



The World Co-operative Monitor: aim and methodology 2019

The methodology for the World Cooperative Monitor is briefly described below. A summary of the population under study, data collection, rankings, and methodological issues is provided. The methodology of the special section on the Top 300 and SDG 8 is described in the special section.

The need to develop statistics on cooperatives that can be compared at the international level is increasingly evident to both researchers and policymakers. It was manifested in the resolution adopted at the 19th International Conference of Labour Statisticians (ICLS), held in October 2013 in Geneva, at which government representatives, workers, and employers reaffirmed the importance of having more comprehensive and internationally comparable statistics on cooperatives. More recently, also, in the adoption by the 20th ICLS of the Guidelines concerning Statistics of Cooperatives (International Labour Organisation, 2018) that aim to facilitate the development of a set of statistics on cooperatives.

The World Cooperative Monitor project intends to pursue three goals:

- provide visibility to the movement by monitoring and demonstrating the impact of large cooperatives, from both an economic and a social perspective;
- maintain an up-to-date database on large cooperatives containing economic, employee, and membership data;
- respond to the knowledge needs of large cooperatives, providing both ad-hoc quantitative and qualitative research on aspects of their interest.

Who is surveyed

The project collects data on large cooperative enterprises and aggregations of cooperatives, mutual, and non-cooperative enterprises in which cooperatives have a controlling interest.

The project focuses on units that carry out economic activity for the production of goods or services for their members. Cooperative unions and federations that mainly carry out lobbying, representation, and protection of the interests of associated cooperatives are not covered by the project.

The organization types to be surveyed are currently under revision by the World Cooperative Monitor team and Advisory Committee in order to better compare organizations across countries, sectors, and types.

Classifications

The project classifies the cooperative organisations by economic activity and cooperative type (International Labour Organisation, 2018).

Information on the economic activity or industrial sector of each organisation is collected and classified into ten categories (Table 1), each of which mainly reflects the structure of ICA sectoral organisations. The classification into the ten categories is determined by the International Standard Industrial Classification of All Economic Activities (ISIC) or regional and national equivalents class, in which the activity of the cooperative is included. If a cooperative combines two or more economic activities, the main economic activity is identified following international methods and standards.¹

Table 1. **Economic activity classification**

| | |
|---|--|
| Economic activity | ISIC rev. 4 |
| Agriculture including forestry and food industries under control of producers | Section A (excluding division 03) |
| Fishing | Division 03 |
| Industry | Sections B, C, F |
| Utilities | Sections D, E |
| Wholesale and retail trade | Section G |
| Financial service | Division 64 |
| Insurance | Division 65 |
| Education, health and social work | Sections P, Q |
| Housing | Section L |
| Other services | All the other service activities not previously mentioned. |

In the sector rankings, some economic activities are combined to form more general sectors, as described in the rankings paragraph.

Units are also classified based on the main interest of their members (Table 2).

Table 2. **Cooperative type classification**

| | |
|-----------------------|--|
| Producer cooperatives | The main interest of the members is related to their production activity as enterprises in their own right. The members typically comprise household market enterprises such as small agricultural or craft producers but may also include corporations. |
|-----------------------|--|

¹ "The principal activity of the unit in general can usually be determined from the goods that it sells or ships or the services that it renders to other units or consumers. [...] Ideally, the principal activity of the unit should be determined with reference to the value added to the goods and services produced. The relevant valuation concept is gross value added at basic prices, defined as the difference between output at basic prices and intermediate consumption at purchaser's prices." (UN 2008, p. 20).

| | |
|-------------------------|--|
| Worker cooperatives | Members share an interest in the work which is provided by or ensured through the cooperative. The members are individual workers (worker- members) whose jobs are directly assured through their cooperative. |
| Consumer/User coops | Members are the consumers or users of the goods or services made available by or through the cooperative. Financial service cooperatives are classified as part of consumer/user cooperatives even if these cooperatives also service producers. |
| Multi-stakeholder coops | A cooperative which has more than one type of member with significant involvement in the activity of the cooperative and in which: (i) more than one type of member is represented in the governance structure of the cooperative; and (ii) no type of member has a dominant position through a majority of votes in the governing body or an exclusive veto over decisions. |

Source: (International Labour Organisation, 2018)

In the cases of cooperatives with members' interest different from those proposed in Table 2, they will be analysed case by case.

Mutuals and non-cooperative enterprises are classified as such.

Indicators

The project collects primarily economic data, along with data, where possible, on work generated, calculated using headcount data on employees and, possibly, data on other forms of work. FTE refers to full-time equivalent. As for the economic contribution, annual turnover data is collected for the all the entities. In the case of a cooperative group, the consolidated data is taken into account. If the consolidated data is not available, if possible the turnover of the entities that make up the group are considered, excluding the amount of value resulting from operations within the group, meaning operations among members of the group.

