

# Think.COOP

**For Refugees and Host Community Members**

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# MESSAGE TO THE GROUP

Think.COOP is designed for refugees and host community residents like you who are interested in joining or starting a cooperative. During this orientation, you will: (i) learn about the fundamentals of a cooperative business; (ii) understand the conditions under which the cooperative is a better way to doing business or your work; (iii) analyse how social cohesion and trust can help you pursue opportunities to improve your livelihood; and (iv) learn how cooperative can contribute to build trust and social cohesion at the community level, based on the conviction that social cohesion is essential for achieving decent work and sustainable development. At the end of this orientation, you will be better able to decide whether the cooperative business model is right for you.

The style of this training is different to traditional approaches. You will work together as a team to follow the simple step-by-step instructions for discussions and activities in this training guide. A facilitator will be around to guide you through the training content and exercises. Because there is no group leader, all group members should take a turn reading the information and instructions out loud to the group, and all group members share responsibility for monitoring time. In this new style of training, you will learn from each other by sharing ideas and opinions, skills, knowledge and experience. For this to work, all group members must participate in discussions.

Before and after the training, you will be asked to complete a survey to understand the impact of the training. This information will be kept confidential and is used to improve the training materials and organization of future programmes. It will also be helpful for identifying other training on cooperative that can be subsequently introduced to participants. Some trainees may also be contacted in the future after 3, 6 or 12 months for another survey to learn about your action plans.



# FOLLOW THE SIGNS

The instructions in the training guide are easy to follow and suggested timing for each step is provided. Look out for these signs:

## SIGNS AND THEIR MEANING



This sign indicates the suggested time for the activity.



This sign indicates background information to be read to the group.



This sign indicates group discussion.



This sign indicates that the activity is beginning and that step-by-step instructions need to be read out loud to the group and followed sequentially.



The sign indicates a good practice in identifying and meeting the different needs of women and men, promoting active participation of women, and making

strategic use of the distinct knowledge and skills women and men have

## GETTING STARTED

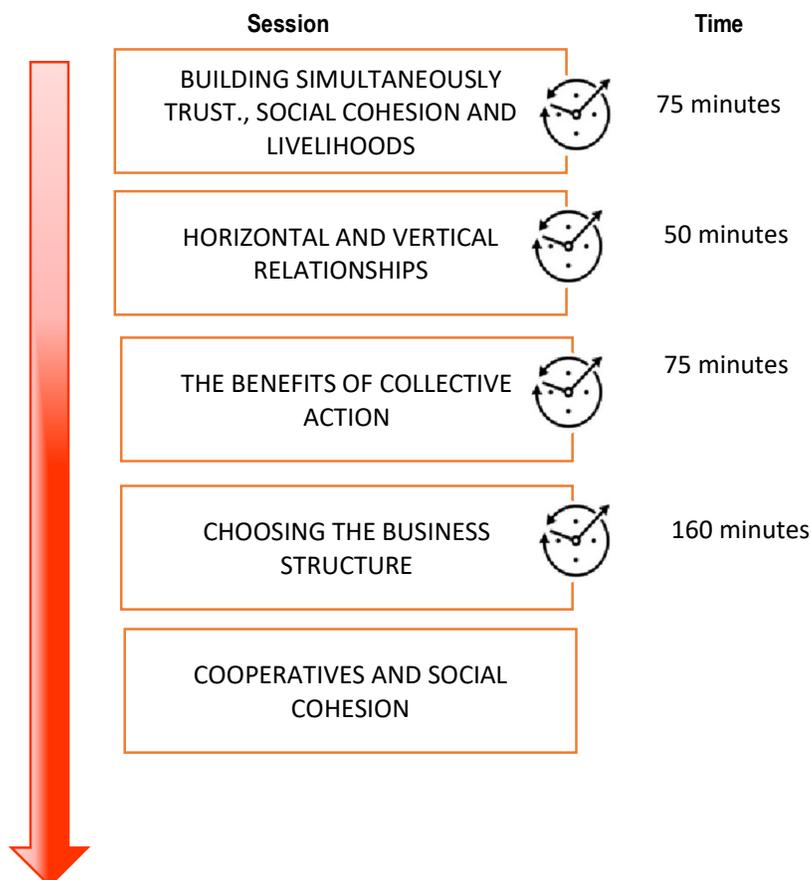
Before you begin the training, follow the simple steps below to get organized:

- Organize into small groups of 5-7. The organizers will guide you in how best to do this.
- Identify one group member to volunteer to start the training as 'Group Reader'. The role of the 'Group Reader' is to read the information and activity instructions out loud to the group. Any group member with basic literacy can be the 'Group Reader' and you should aim to share this role among group members throughout the training.

All group members are responsible for monitoring time but one group member should be nominated for each session to remind the group when the suggested time for a step has been reached. You do not strictly need to follow the suggested timing but you will need to manage your time for the total training. If one activity lasts longer than the suggested timing, try to save time in other activities to keep the balance.

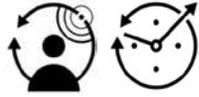
All group members will receive this same training guide. Individual work and group work can be completed in this guide.

## LEARNING PROCESS



# Session 1: BUILDING SIMULTANEOUSLY TRUST, SOCIAL COHESION AND LIVELIHOODS

## Session Overview



10 minutes

No matter what you do for a living or aspire to become, it involves working and interacting with people. When people trust each other and the institutions and are willing to participate collectively toward a shared vision of sustainable peace and common development goals, you have social cohesion. To be socially cohesive is to have a sense of belongingness and trustful and supportive relationships with people regardless of race, culture, beliefs, and sex.



**SOCIAL COHESION** is the extent of trust in government and within society and the willingness to participate collectively toward a shared vision of sustainable peace and common development goals (UNDP 2020; ILO 2021).

In this session, you will get to know each other, become familiar with the style of this training, and increase your appreciation of the importance of social cohesion and trust in improving your livelihood and quality of life in general.

## Activity 1A: GETTING TO KNOW EACH OTHER



25 minutes

In this activity, you will get to know each other as a first step in building good relationships and cooperation. Read through all the instructions before starting the activity at Step 1.

## Steps

1. Write your name and livelihood in the circle in the worksheet.
2. From the list, encircle the three persons who are helping you the most in the pursuit of your livelihood. These people comprise the 'supportive' or 'good relationship.' A relationship is the way in which two or more people are connected or the state of being connected.
3. Introduce yourselves and share your list.

### Activity 1A worksheet

Write your name and work. →

Name:  
Work:

PEOPLE WHO HELP AND SUPPORT ME IN MY WORK

Neighbours Host community members Employers  
Peers – people in same work as me Relatives  
People who lend me money People who work for me  
Children Parents Siblings Husband/wife Refugees  
People who buy from me People who supplies me  
Other (specify) \_\_\_\_\_

← Encircle the three persons who help you most.



Think carefully when selecting the 3 persons. Sometimes the activities undertaken by women are taken for granted and are not given their real value, but they are actually key in earning livelihoods. For instance, unpaid care work or domestic chores that are most of the times the primary responsibility of women, may be essential for the family's well-being and livelihood.

## Activity 1B: LINKS BETWEEN SOCIAL COHESION AND LIVELIHOODS



40 minutes

In the previous activity, you have seen that you need to work and cooperate with other people to achieve your goals. Being able to put your full trust in other people to achieve the same goal as yours pertains to social cohesion. When refugees and host communities work together, for example, they can achieve far more than they can individually.

To better appreciate the importance of social cohesion, perform the exercise below. Assign one member in the group to read and lead the exercise as well as act as the timer.

## Steps

1. Each participant takes one big and one small blown-up balloon. These balloons represent their sources of income.
2. Have the participants throw the two balloons in the air and keep these up the air for three minutes using only one hand. Participants cannot help each other in keeping the balloons in the air. Once the balloon drops to the floor, participants cannot pick it up.
3. After three minutes, count the number of balloons that fell on the floor.
4. As a group, make up a plan on how you can keep the balloons up in the air. Participants can help each other but each can only use one hand.
5. Execute your plan for 3 minutes.
6. After three minutes, count the number of balloons that fell on the floor.
7. Imagine that each balloon is your source of income. Discuss: (15 minutes)
  - What factors helped in keeping the balloons up in the air?
  - When balloons from your peer(s) came over to you, what happened? Did you also support the other participant(s) to keep his/her balloon up in the air?
  - What lessons did you learn from the game that you can apply to your life especially in your livelihoods?



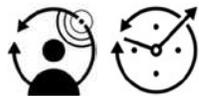
Communities that use all the talents, experience, and knowledge of both men and women are more able to meet all of their member's needs. If women are excluded from participating in cooperative decisions and economic activities, or are so busy with household responsibilities that they do not have time to go to the cooperative meetings, then the talents, experiences, and knowledge of half of the population will not contribute to the development of the cooperative.

8. Take turns in reading each of the statements below. Discuss whether you agree or disagree with the statement. (15 minutes)
  - The game is a good way to look at the challenges you face in a new light. It tells you that working together will help you discover new and/or better solutions to problems you face in your livelihood and life in general. Each one has to support each other as you explore better ways of working or living.

