



International Year  
of Cooperatives

Cooperatives Build  
a Better World



# Cooperatives as Engines of Social Justice: Strengthening Social Inclusion, and Cohesion through the Cooperative Model



Cooperatives are member-owned, values-driven enterprises that prioritize people and social well-being over profit. Rooted in democratic governance and collective ownership, they empower individuals and communities to shape their economic and social futures. As key actors in the social and solidarity economy (SSE), cooperatives bridge economic and social divides, strengthen community resilience, and foster social cohesion.

Recognizing their vital role, the United Nations has “consistently highlighted cooperatives’ and the wider SSE’s contributions to social development through biennial UN General Assembly resolutions. The proclamation of 2025 as the [International Year of Cooperatives](#) (IYC 2025) under the theme “Cooperatives Build a Better World” reaffirms their importance in tackling global challenges. A historic milestone at the [63rd Commission for Social Development \(CSocD63\)](#) was its first dedicated [session on cooperatives and the SSE](#), which explored their role in reducing inequalities and strengthening social cohesion. Discussions underscored the need for supportive policies, investment frameworks, and enabling legal environments to maximize cooperatives’ impact. This brief builds on those discussions and is published in commemoration of [World Social Justice Day 2025](#).

## Operationalizing Social Inclusion and Cohesion

**Social inclusion** ensures equal access to opportunities, resources, and decision-making power, particularly for marginalized groups. It removes barriers related to economic status, gender, disability, ethnicity, or migration status. **Social cohesion**, meanwhile, is the foundation of strong communities, fostering trust, solidarity, and collective action. Societies with high social cohesion experience less conflict, greater resilience, and improved well-being for all.<sup>1</sup>

Cooperatives naturally embed these values into their governance and operations, ensuring economic activity serves collective well-being. Through **open and voluntary membership**, they foster inclusion by welcoming all who can benefit. Their **democratic member control** framework ensures shared leadership and accountability, empowering communities to shape their own futures. **Member economic participation** reduces inequalities by reinvesting profits locally rather than concentrating wealth, while **autonomy and independence** enable cooperatives to develop locally driven solutions that strengthen self-reliance and resilience. By prioritizing **education, training, and information**, cooperatives equip individuals with the skills to fully engage in economic and social life. **Cooperation among cooperatives** builds solidarity networks, reinforcing social cohesion at all levels. Rooted in **concern for the community**, they prioritize long-term well-being over short-term profit, actively addressing local challenges and fostering sustainable development. Through these principles, cooperatives translate inclusion and cohesion into action, proving that cooperation is key to a more just, equitable, and resilient society.

<sup>1</sup> UNDESA: Definition of Social Inclusion and Social Cohesion: <https://social.desa.un.org/issues/social-inclusion#:~:text=A%20socially%20cohesive%20society%20is,are%20not%20necessarily%20demographically%20homogenous>

## Cooperatives in Action: Case Studies from Around the World

Cooperatives worldwide are demonstrating how solidarity-driven business models can tackle social and economic inequalities while strengthening local resilience.



### — Empowering Indigenous Communities

In Ecuador, the **Kallari Cooperative** integrates sustainable agriculture, handicrafts, and eco-tourism ensuring fair market access for Indigenous producers while preserving their traditions, fostering social inclusion, and reinforcing social cohesion through collective decision-making and self-governance.<sup>1</sup> Similarly, in Australia, **The Ballarat and District Aboriginal Co-operative (BADAC)**, was established by members of the Ballarat and District Aboriginal community in 1979 to deliver health, social, welfare, and community development programs to local Aboriginal people.<sup>2</sup>



### — Supporting Migrant and Refugee Workers

In Spain, **Diomcoop Cooperative** helps migrants facing administrative irregularities transition from informal work into sustainable self-employment. Through business training, legal support, and cooperative structures, migrants can generate income while integrating into the local economy.<sup>3</sup> Meanwhile, in Costa Rica, **Coopetarazú** supports seasonal Indigenous migrant coffee workers by operating childcare centers that provide food, care, and basic education for their children, allowing parents to work with dignity while ensuring early childhood development.<sup>4</sup>



