

Reporter: Salah BEN HAMOUDI, EDHEC Business School Conference 5C

Empowering people around the world through the cooperative enterprise model.

<u>Moderated by</u>: Klaus Niederlander, Director Europe Cooperative Alliance International (Germany) <u>Speakers</u>: Mariano Glas, Supermarkets Deputy Director, Cooperativa Obrera (Argentina) Dirk Vansintjan, Dirigeant fondateur, Ecopower (Belgium)

Introduced by Klaus Niederlander, Director Europe Cooperative Alliance International (Germany), the conference presented Cooperativa Obrera (Argentina) and Ecopower (Belgium). In this "International Year for cooperatives", the question was about the alternative model that represents the cooperative movement to move towards a more sustainable society. According to a McKinsey study, the three hundred largest cooperatives in the world would represent together the ninth global economy! This underlines the fact that this model is growing fast. Cooperatives are as competitive as any other companies, but they are governed with a different logic since they are not capital-focused companies but people-focused ones.

Established by the International Cooperative Alliance in 1995, a cooperative is an economic model based on 7 principles: Voluntary and Open Membership; Democratic Member Control; Members' Economic Participation; Autonomy and Independence; Education, Training and Information; Cooperation among Cooperatives; Concern for Community.

Both cooperatives Obrera in Argentina and Ecopower in Belgium illustrate the fact that cooperatives are adapted to our changing world regarding economical, environmental and political aspects.

Mariano GLAS is running the supermarket activities of Cooperativa Obrera, a cooperative practicing retail trade. Obrera was born in Argentina in 1929 as a bakery, and is now composed of 1.2 million members. The cooperative runs supermarkets where the members can sell their products. It is the second largest cooperative in Latin America with 104 supermarkets located in 50 small and medium towns in 4 different regions of Argentina.

At the end of the last financial year, 3.5 million Euros of profit were shared between the members, according to the level of their activity, in line with the values and ethics of the cooperative movement. Each member has one vote, and the decisions are always collective. This functioning has allowed the decrease of products' prices. Moreover, Cooperative Obreara is fully engaged in the protection of the environment, with several programs such as "Programa Pilas" to recycle batteries. In addition to the 7 principles, Cooperative Obreara acts referring to one value: "Doing what is right, regardless of the money it may make or loose".

Ecopower has been funded in 1991 when the economical framework to sell renewable energy was not born yet. Ecopower managed to take advantage of the liberalization of the energy sector in Europe and its activity now represents 10% market share. The offer is innovative and has a great success with no subscription and fees proportional to consumption. The electricity produced is sold at cost price. In 2011, Ecopower had 43 000 members, (producers and suppliers of renewable energy), and 31 000 customers.

Its success relies on two simple facts:

- It is a green energy, provided with a good customer service and a simple and fair tariff;
- There is a link between renewable energy and rational use of energy, since people using renewable energy have lowered their consumption of 38% in 5 years.

Like any other company, Ecopower has a growing plan, in order to master its development.

The cooperative is fully adapted to the market, especially in a context of economic crisis. Ecopower fits in an ethical process and contributes to strengthen the country's energy independence. The model has to be expanded in Europe.

In the future, people will realize that they need it to keep one's hand in. Future is coming...

www.worldforum-lille.org