- Sometimes it takes time and practice to work well together, but when you listen, watch and support one another, you can have more life opportunities than when you are alone. Being part of a group and looking after each other fosters social cohesion.
- Social cohesion is the strength of relationships and the sense of solidarity among members of a group. To promote social cohesion between and among individuals, it is important to build trust and a sense of community and common purpose. Building trust leads to social cohesion.
- Trust does not come easily. It must be nurtured and managed. Trust comes only through building confidence in each other and proving to the other that you can be trusted. Clarity of the goal and communicating the goal clearly can enhance levels of trust.
- To ensure that no one is left out also requires working together to find a way to do this. A cohesive community is one where strong and positive relationships are being developed between people from different backgrounds and circumstances in the workplace. Social cohesion contributes to peacebuilding.
- The absence or erosion of social cohesion undermines development, increases insecurities and fears, and leaves people more vulnerable to poor working conditions, conflict and economic shock.

## Session 2: HORIZONTAL AND VERTICAL RELATIONSHIPS

### Session Overview



5 minutes

Your relationships give meaning and richness to your work and to your lives. Oftentimes, relationships are key to solving a problem, opening new opportunities, and getting the job done. Social cohesion gives the people the power to make real positive change not only for themselves but for the community as a whole.

Activity 2A will help you understand the difference between horizontal and vertical relationships. In Activity 2B, you will look into the importance of horizontal relationships in sustaining and improving your livelihood and the quality of your life in general.

### Activity 2A: IDENTIFYING VERTICAL AND HORIZONTAL RELATIONSHIPS

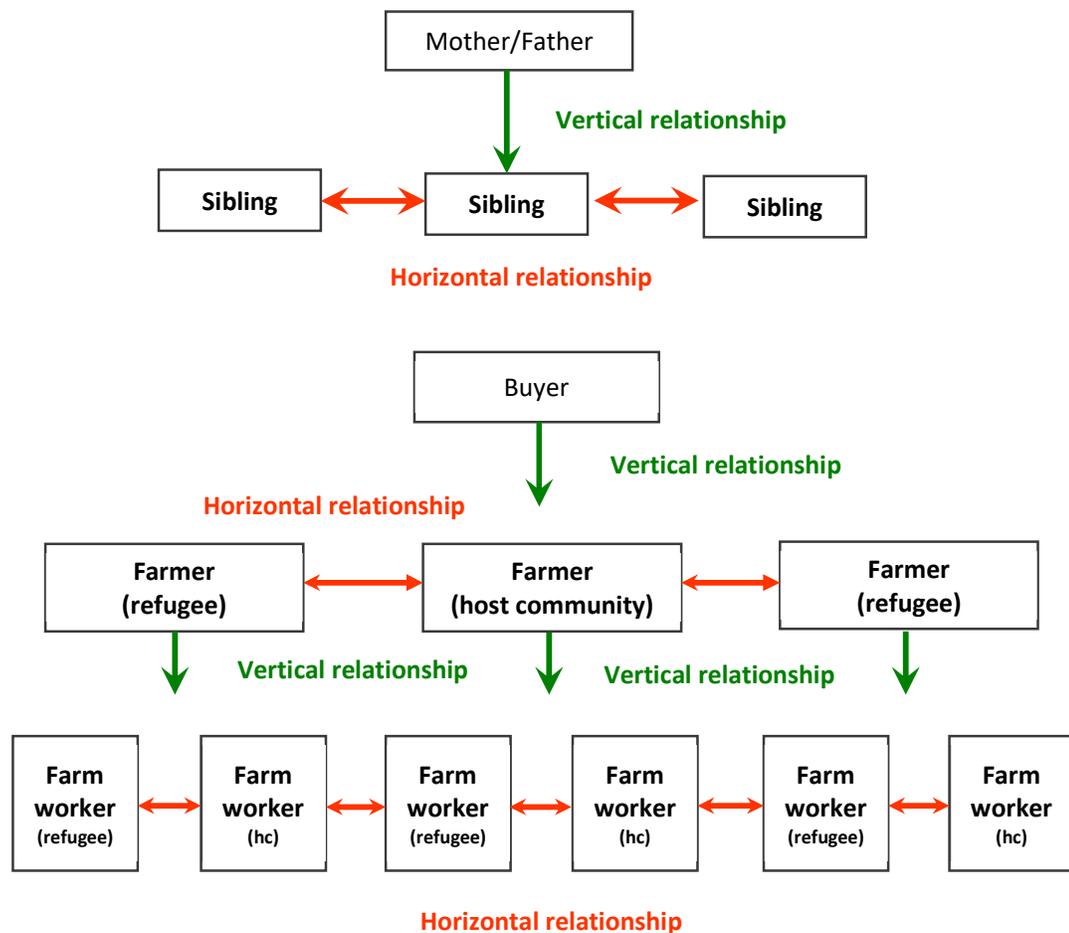


20 minutes

Vertical relationships refer to linkages between people performing different functions. In our personal lives, an example of a vertical relationship is between a parent and a child. At work, this can be between an employer and employee.

Horizontal relationships refer to linkages between people performing the same functions. In a family, this may be the relationship between brothers and sisters. While vertical relationships are hierarchical (up down relationships), horizontal relationships involve collaboration and cooperation between and among peers (equal position and social power).

### Examples of horizontal and vertical relationships



### Steps

1. Below is a list of relationships outside of family ties. As each relationship is read, discuss whether relationship is horizontal or vertical. As soon as agree on the answer, shade the appropriate button.

Relationship	Horizontal relationship	Vertical relationship
Farmer selling to a trader	<input type="radio"/>	<input type="radio"/>
Refugee and host community livestock growers selling meat together	<input type="radio"/>	<input type="radio"/>
Factory workers helping each other	<input type="radio"/>	<input type="radio"/>
A shop owner consulting a peer regarding a new technology	<input type="radio"/>	<input type="radio"/>
Refugee fish vendors setting up an informal savings and credit scheme	<input type="radio"/>	<input type="radio"/>
Refugee vendor borrowing stock from another host community vendor	<input type="radio"/>	<input type="radio"/>
Neighbours building a community water pump	<input type="radio"/>	<input type="radio"/>
Refugee construction worker and contractor in host community	<input type="radio"/>	<input type="radio"/>

2. Share one example each of a vertical and horizontal relationship based on your experience or what you have seen in your work or community.

Vertical relationship:

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Horizontal relationship:

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## Activity 2B: TOGETHER WE STAND, DIVIDED WE FALL<sup>1</sup>



25 minutes

Horizontal cooperation also lays the groundwork for development of mutually beneficial vertical relationships. When workers, for example, group together and cooperate with each other for their mutual benefit, they can better advocate for good working conditions. Similarly, when vendors band together, they can form a member-based enterprise engaged in savings and credit scheme to help each other cope with emergency expenses, school fees, and other financial needs. When you come together, you are stronger and are able to achieve tasks that you would ordinarily not be able to do alone and, therefore, can achieve more.

For this activity, you will perform the step as it is read.

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<sup>1</sup> The exercise was adapted from "Strengthening Leadership in Farmers' Group and Cooperatives: A Training Package" which was commissioned by the Department of Agriculture Marketing and Cooperatives of Bhutan and developed by the Institute for Management Studies with support from SNV Bhutan (2011).

## Steps

1. Tear the blank page (next page).
2. Fold the paper into two equal halves.
3. Tear the paper from the centre fold. Put the two pieces together into a pile.
4. Repeat the process until the paper can no longer be torn because the paper bundle is too thick to be torn.
5. Discuss: (10 minutes)
  - When was the paper easy to tear?
  - What does this mean when you imagine each piece of paper to be a refugee or a host community member? Think of the refugee's situation when he / she is shouldering the problems individually as opposed when refugees and host community members are grouped together.
  - Do you agree that a problem (e.g., livelihood) can easily tear an individual refugee easily? Why or why not?
  - Do you agree that when the refugees are grouped just as the pieces of papers are grouped, the problems cannot tear the refugees easily? Why or why not?

## **Session 3: THE BENEFITS OF COLLECTIVE ACTION**

### Session Overview



5 minutes

Collective action refers to action taken together by a group of people whose goal is to enhance their status and achieve a common objective. It can be initiated by refugees, host community members, or by both. Joint economic ventures, for example, between displaced and host community residents can foster relationship building and expand social networks while pursuing sustainable livelihoods. This can contribute to peaceful co-existence, which is characterized by the lack of prejudice, discrimination, social tensions, and serious conflict.

### **Activity 3A: OPPORTUNITIES FOR GROUP ACTION**



30 minutes

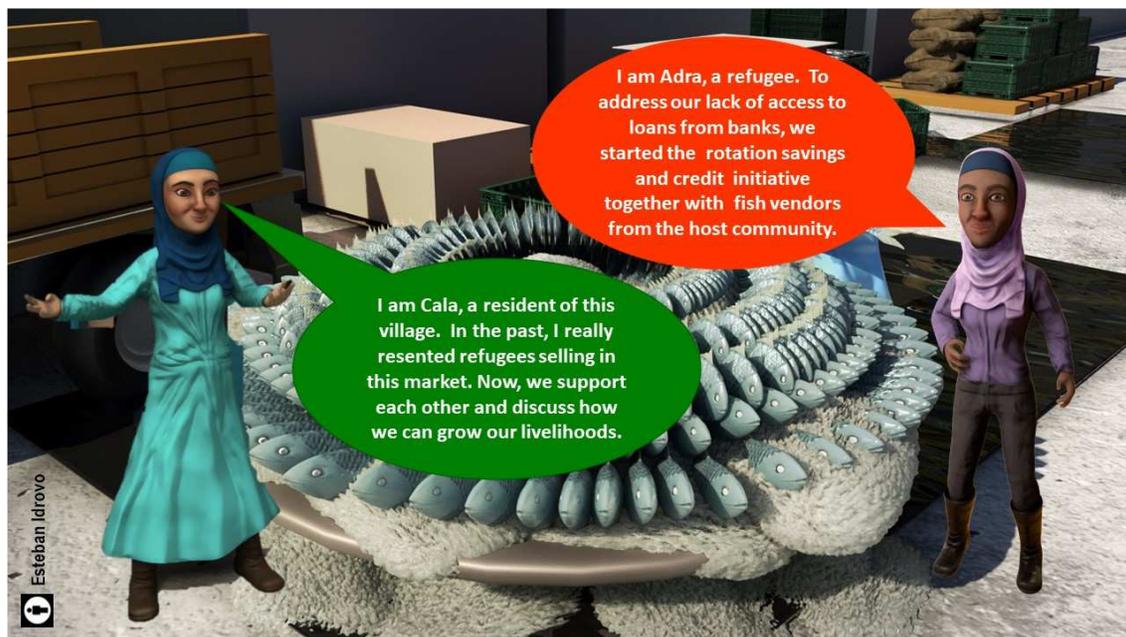
Collective or group actions generally arise when people face a common threat, problem, or opportunity. The start of any collective action begins with a shared vision among individuals seeking to create greater opportunities and in so doing, influencing local economies and communities for future generations.

