

# **SCOPE project**

## **“Strengthening CO-operatives and Participative enterprises in Eastern Europe”**

Under the

### **Business Support Programme**

## **FINAL REPORT**

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## **ACRONYMS USED IN THIS REPORT:**

### **COUNTRY NAMES:**

BG : BULGARIA  
CZ: CZECH REPUBLIC  
EE: ESTONIA  
HU: HUNGARY  
LT: LITHUANIA  
LV: LATVIA  
PL: POLAND  
RO: ROMANIA  
SI: SLOVENIA  
SK: SLOVAKIA

### **PARTNERS :**

AGCI: ASSOCIATION OF ITALIAN COOPERATIVES  
ASALMA: ASSOCIATION OF WORKER LIMITED COMPANIES OF THE MADRID REGION  
ASLE: ASSOCIATION OF WORKER LIMITED COMPANIES OF THE BASQUE REGION  
BUCHA: BALTIC UNION OF COOPERATIVE HOUSING ASSOCIATIONS  
CCE: CONFEDERATION OF BASQUE COOPERATIVES  
CCIFRG: REGIONAL ASSOCIATION OF COOPERATIVES OF FRIULI-VENEZIA GIULIA (IT)  
CECOP: EUROPEAN CONFEDERATION OF WORKER COOPERATIVES, SOCIAL COOPERATIVES AND PARTICIPATIVE ENTERPRISES  
CGSCOP: CONFEDERATION OF WORKER COOPERATIVES, FRANCE.  
CONFCOOPERATIVE: CONFEDERATION OF ITALIAN COOPERATIVES  
CONFESAL: CONFEDERATION OF WORKER LIMITED COMPANIES, SPAIN  
COOPFINLAND: FEDERATION OF FINNISH WORKER COOPERATIVES  
DACR: COOPERATIVE ASSOCIATION OF THE CZECH REPUBLIC  
DEZAP: SLOVENE ASSOCIATION OF EMPLOYEE-OWNED ENTERPRISES  
DZIKS: LATVIAN HOUSING COOPERATIVE ASSOCIATION  
EKL: ESTONIAN HOUSING COOPERATIVE UNION  
EUL: ESTONIAN COOPERATIVE UNION (UMBRELLA ORGANISATION)  
FESALC: ASSOCIATION OF WORKER LIMITED COMPANIES OF CATALONIA  
HEA: HUNGARY ESOP [PARTICIPATIVE ENTERPRISES] ASSOCIATION  
KOOPI: COOPERATIVE INSTITUTE, SWEDEN  
LEGACOOOP: LEAGUE OF ITALIAN COOPERATIVES  
LITCOOPUNION: LITHUANIAN CONSUMERS' COOPERATIVE UNION  
MCC: MONDRAGON COOPERATIVE CORPORATION, SPAIN  
NAMU VALDA: VILNIUS FLAT OWNERS' ASSOCIATION  
NAUWC; NATIONAL AUDITING UNION OF WORKER COOPERATIVES  
NCC-HU: NATIONAL COOPERATIVE COUNCIL OF HUNGARY (UMBRELLA ORGANISATION)  
NCC-PL: NATIONAL COOPERATIVE COUNCIL OF POLAND (UMBRELLA ORGANISATION)  
NETZ: NETWORK OF SELF MANAGED ENTERPRISES, GERMANY  
NUWPC: NATIONAL UNION OF WORKER PRODUCTIVE COOPERATIVES, BULGARIA  
OKISZ: HUNGARIAN INDUSTRIAL ASSOCIATION  
SCA: SLOVAK COOPERATIVE ASSOCIATION  
SCMVD: UNION OF CZECH AND MORAVIAN PRODUCERS' COOPERATIVES  
SZVD: UNION OF SLOVAK PRODUCERS' COOPERATIVES  
TURIBA: LATVIAN COOPERATIVE UNION (CONSUMERS')  
UCECOM: ROMANIAN UNION OF HANDICRAFT AND PRODUCERS' COOPERATIVES  
ZKS: SLOVENE ASSOCIATION OF WORKER AND SOCIAL COOPERATIVES  
ZZS: SLOVENE COOPERATIVE ASSOCIATION

# I. INTRODUCTORY PART

## 1. FRAMEWORK : VARIOUS TYPES OF SCOPE

In terms of *geographical scope*, the project was *regional* (European) and, more specifically, between two sub-regions : the EU and the 10 candidate countries of Central and Eastern Europe (CEECs). It grouped 36 principal and associated partner organisations from 17 countries.

In terms of *thematic scope*, this is an *institution-building project*, aimed at reinforcing organisations of co-operatives and participative enterprises, in their two chief functions: institutional representation and entrepreneurial promotion. In fact, the project showed a strong correlation between institutional development on the one hand and enterprise and local development on the other.

In terms of *sectoral scope*, the project focused mainly (but not exclusively) on worker and social co-operatives and participative enterprises, the constituency of the coordinating organisation CECOP. Such enterprises are characterised by the fact that employees are majority shareholders and have a high stake in management. Most of those enterprises belong to industrial and service sectors, the main ones being mechanical industries, wood industries, plastic, shoes and textiles, handicraft, construction, pharmaceuticals, social and health services. In addition, some of them have a specific mission in terms of labour insertion of physically and mentally disabled citizens.

Last but not least, the concept of “scope” includes the idea of enlargement and strength. It was thought of as a strategy to reinforce the viability and the adaptability of the co-operative and participative enterprises to become a strong socio-economic actor and to face European integration and world competition.