### — Advancing Gender Equality and Youth Empowerment

In India, the **Self-Employed Women's Association (SEWA) Cooperative Federation** supports women in the informal sector by providing business training, financial resources, and collective bargaining power, helping them transition into formal employment. This model enhances economic inclusion while building solidarity networks that strengthen workers' protection.<sup>5</sup> In Indonesia, **KOPINDO**, a youth-led cooperative under **DEKOPIN**, is revitalizing youth participation in the cooperative movement. Through its 'Cooperative Vision 2045' initiative, it fosters youth engagement in agroforestry cooperatives, creating sustainable employment opportunities for young people while advancing cooperative values.<sup>6</sup>



### — Ensuring Economic Inclusion for Persons Living with Disabilities

In Zimbabwe, the **Tariro Hobhouse Cooperative** is run by members with disabilities who operate a small live-stock business, supported by training from the ICA's Global Cooperative Entrepreneurs (GCE) program. Beyond economic empowerment, the cooperative advocates for disability inclusion in local communities.<sup>7</sup> Similarly, in Italy, **Spazio Aperto Servizi** provides employment and social support for individuals with developmental disabilities, offering mental health services, vocational training, and community engagement programs to facilitate long-term social and economic integration.<sup>8</sup>



### — Global Cooperative Solidarity in Times of Crisis

During the war in Ukraine, **COOP Ukraine**, with support from international cooperative networks in Poland, Korea, and the U.S., mobilized financial and logistical aid to sustain cooperative stores, provide humanitarian relief, and support local businesses. This initiative ensured continued access to essential goods while reinforcing global cooperative solidarity.<sup>9</sup> In India, **IFFCO and KRIBHCO**, two major agricultural cooperatives, responded to the COVID-19 crisis by establishing oxygen plants at their own expense to provide free medical oxygen to hospitals and rural communities. This cooperative-led intervention played a critical role in addressing severe shortages during the pandemic, highlighting the ability of cooperatives to mobilize resources and support national health infrastructure in times of crisis.<sup>10</sup>

1 Kallari: Chocolate Grown and Made by Indigenous Kichwa Farmers," *Stories.coop*, accessed February 2025, <https://stories.coop/kallari/>.

2 The Ballarat and District Aboriginal Co-operative (BADAC): <https://www.badac.net.au/about>

3 *Stories.coop*. (n.d.). Diomcoop Paves the Way for Social and Labor Inclusion, <https://stories.coop/diomcoop-paves-the-way-for-social-and-labor-inclusion/>.

4 "Casas de la Alegria: A Model of Childcare for the Children of Coffee Harvesting Families," <https://aciamericas.coop/en/proyectos/casas-de-la-alegria/>.

5 "Strengthening Women's Cooperatives: The Experience of Self-Employed Women's Association (SEWA) in India," International Labour Organization (ILO), 2023, accessed February 2025, <https://researchrepository.ilo.org/esploro/outputs/report/Strengthening-womens-cooperatives-the-experience-of-995371332502676>

6 International Cooperative Alliance Asia-Pacific (ICA-AP). (2019). Indonesia <https://icaap.coop/wp-content/uploads/2024/05/2019-Indonesia-country-snapshot.pdf>.

7 Mwaramba, T. (2021). Unlocking the Potential of Cooperatives for Youth Empowerment. <https://icaafrica.coop/sites/default/files/2021-11/Tenda%20Mwaramba.pdf>.

8 CECOP. (n.d.). Spazio Aperto Servizi, Italy. Available at: <https://cecop.coop/stories/spazio-aperto-servizi-italy>.

9 "Ukraine: How Are Cooperatives Helping Those Affected?" (ICA), <https://ica.coop/en/newsroom/news/ukraine-how-are-cooperatives-helping-those-affected>.