## Steps

1. Assign one member of the group to read the story below.

Adra arrived in the country twelve months ago as a refugee.. To sustain herself and her family, she sold fish in the central market. Every morning, she got 15 kilos of fish from a wholesaler, which she paid at close of business the same day. Adra paid a higher price for the stock compared to retailers who can pay upfront for the stock in the morning. Further, wholesalers sold the fish at a higher price to refugee vendors especially for those who were not able to pay upfront.

Adra wanted to borrow money to build up her capital. She cannot access loans from banks and financial institutions because she does not have the legal documents and collateral nor a guarantor. She can borrow a small amount of money from money lenders but they charge a very high interest rate.



Adra learned that there were also vendors who are also refugees and from the host community who also lacked the capacity to transact with banks and financial institutions. Adra together with eight other refugee and host community vendors decided to set-up a rotating and savings cooperative. The nine vendors contributed a set amount monthly, while one member withdrew the funds each month.

Another problem faced by the vendors is the high cost of transportation from the wholesale market to their stalls. Adra told the group that back in her home country, she and her friends took turns in buying stocks to save on cost. The group liked the idea and Adra took the lead in drawing up their procurement schedule. In a year, more than 20 refugee and host community vendors joined the group. Because of the volume they bought and their capacity to pay upfront, they were able to buy the fish

at a lower price. To avoid competing with each other, the group made a plan on the quantity and fish species to sell.

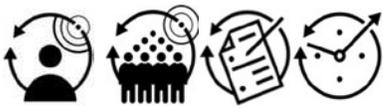
2. As a group, answer the questions below.

- What were the constraints faced by Adra and the vendors?
- What group actions were initiated to address the constraints?
- Did the group actions help improve livelihoods of Adra and the vendors? If yes, describe positive impact. If no, why not?



Factors that can contribute to a woman's ability to participate in collective action are social capital through her network and her ability to move safely and freely throughout her community. Understanding of each other's social and economic situation within the group will help shape implementation of any form of collective action.

## Activity 3B: HELPING MYSELF, HELPING OTHERS



40 minutes

The following are key guidelines of when you should consider group action to solve a problem or take advantage of an opportunity:

- The resources that you need are more than what you can individually supply or afford. A group of refugees, for example, wanted to process some of their vegetables, but individually they cannot afford to buy the equipment that they needed. They pooled their money and bought small equipment for noodle processing. Each of the members can use the equipment for a small fee to cover the cost of maintenance.



- You want to reduce costs by buying in bulk to get a discount. For example, by buying the fish as a group, Adra and the vendors got the stocks at a lower price. Likewise, by taking turns in buying the fish stock, they saved on transportations costs.
- You need to access to a wide range of services to improve skills and knowledge as well as acquire the resources (e.g. finance, equipment, etc.) to grow your business. Extension agencies and microfinance institutions are often willing to serve groups, but not individuals.



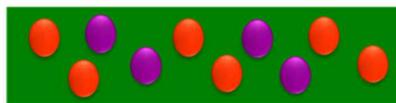
## Steps

1. Column 1: list one key constraint that you face in your work or livelihood.
2. Column 2: identify possible solution/s to your constraint.
3. Column 3: indicate whether you can implement the solution on your own or will require cooperation and collaboration from your peers.
4. Read the example to guide you.
5. Share and discuss your answers with the group.

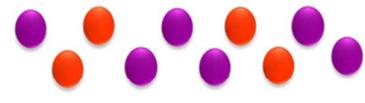
Column 1	Column 2	Column 3
<b>What constraint do you face in your work or livelihood?</b>	<b>What are the possible solutions to your constraints?</b>	<b>Can you implement the solution on your own?</b>
<i>Not being able to buy stocks at wholesale price because I only buy small quantities each time</i>	<i>Since there are many vendors like me who are selling the same product, we can combine our purchases</i>	<i>No</i>

#### SOME OF THE CAUSES OF SOCIAL TENSION BETWEEN REFUGEES AND HOST COMMUNITY MEMBERS

Resource scarcity/ high level of poverty	Differences in religious, cultural, and social norms	Economic competition over jobs and livelihood opportunities	Access and rising cost issues: housing, basic services, and utilities	Perceptions of inequity, unfairness, and exploitation
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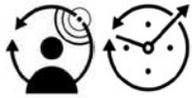
#### BENEFITS OF COLLECTIVE ACTION BETWEEN REFUGEES AND HOST COMMUNITY MEMBERS



Host community can benefit from the skills which refugees bring with them. The combined skills enhance the viability of collective enterprises.	Interdependency provides the foundation for resource sharing, thus, reducing social tension.	Collective action facilitates the exchange of best practices and, thus, enrich culture of both refugees and host community. It also increases contact, break stereotypes and build trust	The more people gainfully participate in the community's economy, the better. Refugees' participation in the economy can help stimulate demand for locally produced goods and services.
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# Session 4: CHOOSING THE BUSINESS STRUCTURE

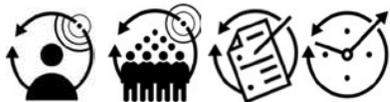
## Session Overview



10 minutes

Refugees often face a series of challenges that impede their participation in the formal labour market. In many cases, self-employment is the most viable and accessible option. Many times, small groups of refugees and/or host community residents come together informally to share resources, support each other in finding work or selling their produce together to save on transportation costs and get a higher price. Informal enterprises face limitations such as lack of legal form to transact with banks and institutional buyers (e.g., supermarkets), workers not enjoying employment benefits, loose commitments and obligations among participating individuals, etc. As these informal groups meet and work together more regularly, they may want to transform them into formal organizations. In moving from informal collaboration to formal businesses, you have an important choice to make regarding the ownership and structure of business. Activity 4A will walk you through the factors to consider when choosing a business structure. In Activity 4B, you will look into the values and principles of a cooperative and assess whether these are aligned with your own aspirations.

## Activity 4A: UNDERSTANDING BUSINESS STRUCTURES<sup>2</sup>



45 minutes

A business may be owned and managed by a single individual or a group of individuals. Such arrangement of ownership and management is termed as business structure. The business structure influences everything from day-to-day operations to the capital that one needs to personally raise, personal liability, and taxes. To gain an understanding of the common business structures, perform the steps as they are read. It should be noted though that allowed business legal structures vary from country to country. Likewise, **the type of business ownership and structure that refugees can engage in is also dictated by the laws of the host country.**

### Steps

1. Take turns in reading aloud the descriptions. After each description is read, identify two to three businesses in your area that fit the description.

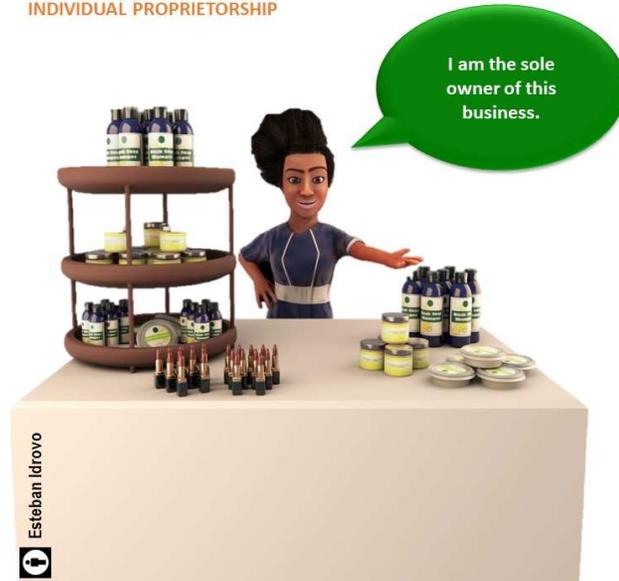
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<sup>2</sup> There are different types of business structures depending on the country. You may ask the facilitator for additional information on business structures allowed in your country.

## INDIVIDUAL PROPRIETORSHIP

- Single ownership
- Owner provides labour, capital, and management.
- Owner is entitled to all profits; liable for all losses.
- Objective: Earn income and be one's own boss.
- Examples: Mostly small companies.

