The 2025 UN Secretary-General's report recognises the role of worker and social cooperatives in advancing social development

The 2025 report of the United Nations Secretary General on cooperatives in social development (A/80/168) outlines a series of policy recommendations for Member States, aimed at enhancing the contribution of cooperatives to the achievement of the Sustainable Development Goals (SDGs).

Presented in July pursuant to General Assembly resolution 78/175, the report recognises the potential of cooperatives in implementing the outcomes of the First World Social Summit (1995), particularly in the areas of poverty eradication, full employment and social integration.

The report recalls the commitment of the subsequent <u>Copenhagen Declaration</u> to enhance social development by advancing social inclusion and human rights – principles that remain central to the 2030 Agenda for Sustainable Development. However, it raises concerns over the limited progress made so far, noting that only 20% of measurable SDG targets have been achieved or are on track to be met by the deadline. Furthermore, rising inequalities and systemic exclusion in sectors such as education and healthcare continue to marginalise vulnerable segments of society, eroding both interpersonal and institutional trust and undermining social cohesion.

In this context, cooperatives are playing a vital role in reversing this trend. As jointly owned and democratically controlled enterprises, cooperatives combine commercial viability with the delivery of goods and services tailored to the needs of their members and the communities in which they operate. The report underlines their ability to serve as "a compelling, community-driven solution to social, economic and environmental challenges", particularly in low-income areas where traditional businesses and public services are often absent.

Among the success stories illustrated in the report, worker and social cooperatives have demonstrated their capacity to alleviate poverty by generating income opportunities. The cooperative model allows the members of the cooperative to pool resources and thus gain access to markets and reduce input costs. Moreover, under the cooperative model, the value generated is retained within the community, thereby contributing to addressing local needs and alleviating poverty.

For instance, the report points out that in India, the <u>Self-Employed Women's Association</u> (SEWA), has been empowering women working in the informal economy since 1972, and now comprises over 3.2 million members across 18 Indian states. In 1992, SEWA established the <u>Gujarat State Women's Cooperative Federation</u>, the first women's cooperative federation in the country, which includes over 100 member cooperatives.

Worker ownership, a hallmark of the cooperative model, also facilitates the creation of quality employment, especially in sectors characterised by informal and precarious work. As the report points out, in Argentina, worker cooperatives emerged in response to the economic crisis of the early 2000s, with thousands of workers taking over bankrupt enterprises and transforming them into cooperatives via workers buyouts (WBOs), while in Italy's Emilia-Romagna region, cooperatives account for 30% of the gross domestic product and employ hundreds of thousands of individuals in diverse sectors, including construction and healthcare.

Furthermore, cooperatives inherently foster values such as inclusion, trust, and solidarity. As the report highlights, this is exemplified by work integration social cooperatives in Italy, which operate across a wide range of industrial and commercial sectors to promote the inclusive employment of persons with disabilities and other disadvantaged groups. Legally recognised since 1991, these social cooperatives benefit from governmental support through tax incentives and funding programmes.

The report also highlights activities undertaken in response to the United Nations' proclamation of 2025 as the International Year of Cooperatives. At the international level, this designation has led to the establishment of the Cooperatives and Mutuals Leadership Circle and has encouraged the Committee for the Promotion and Advancement of Cooperatives to conduct research on the sector's contribution to national social and economic development. Regionally, numerous conferences, forums, and workshops have raised awareness of the transformative role of cooperatives, prompting legislative and policy reforms in several countries. Notably, the Econference on the Social Economy—facilitated in part by CICOPA's regional organisation, CECOP, the European Confederation of Industrial and Service Cooperatives —is cited as a key institutional milestone.

In recognition of the cooperative model's capacity to improve the socioeconomic conditions of their members and local communities through its democratic and people-centred approach, the report concludes with a call to action for Member States. Recommendations include the reform of cooperative legislation, integration of cooperatives into national development plans, allocation of targeted budgetary support, collaboration with international bodies to monitor impact, and support in training, leadership development, and market access.

These measures represent essential steps for governments and the cooperative movement as they prepare for the Second World Social Summit, which will be held from 4 to 6 November 2025 in Doha, Qatar.

Read the full report <u>here</u>