



Agreement between RECM and CICOPA

The MERCOSUR Specialized Organisation for Cooperatives, **RECM**, was established on October 10, 2001 by Resolution 35/01 of the MERCOSUR Common Market Group (supported by Recommendation 5/99 of the MERCOSUR Economic and Social Consultative Forum), as an intergovernmental body of the four Member States, with governmental representation and acting in coordination with the national private entities of the cooperative sector in each country of MERCOSUR.

The International Organization of Industrial, Artisanal and Service Producers' Cooperatives, **CICOPA**, within the International Cooperative Alliance ICA, is an autonomous non governmental organisation which regroups, represents and promotes industrial, artisanal and service producers' cooperatives. Those cooperatives belong to two broad categories: worker cooperatives (cooperatives created by their members, cooperatives arisen by the transformation of private companies or through processes of crisis, social cooperatives) and cooperative of small productive undertakings (cooperatives where a part of the production process is performed, cooperatives that market the products or provide inputs).

Those two types of cooperatives are, in the whole cooperative system, those that are the biggest creators of jobs. Therefore, their promotion is directly linked to employment promotion policies.

Through the present document, on 28 October 2008, the inter-institutional agreement between the MERCOSUR Specialized Organisation for Cooperatives, RECM, and the International Organization of Industrial, Artisanal and Service Producers' Cooperatives, CICOPA, from now on RECM and CICOPA, comes into force, with the objective of consolidating their institutional relations.

The main specific objectives of this agreement are:

- 1) Permanent coordination for the transmission of experiences:
 - a) Through the joint promotion of study visits to organisational models in MERCOSUR, the EU, and other regional blocks and / or countries of the world, by members of RECM and CICOPA;
 - b) Through the selection of models of workers' and producers' cooperatives for them to be studied and disseminated as cases of good practices.

- 2) Cooperation on the development of a work program on:
 - a) International development initiatives in the workers' and producers' cooperative sector;
 - b) Identifying situations and issues of workers' and producers' cooperatives, and worker buy-outs under cooperative form, within the region;
 - c) Accompanying and strengthening the development of representative federative organisations of worker's and producers' cooperatives, and worker buy-outs under cooperative form at national level;
 - d) Analysis and dissemination of the world declaration on worker cooperatives CICOPA 2004 (approved by the General Assembly of the Internacional Cooperative Alliance / ICA 2005) and of ILO Recommendation 193 / 2002 in the relevant domains in MERCOSUR, Both are annexed to this Agreement;

- e) Analyse and propose topics of public policies aimed at the sector of worker' and producers' cooperatives and worker buy-outs as forms of establishing regional policy environments that are appropriate for cooperative development;
 - f) Contribute to the improvement of the legislation in force in the field of worker cooperatives, for the attainment of a regulatory regime that is appropriate to their nature and characteristics, avoid the undue use of this legal form of organisation, and promote them as an alternative form in the creation of decent work;
 - g) Joint studies of interest for the sector.
- 3) The commitment of permanent dissemination of the actions developed by both parts.
- 4) Analyze the relevance of a CICOPA - MERCOSUR space incorporated and integrated by the members of CICOPA in MERCOSUR, to be linked and supported by RECM.
- 5) Definition of pilot actions to be carried out at national and/or regional level.
- 6) To discuss the definition of tools, as well as promotion, training, supervision and control strategies, that would allow to work on entities considered pseudo-producers' and workers' cooperatives.
- 7) To discuss the systematization of methodologies and sustainable processes of cooperativisation of enterprises in crisis.
- 8) To propose or facilitate the organisation of intergovernmental conferences in MERCOSUR.

The parts will jointly define annual action plans in agreement with their strategic objectives.

This agreement will have a two year-old implementation period and can be evaluated and modified by both parts from that period onwards.

For CICOPA

For RECM

Javier Salaberria
President

Paulo Roberto da Silva
President