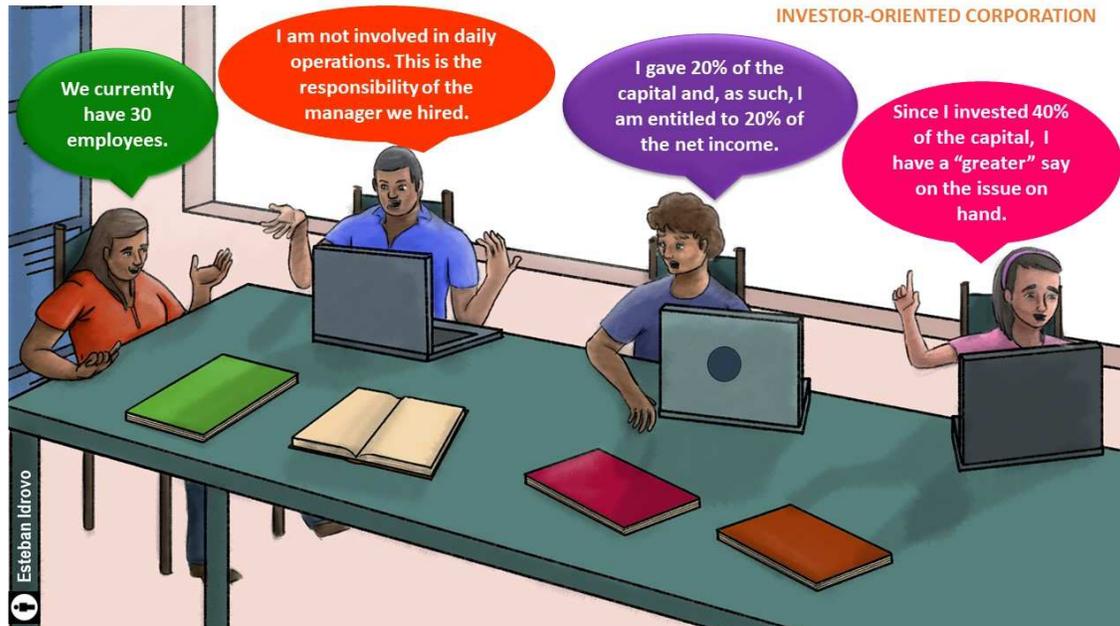
## INDIVIDUAL PROPRIETORSHIP



## INVESTOR-ORIENTED CORPORATION

- A way to raise large amounts of capital.
- Ownership share and control depend on amount invested.
- Owners only provide capital.
- Objective: Earn a return on invested capital.
- Examples: Most medium and large businesses.

## INVESTOR-ORIENTED CORPORATION



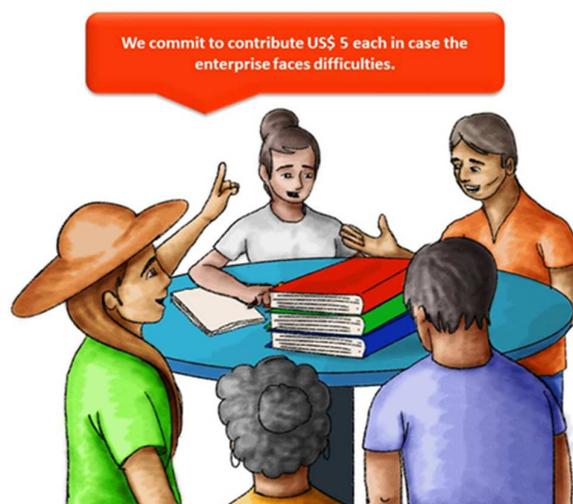
## COOPERATIVE

- Owned, managed, and controlled by members.
- A way to provide “service at cost” to groups of individuals and/or firms.
- Members/owners/users provide capital and oversight control.
- One member, one vote.
- Objective: To provide services with members getting back part of the profit from their own purchases.
- Examples: Farmer cooperative, worker cooperative, consumer cooperative.



## COMPANY LIMITED BY GUARANTEE

- Initial funding raised through grants and donations.
- Has no share capital or shareholders, but instead has members who act as guarantors. The guarantors agree to contribute a sum of money (typically very small), which will be collected in case the company faces financial difficulties.
- The financial liability of members is limited to committed guarantee.
- Members do not earn profit; profit is reinvested into the company.
- Objective: Support company’s advocacies rather than benefit financially.
- Examples: Non-profit organizations, charity organizations.



2. Individually read the stories and identify the type of business structure. Discuss and compare your answers with your peers.
- a) Maya runs a grocery shop in the village. She buys from Alan and other traders from the wholesale market in the city. By doing so she earns some profit. She started her business five years ago by investing US\$ 300 which she borrowed from the cooperative in which she has been a member for ten years. Today, she is running her business successfully, earning a good profit, and has been able to pay back the borrowed money. She has also employed two persons to help her in the shop. What type of business structure is the grocery shop that Maya runs?

Answer: \_\_\_\_\_

- b) Sophia earns just enough to provide decent food for her family and send her two children to school. What sets Sophia apart though is that she owns three grocery stores together with 20 other refugees and local residents like her who want affordable but nutritious food for their family. In 2010, they each invested US\$ 100 and set-up their first store. With her membership and corresponding payment for her share, Sophia has the right to vote for their board of directors and weigh in on important policies and governance issues. If she wanted to, she could even run for the board! What Sophia particularly likes in her business is that all the owners of the stores have one vote only regardless of the number of shares that each one holds. When Sophia buys food from her store, most of the money she spends goes back to the local community via local producers from which they source their stocks and to the workers they hire from refugee camps and the neighbourhood. Likewise, she also receives at the end of the year a share of the profit proportionate to how much she spent in her stores. What is the structure of the business that Sophia owns?

Answer: \_\_\_\_\_

- c) Adam and Maricel own a grocery store together with three other shareholders. Each of the shareholders invested money and expects to earn a return for their investment. Adam has 50% share of the company. In other words, he provided 50% of the capital. The remaining 50% is shared by the four other shareholders with Maricel accounting for 20%. Since Adam has the largest share, his opinion and vote matter most. At the end of each year, Adam gets 50% of the profit that the business has decided to distribute to shareholders. Adam likes this structure because it enables him to proportionately earn from his investment and, at the same time, his personal assets are not at stake in case the company fails to pay its creditors. What type of business structure did Adam and his friends have?

Answer: \_\_\_\_\_

- d) Instead of individually renting or setting up their own stores which is expensive, thirty small scale fruit processors decided to form XYZ Marketing Limited. Through the company, the 30 processors were able to get 10 stalls in the central market. To pay for the rent of the stalls, power and water utilities, and salary of the salesperson, the company receives 5% commission from each member based on their gross sales. The company also uses the 5% commission to run promotional campaigns. The members do not receive any share in the profit that may be generated by the company. Likewise, at the time of establishment, the members pledged to give US\$ 5 each in case the company runs into financial problems and would be unable to pay its obligations.

Answer: \_\_\_\_\_

- Of the four types of business structure described in Step 2, which did you like best and why? Discuss your answer with your group members.

## Activity 4B: FACTORS TO CONSIDER WHEN CHOOSING A BUSINESS STRUCTURE



45 minutes

In choosing the business structure for your business, the following are the key factors to consider:

**Motivation for setting up the business:** What challenges, issues, or problems are you trying to resolve? What do you expect to get from the business?

**Ownership:** Will you be working alone, or will the business have multiple owners?

**Participation and control:** Who participates in management and policy decisions?

**Profit sharing:** How will the profit be shared?

**Resources:** What is your ability to acquire resources such as land, working capital, building, facilities, equipment, technology, etc.?

**Liability:** To what extent would you want to be personally liable for the debts of the business? When making your choice on the business structure, make sure that you highlight what is most important to you and your plans for the future. Remember though that not one single type of ownership may give you all the features you desire. Your task is to decide which type of business entity offers the features that are most important to you.

### Steps

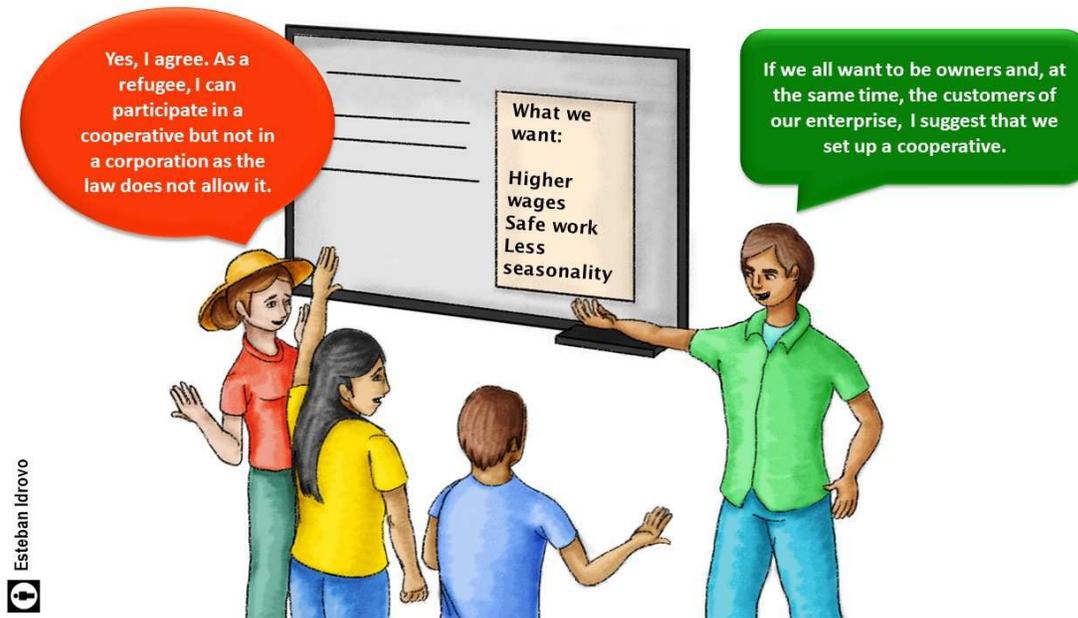
- Individually, read the question in Column 1. Choose and encircle the answer (Columns 2 to 5) that is closest to what you feel and think is the best for you.

