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ABSTRACT for the

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“Rethinking cooperatives: From local to global and from the past to the future”

Topic: How do financial cooperatives contribute to sustainable development?

Cooperatives financial institutions (CFIs) are represented by various institutional forms: cooperative banks, credit unions, building societies, savings and credit associations, self-help mutual credit systems and others (ICBA & ICA, 2020). Their business model, enrooted in local economies and member-based governance structure, and cooperative values and principles, allowed them to become significant players in the banking sectors in all regions of the world. Recent developments show that financial cooperatives play a significant role in promoting sustainable development in many ways, including by committing to Sustainable Development Goals, promoting solidarity finance, engaging in green and sustainable finance and fighting against climate change (Balkenhol, 2019; EACB, 2020). This study aims at gaining a greater understanding of the CFI’s role in contributing to sustainability. What kind of metrics do they use, and how do they demonstrate their cooperative difference? What indicators reveal the difference between cooperatives’ value-based and people-centered business and governance models? The study will include the analysis of CFI’s website publications, sustainability reports and interviews with the representatives of the CFIs conducted for the study commissioned by the International Co-operative Banking Association (ICBA) in 2021. Taking an example of cooperatives banks in Europe, the study results allow identifying how CFIs contribute, report, and communicate on sustainable development. The study will allow formulating important recommendations regarding sustainability reporting strategies for the CFIs and policy advice for regulating bodies regarding the particularities of cooperative banking institutions.

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