Moreover, for the 300 largest entities (excluding cooperative networks) based on turnover, other economic and financial indicators related to capital structure and overall assets are also collected, though not published on an annual basis.

For all the economic data, the account closing date is 31 March, which means that in the collection of data referring to Year t, data for accounts whose closing date occurs between 01/04/Year t and 31/03/Year t+1 are considered as representing economic activity in Year t.

Data is collected in the local currency and then converted into USD. For the data derived from Income statements, the yearly average exchange rate is utilized. For balance sheet data, the year-end exchange rate is used.

Rankings

In the rankings tables, in addition to the Top 300 rankings, a list of the largest cooperatives in each individual sector is presented. The rankings presented are based on turnover data, defined as the income generated by the business activities conducted by a company, usually the sales of goods and services to customers. In the case of the Insurance sector, this is premium income. For the Financial Service sector, this is the sum of net interest income, net premiums and other operating income, such as deposit and payment service charges, lending fees and credit card service revenues, income from brokerage and investment fund services, management and custodial service fees, foreign exchange income as well as other income. However, this value was used solely for the Financial Services ranking. In the Top 300 ranking, to achieve a more homogeneous comparison, the sum of interest income, non-interest income (income from banking services and sources other than interest-bearing assets) and premium income (if the organization also provides insurance services) was utilized for financial service organisations. This methodology creates the most homogeneity possible among data sources but note that there could be variations among countries and existing rankings regarding calculations and values used.

In addition to rankings based on turnover, a Top 300 ranking based on the ratio of turnover over gross domestic product (GDP) per capita is also presented. The ratio of turnover over GDP is not intended to compute the contribution of each cooperative to the national GDP, but it is a first attempt to relate the turnover of the cooperative to the wealth of the country in which it operates. Therefore, the ratio of turnover over GDP per capita measures the turnover of a cooperative in terms of the purchasing power of an economy, in an internationally comparable way.

Some of the economic activities described above are grouped into sectors for the sector rankings: fishing is included in the agriculture and food industries sector, industry and utilities are grouped together, as are housing and other services.

Data collection and sources

The data collection process is divided into two phases and involves federations and cooperatives directly.

The first phase is dedicated to the identification of the organisations referred to in the section on types of units and to the reconstruction of the economic data of these organisations for the period examined by:

1. integration of datasets developed at the national/regional level by representative associations of cooperatives and mutual societies;
2. integration of data contained in private databases that gather personal and economic data about cooperative organisations from across the world;
3. online research and consultation of financial statements and annual reports.

The second phase focuses instead on the collection of non-economic data through:

1. data collection via a short questionnaire administered directly to the cooperatives;
2. online research and consultation of social reports;
3. integration of non-economic data that may be available in the datasets referred to in points 1 and 2.

The direct involvement of federations and cooperatives is essential to ensuring good coverage in different areas of the world. For this reason, ICA promotes the creation of national monitors which, following the methodology of the international project, collect data on the largest cooperatives active in the country.

Table 3 lists the existing rankings accessed as well as the organizations that supplied datasets for the 2019 World Cooperative Monitor.

For the 2019 edition of the report, non-economic data was collected for 248 organisations deriving from questionnaires and desk research.