Question Column 1	Choose and encircle your answer			
	Answer 1 Column 2	Answer 2 Column 3	Answer 3 Column 4	Answer 4 Column 5
<i>What is your main objective for setting up the business?</i>	Earn profit for myself	Earn profit equivalent to my investment	Access services that would help me and my peers improve our	Access services that would help me and my peers improve our

Question Column 1	Choose and encircle your answer			
	Answer 1 Column 2	Answer 2 Column 3	Answer 3 Column 4	Answer 4 Column 5
			livelihood while also earning surplus/profit as additional income	livelihood; support an advocacy
<i>How much control do you want in running the business?</i>	100% control	Control based on investment	Equal control for all members with shares	Equal control for all members
<i>How do you want profits to be shared?</i>	100% profit to person who provided the capital	Profit shared according to investment	Profit shared based on use of service or in proportion to the business I conducted with the enterprise	Profit not distributed among the members but reinvested into the business
<i>Do you have all the skills and resources to run the business?</i>	I have the resources and skills to set-up and run business. I can also hire workers and get a loan whenever necessary.	No but the shareholders will provide the capital to secure all skills and resources needed	No and I do not have the capacity to hire employees and get a loan.	No and I do not have the capacity to hire employees and get a loan.
<i>How much liability exposure are you willing to take?</i>	I am willing to accept all responsibility for debts, losses, and other liabilities.	I am not willing to put my personal assets not connected to the business at risk	I am not willing to put my personal assets not connected to the business at risk.	I commit to give the amount (nominal) I pledged when I became a member in case business gets into financial problems

2. Which column of answers describe:
  - a) A cooperative?
  - b) An individual proprietorship?
  - c) An investor-oriented corporation?
  - d) A company limited by guarantee?
3. Share with the group your preferred business structure.
4. Assign one member to read the story below.

Caleb, a local resident, is a construction worker. Over the years, Caleb and his friends comprised of refugees and local residents have been working together in various construction projects. Every time one of them learns of a new project shares the opportunity with their friends. Oftentimes, they had to pay commission to an agent to get work in a construction project. Work conditions and pay depend mainly on the agent. Caleb and his friends are thinking of creating an enterprise which could act as a manpower pool agent and, perhaps, in the near future also engage as direct contractor in construction projects. The group believes that if they can present themselves as an enterprise, they can negotiate directly with the construction company and provide the required manpower instead of being hired individually by the agent. Individually, they have very little cash to set up a business but they have the skills and some contacts in the construction company.



5. If you were one of Caleb’s friends, which type of business structure would you choose for your group? Review your answer in Step 1 and use this as your basis in choosing the business structure.

Proposed type of business structure:

6. Discuss your answer with the group.

## Activity 4C: PRINCIPLES OF A COOPERATIVE



60 minutes

Cooperatives are businesses owned by members to meet their mutual needs. Regardless of the goods and services provided, cooperatives contain the following elements:

- Cooperatives are businesses.
- Cooperatives are owned and controlled by those who use their services (the members).

- Cooperatives are democratically governed
- Cooperatives exist to serve its members.



The cooperative is both an enterprise and an organization of collective action. The cooperative provides services and/or goods required by the members, taking into account the interests and needs of both women and men members as well as the entrepreneurial objectives and financial sustainability of the organization. Members act as both users and owners of the cooperative (“user-owned”) through participation at three levels:

- Participation in the provision of resources (e.g., contribution of capital, labour, delivery of services or produce).
- Participation in the decision-making processes of the cooperative. This implies that cooperatives are “user-controlled”.
- Participation in the sharing of profits earned by the cooperative in the form of a patronage refund. A patronage refund is payment to a member from surplus earned by the cooperative based on quantity or value of business done with or for the member. Cooperatives are hence ‘user-benefited’.



- It is important that particular and unique interests, needs and contributions of women and men are taken into account in the cooperative.
- Both women and men are encouraged to actively participate in the group discussions to express their particular interests and needs, and propose ways in which they can contribute from their respective realities.
- You may want to take into account particular situations that women face such as legislation that does not allow them to own land or be economically independent, the burden of family responsibilities, pregnancy, etc.
- More specific strategies to ensure women members’ active participation in the cooperative will be provided in Start.Coop.

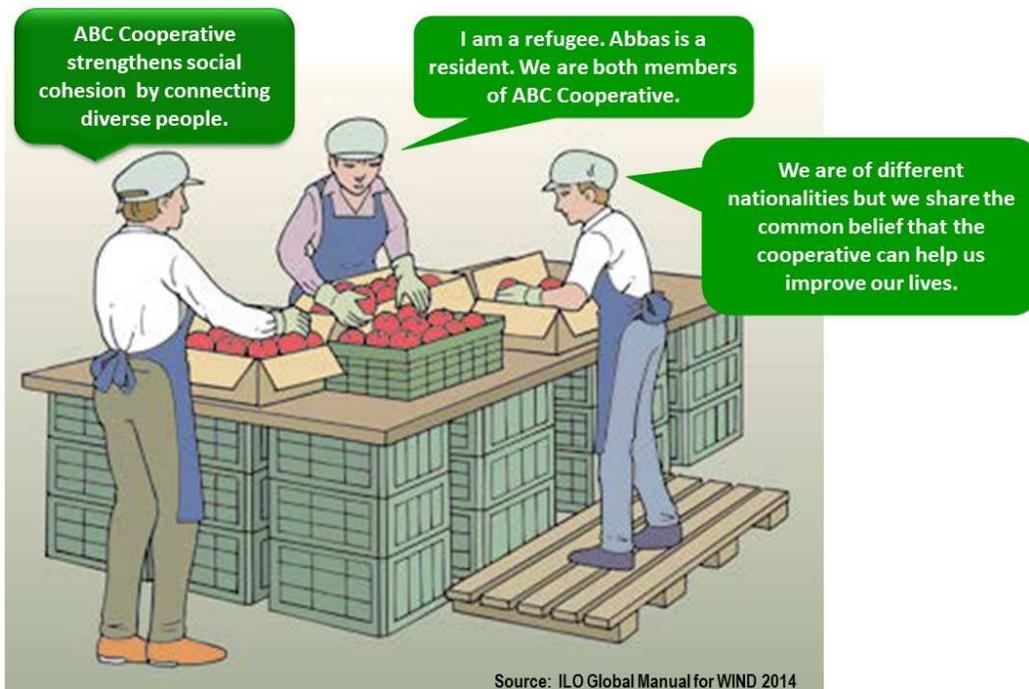
Now, look more closely into the seven principles that guide or govern the establishment and operations of a cooperative and assess their relevance to your own goals and objectives particularly with regards to your livelihoods. Note that the principles are descriptive of what a cooperative should be rather than prescriptive.

## Steps

1. After each principle is read, identify as a group which action is a violation of the principle. Encircle the letter of your answer.

### Principle 1. VOLUNTARY AND OPEN MEMBERSHIP

Cooperatives are voluntary organizations, open to all people able to use its services and willing to accept the responsibilities of membership, without gender, social, racial, political or religious discrimination. Refugees can form a cooperative or be a member of a cooperative without discrimination as long as the legislation allows them to do so. Members may also withdraw whenever they wish.



*Which of the action below is a violation of the principle?*

- a) Practices are free from discrimination.
- b) Removes physical and procedural barriers that limit members' access to services.
- c) Harasses members who want to terminate their membership.
- d) Open to refugees and host community members interested in joining the cooperative.

*Answer:*

### Principle 2. DEMOCRATIC MEMBERSHIP CONTROL

Each member has equal voting and decision-making power in the governance of the cooperative. Each member, whether refugee or host community member gets one vote, regardless of the level of her or his investment in the cooperative. Refugees and host community members alike can be elected as members of the Board of Directors if legislation allows. Women and men serving as elected representatives are accountable to the membership.

*Which of the action below is a violation of the principle?*

- a) Only invites to meetings the members who always agree to the proposals of the President.
- b) Honours equal voting rights for all.
- c) Open in sharing information to all members.
- d) Encourages all owners to give their feedback on the services of the cooperative.

*Answer:*



### Principle 3. MEMBER ECONOMIC PARTICIPATION

Members provide the money and/or in-kind resources needed to start and operate the business. If a refugee or a host community member does not have the cash to invest, they can pay in-kind or with their work. Decisions on how the capital and funds of the cooperative will be used are made democratically and not based on the amount invested. The benefits that members get from the cooperative are in proportion to the business they conduct with the cooperative rather than on the capital invested.



*Which of the action below is a violation of the principle?*

- a) Allows members to contribute fairly to the cooperative's capital.
- b) The use of capital and funds is decided by those who have provided the larger chunk of working capital.
- c) Allocates surpluses equitably for all members.
- d) Utilizes capital to achieve cooperative's long-term goals.

*Answer:*

#### **Principle 4. AUTONOMY AND INDEPENDENCE**

Cooperatives are autonomous, self-help organizations controlled by their members. If they enter into agreements with other organizations, including governments, or raise capital from external sources, they do so on terms that ensure democratic control by their members and maintain their cooperative autonomy.