10 World Cooperative Monitor (2021). Cooperatives at the Forefront of the Recovery. International Cooperative Alliance (ICA) & European Research Institute on Cooperative and Social Enterprises (Euricse). Available at: <https://monitor.coop/en/large-cooperatives-forefront-recovery>.

## Scaling Cooperative Impact

While cooperatives have proven to be powerful drivers of **social inclusion and economic empowerment**, several barriers limit their full potential. The International Cooperative Alliance's Legal Framework Analysis<sup>12</sup> highlights that in many countries, **policy and legal frameworks are not designed to support cooperative growth**, making it difficult for cooperatives to access funding, compete with traditional enterprises, and scale their impact. Outdated or **restrictive cooperative laws, regulatory barriers** that hinder financial access, and a **lack of recognition in public policies** create significant obstacles for cooperative enterprises.

Securing capital remains a major challenge, especially for **marginalized groups** such as **women, youth, and refugees**, who often struggle to obtain credit to launch or expand cooperative businesses. Beyond financial barriers, cooperatives also require **stronger leadership training, governance structures, and financial literacy programs** to enhance their long-term sustainability. Additionally, as economies become increasingly digital, cooperatives must embrace **technological innovation** to improve efficiency, expand their reach, and remain competitive in evolving markets.

Despite these challenges, global initiatives are opening new opportunities to elevate cooperatives as key actors in advancing social inclusion. [The Global Coalition for Social Justice \(GCSJ\)](#), led by the International Labour Organization, provides a platform for multi-stakeholder partnerships, allowing cooperatives to collaborate with other key actors in reducing inequalities and building inclusive economies. Similarly, high-level forums this year such as the [UN High-Level Political Forum \(HLPF\)](#) and the [World Social Summit for Sustainable Development](#) provide critical platforms for discussing and integrating cooperative-driven solutions into global development strategies.



Young members of Megha Women Farmers' Cooperative in a cotton field, holding harvested cotton (Tapi District, Gujarat, November 2021)  
© Meghna Sejpal for SEWA Cooperative Federation

12 International Cooperative Alliance (ICA), Legal Framework Analysis, coops4dev, 2020. Available at: <https://coops4dev.coop/en/node/15816>.

# Strengthening Cooperatives for Social Justice: A Call to Action

To fully harness the power of cooperatives as drivers of social justice, inclusion, and cohesion, governments, international organizations, and development partners must take decisive action. Strengthening **legal and policy frameworks** will ensure cooperatives are recognized as key economic actors, while **expanding access to finance**, particularly for cooperatives led by marginalized groups, is essential for sustaining their impact. **Investments in capacity building**, including leadership development, digital literacy, and governance training, will enhance cooperatives' ability to scale and compete. Aligning cooperatives with **global development initiatives** will further reinforce their role in creating a fairer, more resilient economy.

The **2023 UN Secretary-General Report on cooperatives in social development** recommends strengthening cooperative ecosystems in five key areas:

- Policy and regulatory environment – Establish supportive legal frameworks to enable cooperative growth.
- Education and capacity-building – Equip cooperative leaders with the skills to scale and innovate.
- Culture of cooperation – Foster cooperative principles across communities and economic sectors.
- Funding and finance – Ensure cooperatives have access to investment, credit, and capital.
- Building networks and partnerships – Strengthen collaboration between cooperatives, governments, and global institutions.

Cooperatives are more than just businesses—they are engines of social inclusion, economic empowerment, and community resilience. Their people-centered approach provides a blueprint for sustainable development, where prosperity is shared, and no one is left behind. In celebration of the International Year of Cooperatives in 2025, now is the time to mobilize support, strengthen ecosystems, and ensure that cooperatives continue to play a transformative role in building a more just and sustainable world.



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This brief is produced by the [Committee for the Promotion and Advancement of Cooperatives \(COPAC\)](#), a multi-stakeholder partnership uniting UN agencies and the [International Cooperative Alliance](#), to champion and support people-centered and self-sustaining cooperative enterprises as leaders in sustainable development.

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