



# ***Co-operative enterprise remains strong in time of crisis***

Panel Discussion  
International Day of Cooperatives  
UN, New York July 8, 2013

**Javier MOLINA**  
FAO Liaison Office in New-York



# Why co-operatives ?

Dialogue

Regular incomes

Inclusion

Diversity

United voice

Participation

Small holders

Community

Empowerment

**Solidarity economy**

Flexibility

Self-help

Market access

Resilience

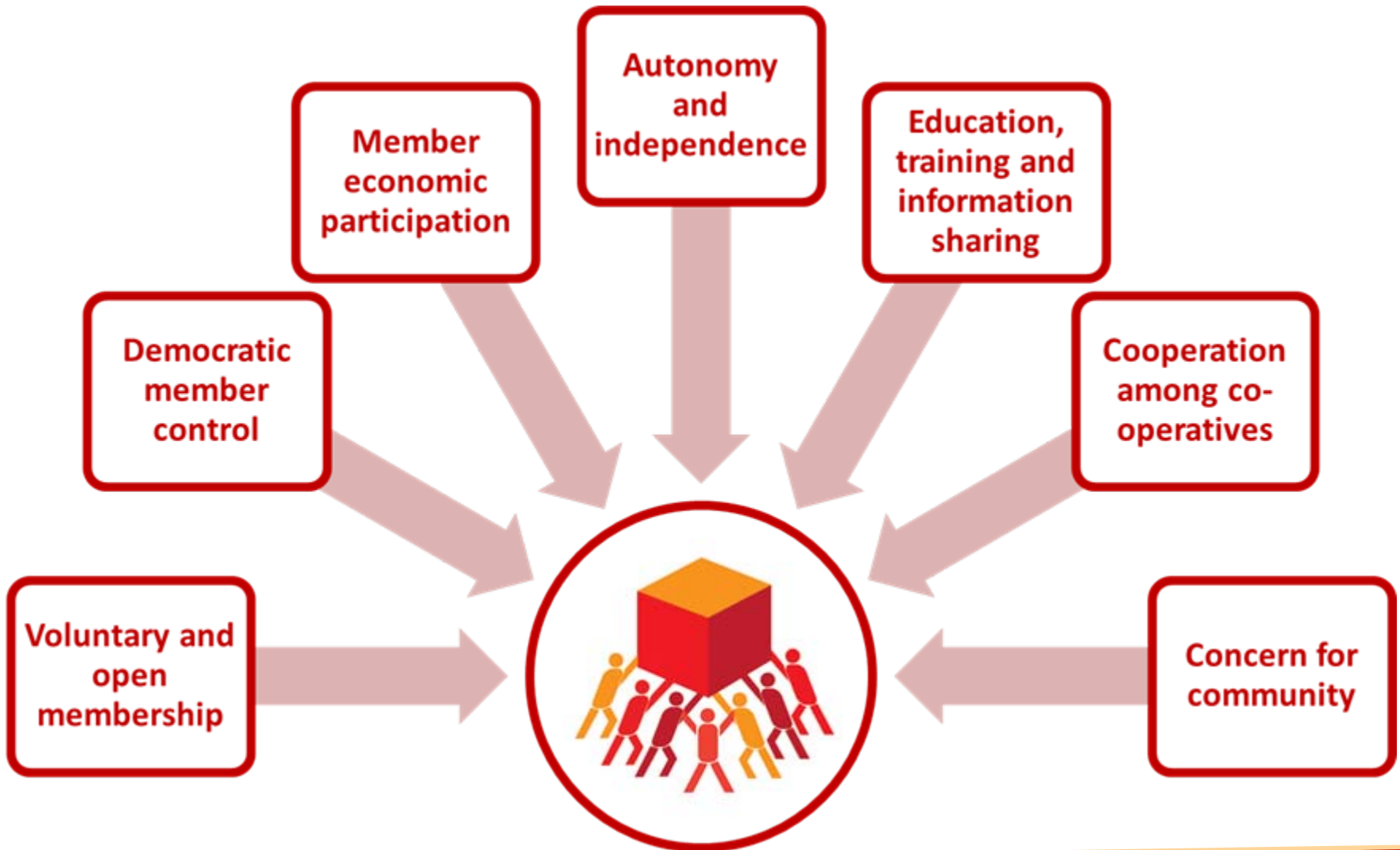
Social mobilization

Rural development

Decent employment



# What makes a co-operative ?



## Co-operatives' Resilience amidst crises

### **Resilience :**

*the ability to prevent disasters and crises, as well as to anticipate, absorb, accommodate or recover from them in a timely, efficient and sustainable manner ; including livelihoods systems protection, restoration and improvement in the face of threats that impact agriculture, nutrition, food security and food safety (and related public health).*



## *Co-operatives' Resilience facing crisis*

Efficient cooperatives have the capacity to **empower** their members economically and socially and to create **sustainable employment** through **equitable** and **inclusive** business models that are more **resilient** to shocks.



