International Day echoes the theme of the *Global Co-operative Campaign against Poverty*, "Co-operating Out Of Poverty".

The Campaign is a call for action to the global co-operative movement and its partners to join hands in fighting poverty. By demonstrating the collective response of the co-operative world, the Campaign shows that collective solidarity is one of the most successful strategies for addressing poverty. By harnessing the financial and ethical strength of the world co-operative movement and its partners, it strengthens the capacity of co-operatives to make a significant contribution to poverty reduction by enabling poor people to co-operate out of poverty and create decent job opportunities.



Several examples from East Africa demonstrate the impact of co-operatives promoting decent work and combating poverty. The SYNDICOOP Programme, a joint programme of the International Labour Office, International Confederation of Trade Unions and the International Co-operative Alliance has shown that that informal workers can improve their lives by organising themselves into co-operatives and in this way focus on stimulating equitable growth and empowerment through self-help and mutual assistance. For example, in Rwanda the SYNDICOOP approach set up a trade union co-operative store where workers who had not been paid at all or not received their full salary could purchase provisions after receiving loans that were to be paid back once their salaries had been transferred to their accounts. In Tanzania, a group of young people came together to establish the *Association for Poverty Reduction*, a savings and credit co-operative to help local small entrepreneurs grow their businesses. In this case the co-operative is providing much needed capital to initiate income-generating activities and facilitate the establishment of effective linkages of the poor with the market. In both cases co-operatives equally play an important role in creating and maintaining jobs.

However, co-ops are not just for workers, they are found in all sectors and in all parts of world. They are a significant part of the global economy, ranging from small-scale to multi-billion dollar businesses across the globe that employ more than 100 million women and men and have more than 800 million individual members. Co-operatives make a significant contribution to economic and social development and their impact on reducing poverty and keeping people out of poverty is demonstrated around the globe.



On this International Day for the Eradication of Poverty, the International Co-operative Alliance (ICA) and International Labour Office (ILO) call on co-operative organisations, development agencies and the United Nations to work with the *Global Co-operative Campaign against Poverty* enabling people around the world to choose the co-operative model of enterprise to improve their lives and those of millions of people.

Co-operatives are essential partners in the global efforts to achieve social and economic justice.

The International Co-operative Alliance and the International Labour Office initiated the Global Co-operative Campaign Against Poverty, Co-operating Out of Poverty in 2005. More information: www.outofpoverty.coop