Which of the action below is a violation of the principle?

- To the extent possible, cooperative follows the “wishes” of the politicians to gain their favour even if it is detrimental to the interest of the majority of members.
- Enters arrangements with governments or other organizations only when terms respect its autonomy.
- Acts as independent organization through members’ control.
- Uses independence as a differentiating factor in the market.

Answer:

### Principle 5. EDUCATION, TRAINING, AND INFORMATION

Cooperatives provide education and training for their members, elected representatives, managers, and employees so they can contribute effectively to the development of their cooperatives. They inform the general public – particularly young people and opinion leaders – about the nature and benefits of cooperation. Refugees have the same right to education and training as host community members.



*Which of the action below is a violation of the principle?*

- a) Provides training and education to allow members and employees to perform their responsibilities satisfactorily and to promote active participation in the cooperative.
- b) Conducts awareness campaigns on the benefits of cooperation and the cooperative model.
- c) Enhances knowledge of members on the cooperative business model.
- d) Only board members and the manager are provided opportunities to participate in training.

*Answer:*

### Principle 6. COOPERATION AMONG COOPERATIVES

Cooperatives serve their members most effectively and strengthen the cooperative movement by working together through local, national, regional and international structures. They can increase contact between different groups, break down barriers, create dialogue, and bring about greater cultural sensitivity. As a result, cooperatives can build social cohesion, both within and between groups.

*Which of the action below is a violation of the principle?*

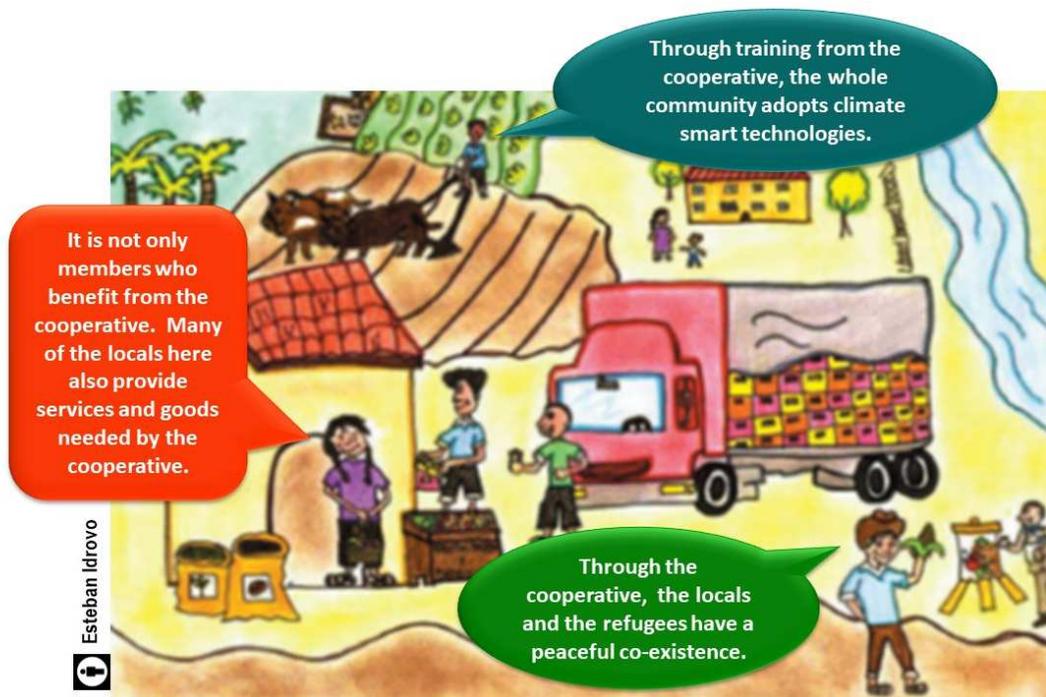
- a) Builds relationships with local cooperatives to protect local economies and create increased member value.
- b) Avoids sharing information and working with cooperatives perceived to be competitors.
- c) Participates in cooperative knowledge sharing events.
- d) Learns from other cooperatives.

*Answer:*



### Principle 7. CONCERNS FOR THE COMMUNITY

Cooperatives work for the sustainable development of their communities through policies and actions approved by their members.



Which of the action below is a violation of the principle?

- a) Treats all people with respect and dignity.
- b) Utilizes local resources and skills.
- c) Implements community programs that benefit members and the community.
- d) No conscious consideration on environmental impact as biodiversity conservation is not among its focus.

Answer:



- Participation in and provision of services by the cooperative based on the seven principles should target women and men with equity.
- Adaptations could be made to allow full participation of women members in the cooperative's activities. For example, provision of training should be planned during suitable hours that do not interfere with family responsibilities that oftentimes are largely assumed by women and constraints their participation in meetings in the evenings.

2. Assign one member to read the story of SADA Women's Cooperative.

"We can live, create and become stronger together."  
(Sakay 2019)

SADA Women's Cooperative was established in April 2019. The establishment of the women's cooperative brought women from the host communities in Gaziantep, Turkey together with Syrian and Afghan women. Through collaborative work and willingness to work with each other despite differences in ethnic origin and culture, the women were able to overcome the destruction caused by war in their lives and start anew.

Some of the products of SADA Women's Cooperative



<https://www.dailysabah.com/turkey/2019/08/09/sada-the-cooperative-that-aims-to-be-the-voice-of-syrian-turkish-afghan-women>

The cooperative produces a wide range of products --- textiles, bags, shoes, and delicious food. The women tell their life stories and emotions onto the products they make. The women received training on footwear, food processing, and textile production. They also underwent language training, which helped strengthen their bonds as well as facilitated transparent communication.

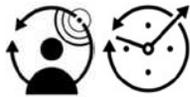
The cooperative has a managing board consisting of eight people, which meets every week. Members meet every month. Every member has equal authority and decisions are taken jointly. The profit from the sales of products produced together are shared equitably. The cooperative also provides free daycare for mothers with small children.

3. Discuss:

- What principles were highlighted in the above story?
- What do you like most about the SADA Women’s Cooperative?

## Session 5: COOPERATIVES AND SOCIAL COHESION

### Session Overview



5 minutes

This session will walk you through the potential of cooperatives in building trust and social cohesion in the communities they operate and, therefore, contribute to building peace among communities and/or host communities and refugees parallel to facilitating improvements in livelihoods and the quality of life in general. Social cohesion can be described as the glue that bonds society together, essential for achieving peace, democracy and equitable development (UNDP & SCFG). The imperative of social cohesion is in line with and inherent in the cooperative principles.

The functioning of a cooperative as a “user-owned, user-controlled, user-benefited” business relies heavily on trust, reciprocity, and interpersonal relationships. As such, the cooperative has to recognize and embrace diversity as well as needs an inclusive approach to business development and service delivery. As a membership organization that brings diverse people together to pursue collective social and economic goals, the cooperative has to understand the issues that divide societies and the power relations underpinning these divisions so that they can target their work to promote peace. Peace is everyone’s business. There cannot be any sustainable development without peace and no peace without development.

### Activity 5A. LEAVE NO ONE BEHIND



45 minutes

People, particularly women and other minority groups such as people with disabilities, indigenous peoples, refugees, get left behind when they lack the choices and opportunities to participate in and benefit from development progress. Without inclusion and equitable access to opportunities and resources, a sense of alienation has a chance to grow and the fabric of society weakens. While inequality can undermine social cohesion, fostering social cohesion through membership in cooperatives can help narrow inequalities in society, reduce perception of injustice and reduce vulnerability to being left behind.

#### Steps

1. Choose a member to lead this activity.

Instructions for the leader

- Assign each participant to copy a role and accompanying description (from the table below) in a small piece of paper (1/8 of a copy paper). Ask participants to roll the paper and place in the middle of your table. Number of roles = number of members less leader of activity.

<b>Role #</b>	<b>Description</b>
1	Male worker Refugee Speaks and understands little of the language Hides his ethnicity after experiencing discrimination Informal and intermittent work Not a member of cooperative or any other group
2	Male worker Refugee Steady job and income; good working conditions Has attended training Member of a workers cooperative Speaks and understands the language Have close friends outside of ethnic group or nationality
3	Female Refugee Unpaid worker; helps husband to meet production quota Responsible for household work and childcare Not a member of a cooperative
4	Female Local/Host community Factory worker with a steady income Member of a cooperative that runs a day care Has participated in training organized by cooperative
5	Male Local/Host community Person with disability Intermittent work in the informal sector Feels inferior and a victim of bullying in the workplace
6	Female Local/Host community Person with disability Steady income from cooperative (as worker and owner) Member of a cooperative set-up by home-based processors

- Ask participants to pick up a piece of paper. This will be their “role” in this activity.
- Ask participants to line up. Tell them to bring the paper with their assigned role and accompanying description. Choose a space in the room where participants can move backward or forward.
- Explain to the participants that you will read a series of statements. If the statement matches the description of their assigned role, the participant should move forward or backward as indicated.
- Read out the following statements and give participants time to move:
  - If you have a steady income, take a step forward.

- If you are a person with disability, take a step backward.
- If you are male, take a step forward.
- If you are responsible for childcare and household work in addition to productive work, take a step backward.
- If you are engaged in informal and intermittent work, take a step backward.
- If you have close friends outside of ethnic groups or nationality, take a step forward.
- If you are a member of a cooperative, take a step forward.
- If you experienced bullying and discrimination in your workplace, take a step backward.
- If you speak the language, take a step forward.
- If you are engaged in unpaid work, take a step backward.
- If you have participated in the training, take a step forward.
- If you have good working conditions, take a step forward.
- If you are not a member of a cooperative or similar group, take a step backward.
- If you are a refugee, take a step backward.
- If you are engaged in intermittent and seasonal work, take a step backward.