## *Examples of Co-operatives* *valuable contributions to food security*

- Warehouse receipt system
- Natural Resource Management
- Crop and Agriculture Insurance

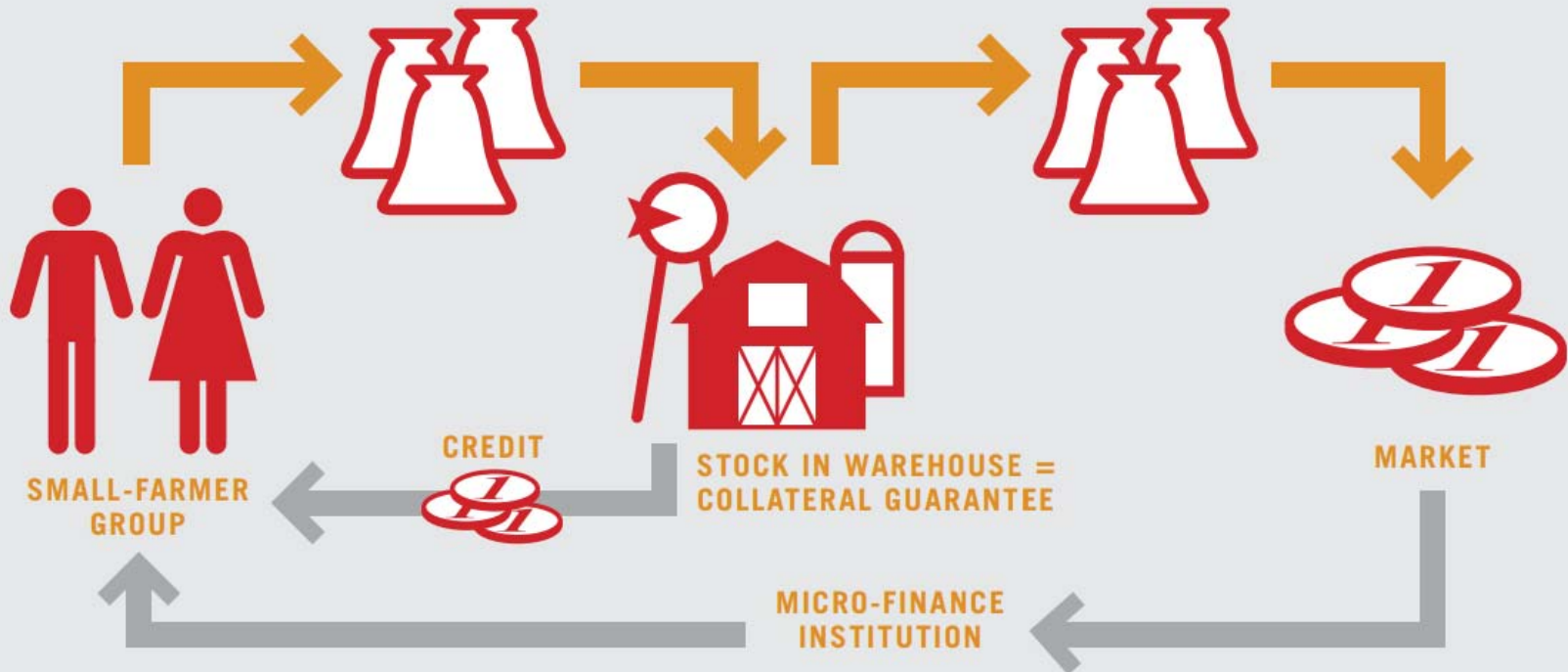




# Warehouse Receipt System

- Store surplus agricultural produce in a secured storage facility
- Farmers' Cooperative provides the warehouse
- Use these stocks as secure collateral to obtain credit
- Sell produce when prices are high



# Warehouse Receipt System



 physical flows  
 monetary flows



**IN NIGER:**  
**33% INCREASE IN STOCK VALUE (IN 4- 6 MONTHS OF STORAGE)**



**NEW INCOMES FROM OFF-SEASON CULTIVATION ACTIVITIES**  
**18% OF FOOD STOCKS USED FOR THE LEAN SEASON**



# Natural Resource Management

- The Gambian government transferred forest ownership to villagers
- Capacity building of community groups to protect and enrich their forests, and set up small businesses based on forest products
- Profit is either reinvested in the forest or spent on village development



# Crop and Agricultural Insurance

- Covering losses from adverse weather and similar events beyond the control of farmers
- Mostly in developed countries although FAO piloted some initiatives
- Trainings needed for farmers organizations to engage with private sector



# Step Forward

## Need for an **Enabling Environment** :

- Policy and legal framework
- Business environment / Economic incentives
- Policy dialogue platforms involving both policy makers and cooperatives





# Thank you

**Javier MOLINA**

FAO Liaison Office in New-York

[Javier.molina@fao.org](mailto:Javier.molina@fao.org)