Figure 1. Economic data sources 2019 world cooperative monitor database

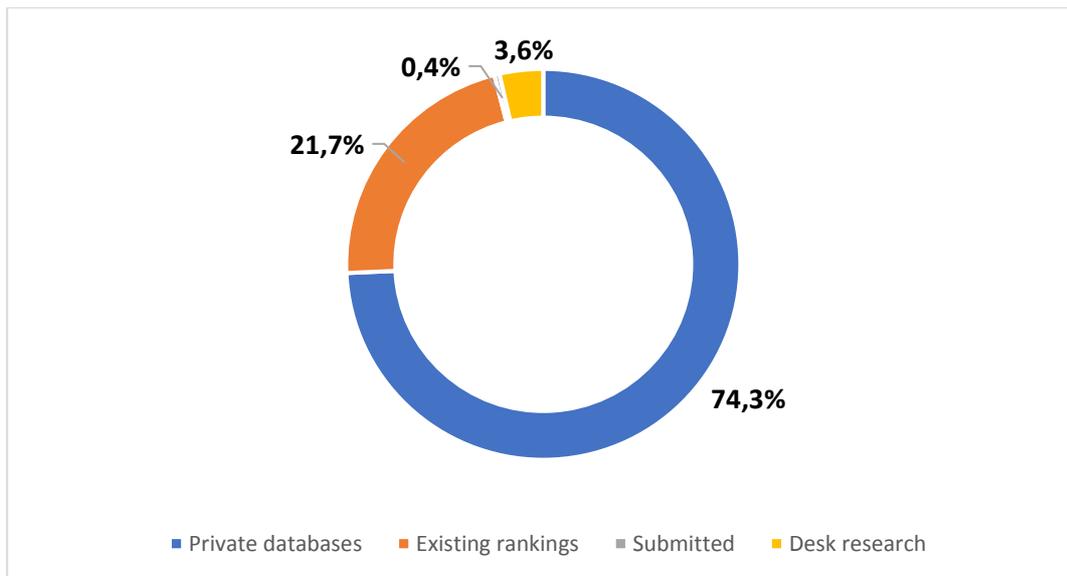


Table 3. Rankings, published lists, and data sets collected – 2019

| COUNTRY | Name of organisation | Name of publication or ranking accessed where existing |
|-----------|---|--|
| Australia | Centre for Entrepreneurial Management and Innovation (CEMI) | Mazzarol, T. & Kresling, J. (2018) "Australia's Leading Co-operative and Mutual Enterprises in 2018" CEMI Discussion Paper Series, DP 1801, Centre for Entrepreneurial Management and Innovation, www.cemi.com.au |

| | | |
|-------------|--|---|
| Colombia | Confecoop - Confederación de Cooperativas de Colombia (COLCoop) | El valor de la cooperación - Informe de desempeño - 2017 Confecoop |
| Finland | Pellervo Society (Pellervo) | Finnish 300+ 2017-2016 |
| France | Coop de France | LA COOPÉRATION AGRICOLE & AGROALIMENTAIRE 2018 - POIDS ÉCONOMIQUE & SOCIAL |
| Japan | Japanese Consumers' Co-operative Union (JCCU) | Top 10 Community-Based Retail Co-ops in Japan |
| New Zealand | Cooperative Business New Zealand (NZ.Coop) | NZ's top 40 Co-operatives based on 2017/18 revenues |
| Portugal | Cases - As cem Maiores Cooperativas | As cem Maiores Cooperativas - EDIÇÃO 2018, Cases - As cem Maiores Cooperativas |
| Spain | Confederación Empresarial Española de la Economía Social (CEPES) | Listado de empresas más relevantes de la Economía social 2017 – 2018 |
| UK | Co-operatives UK | Co-operative Economy 2018 |
| USA | National Cooperative Bank (NCB) | 2018 NCB Coop 100 |
| USA | United States Department of Agriculture Rural Development (USDA) | Agricultural Cooperative Statistics 2017, Report 81 - Top 100 Agriculture Cooperatives, 2017 and 2016 |
| USA | Callahan & Associates, Inc. | US Credit Union Coop with a turnover over 100 million USD |
| | Orbis - Bureau van Dijk database (Orbis)* | Cooperatives with turnover above 100 million USD |

* <https://www.bvdinfo.com/en-gb/our-products/data/international/orbis>

Time coverage

The present report refers to data from the year 2017.

Currency conversion and unit

The data in the World Cooperative Monitor database is collected in the local currency from the rankings and balance sheets and is then converted into USD. The average monthly 2017 exchange rate was utilized. Note that the conversion to USD from Local currency unit (LCU) is impacted by the fluctuations from year to year (Table 4). Economic data are reported in billion (1 billion = 1,000,000,000). The absolute values are rounded to the second decimal place and percentages are rounded to the nearest whole number.

Table 4. **Usd/lcu exchange RATES**

| | | |
|-----|-------------------|---------|
| ARS | Argentine Peso | 16.5524 |
| AUD | Australian Dollar | 1.3037 |
| BDT | Bangladeshi Taka | 80.6717 |
| BOB | Boliviano | 6.9100 |
| BRL | Brazilian real | 3.1901 |

| | | |
|-----|---------------------|-----------|
| CAD | Canadian dollar | 1.2985 |
| CHF | Swiss franc | 0.9847 |
| CLP | Chilean peso | 649.0762 |
| CNY | Chinese yuan | 6.7573 |
| COP | Colombian peso | 2950.5348 |
| CRC | Colón | 567.3456 |
| DKK | Danish krone | 6.5918 |
| DZD | Algerian dinar | 110.9882 |
| EUR | Euro | 0.8850 |
| GBP | U.K. pound | 0.7760 |
| HUF | Hungarian forint | 274.1244 |
| INR | Indian rupee | 65.0708 |
| JPY | Japanese yen | 112.1122 |
| KES | Kenyan Shilling | 103.4178 |
| KRW | Korean won | 1129.6355 |
| MAD | Dirham | 9.7059 |
| MXN | Mexican peso | 18.8623 |
| MYR | Malaysian ringgit | 4.2989 |
| NOK | Norwegian krone | 8.2603 |
| NZD | New Zealand dollar | 1.4065 |
| PAB | Balboa | 1.0000 |
| PHP | Philippine peso | 50.3974 |
| PLN | Polish zloty | 3.7749 |
| SAR | Saudi Arabian riyal | 3.7500 |
| SEK | Swedish krona | 8.5348 |
| SGD | Singapore dollar | 1.3806 |
| TRY | Turkish Lira | 3.6481 |
| USD | U.S. dollar | 1.0000 |
| ZAR | South African rand | 13.3271 |