

## **Proposal: Can we evolve cooperative finance as a common? The Synergy Case.**

Cooperative operation is not driven by traditional investment incentives and so cannot be understood by the profit maximization objective. The members of cooperatives are both the owners of it and the beneficiaries of its activity. As ownership and operational goals are not connected to stock value, cooperatives are facing limited access to private funding. This is considered to be one of the main growth barriers for the cooperative business model, especially in an environment of economic stagnation.

To help cooperatives overcome this we have developed [Synergy](#). Synergy is a financial Open Source toolkit for networks of communities and it is based on a distributed ledger following a veiled cryptocurrency concept. It was co-designed with the cooperative community in Athens and offers three distinct financial services:

- a co-rewarding environment through common loyalty systems
- tokenization of future products/services as a funding mechanism based on micro-credit
- an equity mechanism for community members to invest or share costs

Synergy reconfigures and combines existing practices with innovative technologies in order to generate a new paradigm for cooperative financing: entities with common ethical, societal and sentimental values are transformed into a community and their common clientele base is transformed into a supporters pool. Supporters become involved with the businesses, enjoy the rewards of their loyalty and fund the further development of the community. The funding mechanism is redefined as a shared common, governed by the network of communities.

Two instances of Synergy are currently being developed:

- [synergatika.gr](#), involving retail and services Coops in Athens, Greece
- an instance for energy coops in Greece

We will be more than glad to present the project in the cooperative community and discuss further potential uses and services.