



# CO-OPERATIVE PRINCIPLES, VALUES AND ETHICS



# Co-operative Principles, Values & Ethics

Co-operatives are international and take many different forms – secondary co-operatives, housing co-operatives, retail co-operatives etc. Although they may organise in different ways, they all hold in common the same principles, values and ethics which provide guidance as to how they should function.

Co-operatives are organised with reference to the following values:

- ⌘ Self-help
- ⌘ Self-responsibility
- ⌘ Democracy
- ⌘ Equality
- ⌘ Equity (fairness)
- ⌘ Solidarity

These values reflect the ethic values of:

- ⌘ Honesty
- ⌘ Openness
- ⌘ Social responsibility
- ⌘ Caring for others

The following principles were adopted by the 1995 Centenary Congress of the International Co-operative Alliance (ICA). They reflect how the co-operative values are put into practice.

## 1. Voluntary and Open Membership

Co-operatives are voluntary organisations open to all persons who qualify for membership and are willing to accept the responsibilities of membership without gender, social, racial, political or religious discrimination.

## 2. Democratic Member Control

Co-operatives are democratic organisations controlled by their members who actively participate in setting their policies and making decisions. Men and women serving as elected representatives are accountable to their members. In primary co-operatives members have equal voting rights (one member one vote) and co-operatives at other levels are also organised in a democratic manner.

## 3. Member Economic Participation

Members contribute equitably to, and control democratically, the capital of their co-operative. Members usually receive limited compensation, if any, on capital subscribed as a condition of membership. Members allocate surpluses for any of the following purposes: developing their co-operative, possibly by setting up reserves, part of which at least would be indivisible; benefiting members in proportion with their transactions with the co-operative; and supporting other activities as approved by membership.

## 4. Autonomy and Independence

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

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co-operative autonomy.

## 5. Education, Training and Information

Co-operatives provide education and training for their members, elected representatives, and employees so that they can contribute effectively to the development of their co-operatives. They inform the general public - particularly young people and opinion leaders - about the nature and benefits of co-operation.

## 6. Co-operation among Co-operators

Co-operatives serve their members most effectively and strengthen the co-operative movement by working together through local, national, regional and international structures.

## 7. Concern for the Community

Co-operatives work for the sustainable development of their communities through policies approved by their members.

More information about the International Co-operative Alliance and co-operatives in general is available from the website [www.coop.org](http://www.coop.org)

**For more information about co-operatives and co-operative development services available from Avon CDA contact:**

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