7. End the game. Tell participants to remember their position in relation to their peers.

#### Instructions for all members

8. Discuss:

- How did you feel when you moved forward?
- How did you feel when you moved backward?
- Where are the men? Where are the women?
- What elements of your assigned role enabled you to move forward?
- What elements of your assigned role caused you to be at the back of the line/at the middle of the line?
- What patterns do you observe? What are the common characteristics of people in the front? In the back?
- What collective action can be done to move those at the back of the line forward?

9. Take turns in reading the statements below. Discuss whether you agree or not with the statement based on your own experiences and insights on the activity.

- Equality and good working conditions are critical ingredients of social cohesion. If some people feel that they are not treated equally or are treated poorly at their workplace, then they will not wish to maintain social relations or be part of a group. It can also create a feeling of social injustice and grievances.
- If social cohesion is to be meaningful, it must involve integrating those who are otherwise excluded and marginalized.
- While women can be effective promoters of social cohesion, they are among the main groups of people who are not able to participate in the benefits of social cohesion to the same extent as men due to unequal opportunities, work burden, and gender-based discrimination.
- Membership in a cooperative can mitigate vulnerability and reduce both the level of threat and the time that people are exposed to the threat.

By their very nature cooperatives play a triple role (Schwettmann nd): (i) as economic actors, they create opportunities for jobs, livelihoods and income; (ii) as social organizations, built on

a common goal and a common bond, they extend protection and security, and contribute to equality and social justice; and (iii) as democratically controlled associations of individuals, they play a constructive role in communities. In all these roles, cooperatives reduce vulnerabilities of members, risks of escalating vulnerabilities, and exposure to further vulnerabilities.

Guided by the principle of open voluntary membership, without discrimination, cooperatives promote inclusion that reduces vulnerability of people such as refugees, youth, elderly, women, and people with disabilities. Extreme inequality may damage trust and social cohesion and, thus, is also associated with conflicts, which increases vulnerability of marginalized people. Cooperatives have often emerged as sources of positive social capital, fostering a strong sense of community, participation, empowerment and inclusion among their members.

- A community or group is “cohesive” to the extent that the inequalities and exclusion based on ethnicity, gender, religion, nationality, age, disability or any other distinctions which engender divisions distrust and conflict are reduced and/or eliminated.
- A “cohesive” group works towards the well-being of all its members, promotes trust, and offers its members the opportunity of upward economic and social mobility.

## Activity 5B: WAYS THAT COOPERATIVES PROMOTE SOCIAL COHESION AND PEACE



45 minutes

Cooperatives are enterprises that place people before profit. They uphold values of self-help, self-responsibility, democracy, equality, equity and solidarity. They practice honesty, openness and social responsibility in their operations. Cooperatives play an important role in providing or facilitating access to jobs and income generation opportunities, they also play a significant role in promoting social inclusion particularly for refugee and host communities. Cooperatives established with active participation of host communities that benefit them as well as the refugees can help eliminate resistance to acceptance of refugees as well as promote social cohesion.

Having shared objectives and values is a strong social mechanism that supports continued interactions among members of a cooperative. The greater the sense of common purpose and values, the higher the probability of harmonious collaborative relations, trust, and social cohesion. Where members see themselves having benefited from cooperation, and see other members benefiting as well, this strengthens social cohesion.

### Steps

1. The table below outlines a few possible pathways of engagement between cooperatives and host as well as refugee communities and, which in the process, promote social cohesion and peace. Read the examples (ILO 2020) of the cooperatives below. As a group, identify the model of engagement. Indicate only the corresponding letter.

Some of the models of engagement with host and refugee communities
--

A	Refugees form cooperatives to provide services/products for themselves and/or their host community
B	Host community cooperatives provide services/products to refugees and members.
C	Cooperatives comprised by both host community residents and refugees
D	Returning refugees rebuild their villages and form cooperatives

- a) Even if the Jordanian law does not allow for non-nationals to become members of cooperatives, host agricultural and multipurpose cooperatives have become an important actor to provide services to Syrian refugees and to their members in host communities. The cooperatives facilitate flexible work permits for Syrian refugees in the agricultural sector, a sector where the majority of Syrian refugees work.

*Model of engagement: B*

- b) The Regina Community Clinic is a consumer cooperative in Saskatchewan, Canada, that acts as a primary health service provider giving diagnosis and treatment, disease prevention and patient education. Its members provide input on the policy and direction of the clinic. They have been providing care to refugees who are their members since 2004, and the refugee population represents around 20 percent of the clinic's patients.

*Model of engagement: C*

- c) New Roots is an agricultural producer cooperative in Maine, United States, started by four Somali refugees. They sell their produce at farmers and wholesale markets and have a seasonal Community Supported Agriculture programme for which locals can register. Their cooperative has allowed them to settle, become socially integrated, make a living and exchange knowledge and culture with their new neighbours. The farmers are connected by their backgrounds, their shared struggles and common vision for the future. They are all graduates of Cultivating Community's New American Sustainable Agriculture Program (NASAP). New Roots is characterized by mutual ownership of farmland and equipment, and democratic decision-making about marketing produce and how to distribute surplus.

*Model of engagement: A*

- d) The Moral Brotherhood and Neighborhood (MOBAN), a savings and credit cooperative society (SACCO) based in Nakivale Refugee Settlement in the Isingiro District, in the Western Region of Uganda, offers fixed deposit accounts with a 12 per cent yearly interest rate and gives out loan to members. As of 2020, it had 3007 members, of whom 40% were Ugandans and 60 percent refugees. In addition to facilitating the creation of economic opportunities for its members, another key objective of MOBAN is to promote the integration of host communities and refugees.

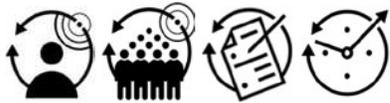
*Model of engagement: C*

- e) The Puthukkudiyiruppu D.S Division Women Entrepreneurs' Cooperative Society (PTK cooperative) in Sri Lanka was established by 15 women in female-headed households, who upon their return to their village after the war found their homes damaged and unlivable. With nobody willing to offer them credit or a loan to augment the funds made available for reconstruction, the women formed their own network. If one of them had a sick family member or a house needing essential repairs, the other women would pool their cash to help out. Today, with close to 500 members, the all-female cooperative helps their members in upgrading their farming practices.

*Model of engagement: D*

2. Which of the above models of engagement do you think will be relevant to you based on your needs and the legislation of your country of residence? Share and discuss your answer with the group.

## Activity 5C: DO NO HARM, DO MORE GOOD



30 minutes

Conflict occurs when two or more parties believe their interests are incompatible, express hostile attitudes or take actions that damage the other's ability to pursue its interests. People in conflict perceive that others are making it difficult or impossible to meet their needs. Conflict can be handled constructively or destructively. When people have trusted democratic platforms to express their frustration and talk about how to improve their lives, they have no need for violence.

When you join or form a cooperative, make sure that your actions do no harm and do more good for you and the whole community. You can attend the Start.COOP training to learn the step-by-step process of starting a cooperative.

### Steps

1. Conflict sensitive actions seek to consciously avoid or minimize negative impacts ('do no harm') and equally consciously tries to create positive impacts on the conflict dynamics. Below is an example of a "harmful action" and possible ways to address it through a "do no harm" cooperative action.

*When refugees settle in new communities, there can be a sharp surge in demand for natural resources which can cause severe environmental impact in surrounding areas as well as create conflict with host community. An example of this is the indiscriminate harvesting of wood for fuel. This is a lose-lose situation for both refugee and host communities. When tree species suited for use as fuel become scarce, the trek to gather firewood becomes ever longer. Shortages hit women and girls in both refugee and host communities particularly hard, because they are typically in charge of gathering wood. Walking longer distances does not only mean an extra domestic burden which restricts their ability to pursue livelihood and education, but it increases their risk of harassment and assault as they get further away from home. Competition over scarce natural resources can also increase tension between refugee and host communities.*

*Finding a mutually beneficial solution to fuel wood problem can be a starting point for the establishment of a cooperative jointly owned by refugees and local residents. Some possible ventures that the cooperative can engaged in are: (i) sale of energy efficient stoves that use less wood in partnership with a microfinance institution or another cooperative; (ii) planting of fast-growing species that can be used for fuel with the support of the government and non-government organizations; and (iii) supply of affordable solar energy to refugee and host community households.*

Now that you have an idea of ‘negative impact’ that should be avoided, think of an incident or action in your community that resulted to a negative impact. Share and discuss with the group the incident and the ensuing negative impact.

2. As a group, read the scenarios below and identify whether it creates positive or harmful impact

Scenario		
	Positive impact	Harmful impact
Recognizing that host community vulnerability has increased with refugee presence, the cooperative provided services to host communities as well.	✓	
Limiting potential members of a cooperative based on a list from a tribal or political leader rather than having transparent and open invitation.		✓
The cooperative has a monopoly of the market and, in the process, displacing existing local traders and vendors.		✓
The promotion of livestock production and dairy processing in two formerly warring villages in which women and men undertook these linked enterprises and created interdependency.	✓	
The cooperative launched a training program for refugees and host community which is also used as a platform for dialogue and constructive engagement.	✓	
The cooperative provides credit services centred in neighbourhoods representing only refugees or host community members.		✓
The cooperative provides community services in one area, which is perceived as favouring one ethnicity		✓
The content of the training provided by the cooperative reinforces stereotypes regarding refugees		✓
Skills training programmes of the cooperative are chosen because they offer opportunities for employment and livelihood for all ethnic groups, including those currently marginalized in the economy.	✓	
Energy and water services of the cooperative are accessible to both refugees and host communities.	✓	

3. Going back to the incident or situation you shared in step 1, what do you think would have been the better way of handling the situation to avoid negative impact and violence? Share and discuss your answer with the group.

# Session 6: BUILDING BACK BETTER TOGETHER

## Session Overview



5 minutes

In this session, you will look into the different types of cooperatives and the range of services offered by a cooperative. The products and services of the cooperatives are tailored to specific member needs. Cooperatives undertake activities and provide services that promote the prosperity and well-being of their members.

This session will also provide you some ideas on services and/or products that cooperatives can provide to refugees that will help them integrate into their new communities. Likewise, you will also learn the services that cooperatives can provide to help individuals including host community residents access economic opportunities which can help mitigate the effects of the crisis and promote social cohesion.

## Activity 6A: TYPES OF COOPERATIVES AND RANGE OF SERVICES



60 minutes

Products and services offered by cooperatives depend on the needs of their members, taking into account gender inequalities in accessing resources and skills. In many cases, the activities of cooperatives are aimed at addressing constraints that members face in their livelihoods and/or helping them take advantage of opportunities that they could not possibly do so on their own. Cooperatives, for example, can provide services and goods such as child care,

psychological assistance, and housing, which are important for refugees but not as readily available through other enterprises. Collective action through cooperatives can help refugees to access jobs and markets for their products/services. Cooperatives can also assist refugees in acquiring the skills and resources to improve their income generation capacity.



Source: ILO 2016

The table below shows basic types of cooperatives and their function, divided by membership type. It may be possible for a cooperative to have multiple functions (e.g., production and marketing). When cooperatives perform more than one function, they are called multipurpose cooperative. Classification or typology of cooperatives in a country is determined by national legislation.

Type of Cooperative	Description
<b>Users' Cooperative</b>	
Consumers Cooperative	Owned by its customers. The cooperative sells retail products (food, clothing, hardware, and other consumer goods) to their customer members and other consumers at affordable prices.
Financial Cooperative	A financial institution that is owned and operated by its depositors and borrowers, with the intent to offer transparency in lending and investment practices for all members. The most common kind of financial cooperative is the credit union. Examples: credit unions, insurance cooperatives
Housing Cooperative	Provides affordable homeownership and rented social housing.
Utility Cooperative	Provides utility services to members, such as water or electricity.
<b>Worker Cooperative</b>	
	Provides or ensures jobs for their members. The members are individual workers (worker- members) whose jobs are directly assured through their cooperative
<b>Producers Cooperative</b>	
Purchasing Cooperative	Purchases products and services in bulk to reduce or share costs for individual members. Example of sectors: agriculture, fisheries, handicrafts, etc.
Marketing Cooperative	Builds markets for members' products and services, improves bargaining power of members, facilitates delivery of products to market, and improves product quality. Example of sectors: tourism, taxi/transportation, arts and crafts, education, food service, dairy, etc.
Value Added Processing Cooperative	Adds value to product of members through common service facilities for e.g. post-harvest, storage, and processing. Example of sectors: forestry, artisanal mining, agriculture, fishery, livestock, etc.



Women only cooperatives are established to better address women's needs, concerns and contributions, especially in cultural contexts where men and women do not mix with each other to start a business.

## Steps

1. As a group, identify the services provided by the cooperative.

### Energy Cooperatives in Dollo Ado and Bokolmayo – Ethiopia<sup>3</sup>

Since 2018, five energy cooperatives manage the solar grids in the refugee camps in Dollo Ado and Bokolmayo areas in Ethiopia. The cooperatives are owned by refugee and host community members, who underwent training in basic electrical engineering and business training. The cooperatives are the main local energy providers to households in and outside the camps. The members maintain the solar grid installations serving three localities and the installation and repair of in-home solar systems.

The energy cooperatives have transformed the lives of hundreds of families who can now access energy for cooking, lighting and running their businesses. It has also reduced gender-based violence. While the cooperatives are generating an income for their members through the sale of electricity, they are also providing free power to vulnerable households who could not otherwise afford it.

*Services provided by the cooperatives:*

### Refugees to Refugees (R2R) Solidarity Call Center, Greece<sup>4</sup>

R2R Solidarity Call Center provide support services to refugees arriving in Greece. The cooperative call centre is run by and for refugees. They post details online in different languages about transportation, Greek residency and refugee legal rights in Greece and throughout Europe. At the same time, through its services, it hopes to create linkages between refugee communities and the wider solidarity movement, in order to break the exclusion and isolation that refugees are feeling, as a result of being crammed in camps.

*Services provided by the cooperative:*

### Si Se Puede, United States<sup>5</sup>

Si Se Puede is a cooperative established by migrant and refugee women in Brooklyn, New York, United States. The cooperative provides cleaning services for both residential and non-residential spaces. It has more than 100 members and works to provide social support and educational opportunities for all members.

*Services provided by the cooperative:*

2. What services would be most useful to you and your community/peers? Discuss and share your answer with the group.

## Activity 6B: ADVANTAGES AND DISADVANTAGES OF A COOPERATIVE

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<sup>3</sup> (Naboni and Haslund 2021)

<sup>4</sup> (ILO 2020)

<sup>5</sup> (ILO 2020)



30 minutes

You have learned in the previous sessions that cooperatives have a dual nature, as business enterprises on the one hand, and as membership-based associations organized for collective action on the other. The basic difference between a traditional business and a cooperative is that a cooperative is collectively and democratically owned and controlled by the people using its services or products while in a traditional business one person or group of persons make most of the decisions. Customers in traditional businesses are external to the company. In the cooperative, the owners and the users or customers are the same people; they are the members.

In cooperatives, people come together to address constraints or opportunities that they cannot address on their own, and surplus generation may not be the only or primary objective of the cooperative. The cooperative provides refugees and host community residents the platform for: (i) skills and knowledge complementation to address common challenges and/or seize livelihood opportunities; (b) the joint development and/or sharing of innovations; and (iii) promotion of trust and social cohesion. Membership in cooperatives can enable refugees and host community residents to play an active role in their own transition to economic self-sufficiency.



The formation of cooperatives or membership in cooperatives is most likely to be beneficial under the following conditions:

- a) Problems and constraints cannot be solved individually. The problem can be better solved by collaborating with people who face the same problem.
- b) Assistance needed to address the problem cannot be easily accessed from family, other enterprises, government, and other social institutions. Cooperative is the most promising provider of the solution needed.
- c) The advantages of membership (access to services, inputs, financial services, markets, etc.) outweigh the duties of membership (contribution of resources such as money, time, skills, etc.).

## Steps

1. List down the advantages and disadvantages of forming or joining a cooperative from your own perspective and given the current conditions you face in your work or livelihood.

<b>Advantages of joining/forming a cooperative</b>	<b>Disadvantages of joining/forming a cooperative</b>

2. After a thorough analysis, do you think the cooperative is an appropriate business model for you? Why or why not? Share and discuss your answer with the group.

### Answers: Activity 2A

Relationship	Type of relationship
Farmer selling to a trader	Vertical relationship
Refugee and host community livestock growers selling meat together	Horizontal relationship
Factory workers helping each other	Horizontal relationship
A shop owner consulting a peer regarding a new technology	Horizontal relationship
Refugee fish vendors setting up an informal savings and credit scheme	Horizontal relationship
Refugee vendor borrowing stock from another host community vendor	Horizontal relationship
Neighbours building a community water pump	Horizontal relationship
Refugee construction worker and contractor in host community	Vertical relationship

### Answers: Activity 4A

- a) Individual proprietorship
- b) Cooperative
- c) Investor-oriented corporation
- d) Company limited by guarantee

### Answers: Activity 4B

- a) Cooperative – Column 4
- b) Individual proprietorship – Column 2
- c) Investor-oriented corporation – Column 3
- d) Company limited by guarantee – Column 5

### Answers: Activity 4C

Principle 1: c  
Principle 2: a  
Principle 3: b  
Principle 4: a  
Principle 5: d  
Principle 6: b  
Principle 7: d

### Answers: Activity 5B

- a) B
- b) C
- c) A
- d) C
- e) C

## Answers: Activity 5C

Scenario	
Recognizing that host community vulnerability has increased with refugee presence, the cooperative provided services to host communities as well.	Positive impact
Limiting potential members of a cooperative based on a list from a tribal or political leader rather than having transparent and open invitation	Harmful impact
The cooperative has a monopoly of the market and, in the process, displacing existing local traders and vendors	Harmful impact
The promotion of livestock production and dairy processing in two formerly warring villages in which women and men undertook these linked enterprises and created interdependency	Positive impact
The cooperative launched a training program for refugees and host community, which is also used as a platform for dialogue and constructive engagement	Positive impact
Cooperative provides credit services centred in neighbourhoods representing only one side of a conflict.	Harmful impact
The cooperative provides health services in one area, which is perceived as favouring one ethnicity.	Harmful impact
Skills training programmes of the cooperative are chosen because they offer opportunities for employment and livelihood for all ethnic groups, including those currently marginalized in the economy.	Positive impact
Energy and water services of the cooperative are accessible to both refugees and host communities.	Positive impact

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