## 2. BRIEF BACKGROUND INFORMATION ON COOPERATIVE AND PARTICIPATIVE ENTERPRISES IN CANDIDATE COUNTRIES

The 6 out of 10 candidate countries that were not part of the Soviet Union nor of the ex-Yugoslavia already had many worker/social co-operatives at the end of the Cold War. Those enterprises were among the ones having the highest level of autonomy under the previous centrally-planned economies. The change of regime, however, has been particularly difficult for them, both because of the sudden shift to the market economy and because they were suddenly and erroneously perceived as a remnant of the communist past. During the 1990s, in spite of substantial firm closures and job losses, co-operatives in those countries appear to have endured lower mortality rates than the general average of enterprises, and their representative organisations have managed to adapt themselves and even to increase their lobbying impact in spite of an unfavourable socio-political climate.

By contrast, in the 3 countries that were part of the Soviet Union (the Baltic States), and in Slovenia, worker/social co-operatives are restarting almost from scratch. In Slovenia, however, the inheritance from the previous self-management system, blended with the adoption of German-style *mitbestimmung* (co-decision) within enterprises, has provided *de facto* majority power to workers in a substantial part of the enterprises : around 16 % of the country’s share capital is in the hand of workers in their own companies.

In all 10 countries, **worker/social co-operatives and participative enterprises** nowadays make up an estimated minimum **of 6000 enterprises with 470 000 jobs**. On a number of issues however, as we will see (lobbying, legislation, European acquis), the SCOPE project has extended to **all sectors and types of cooperative and participative enterprises**, (including consumer, housing, banking sectors etc.), which total **over 30 000 enterprises and over 800 000 employees**, most of them being affiliated to federations.

It should also be emphasised that the **cooperative members** (stakeholders as employees, apartment-dwellers, consumers, savers, etc.) **in the 10 countries are at least 15 million citizens** (14% of the total population of those countries, i.e., a substantial part of civil society). As we can see, the amount of enterprises, employees and members directly or indirectly involved, and on which the SCOPE project is likely to have a direct or indirect impact, is quite significant, economically and socially speaking.

### 3. MAIN STRATEGIC OUTCOMES OF THE SCOPE PROJECT

Among the main strategic outcomes of the SCOPE project, we should mention the following:

- ✓ Strong partnerships have been established among cooperative partner BROs (business representative organisations) from the EU and from each of the 10 candidate countries (e.g.: Hungary-Italy, Estonia-Finland, Romania-France), through which best practice models have been studied, expertise has been provided, and European benchmarking has been carried out in such fields as new cooperative forms, consultancy for start-ups, quality management, social services, labour rehabilitation of disadvantaged citizens in competitive enterprises, cooperative legislation, methodologies for research and surveys, building of enterprise consortia and groups, organisation of federations, etc.. Such partnerships are continuing beyond the SCOPE project, as further “daughter” projects are being designed and cooperative and entrepreneurial know-how continues to circulate across Europe.
- ✓ European Liaison and Development Units (ELDUs), focusing on EU integration issues, have been established within the main partner BROs in each of the 10 candidate countries, and are now pursuing their work beyond the SCOPE project.
- ✓ A dynamic network among those European units has been established and is pursuing its existence beyond the SCOPE project, thus consolidating East-East partnerships among partner BROs of the candidate countries.
- ✓ By its management system, the whole project was an exercise in collective project management, thus bringing about a learning-by-doing process in project management, which will remain part of the partners’ experience in an irreversible way.
- ✓ New BROs able to effectively represent worker / social cooperatives have been established in two out of the four candidate countries where these did not exist yet (EE and SI), and are on the way of being established in the two remaining ones (LV and LT) though through different strategies. Also, a fledgling BRO representing participative enterprises (i.e. non-cooperative employee-owned enterprises, the other CECOP constituency) in SI, DEZAP, comes out substantially reinforced in its credibility as a BRO and in its lobbying capacity with the government.
- ✓ In 4 out of the 6 candidate countries where umbrella organisations grouping all types of cooperatives do not exist, namely EE, LV, LT, SI (the remaining two being RO and BG), the SCOPE project has provided the first real opportunity for the partner BROs to start negotiating with their sister cooperative BROs the creation of a national cooperative umbrella organisation.
- ✓ The project has allowed to gather updated data on cooperatives and participative enterprises in all 10 countries, especially in the 4 countries (EE, LV, LT, SI), where such information was most lacking and where special surveys were conducted to this end.

- ✓ All partner BROs in the 10 candidate countries, as well as their sister BROs grouping other types of cooperatives, and the cooperative umbrella organisations where these already exist (PL, CZ, SK, HU), could be substantially strengthened in their negotiating and lobbying capacity thanks to the consultative process launched by DG Enterprise concerning the Consultation Document “Cooperatives in Enterprise Europe” and the question of the European Cooperative Society Statute, culminating with the European Cooperative Convention on 13 February 2002 with the presence of European Commission President Romano Prodi. The SCOPE project coordinated the consultation process in the 10 candidate countries. The partner BROs in those countries took advantage of this opportunity to launch significant lobbying and information activities towards their national government, thus enhancing their stature nationally by showing the interest of the EU institutions towards cooperatives, as reflected in new specific “acquis”. The participation of the partner BROs in the 10 countries in the consultation and lobbying process linked to the new ILO Recommendation 193/2002 on the promotion of cooperatives, and especially the ones from PL, CZ and SK which directly took part in the negotiating process in Geneva, also upgraded the negotiating and lobbying capacity of the partner BROs.
- ✓ Beyond the above mentioned consultation process, the partner BROs in the 10 countries decisively upgraded their knowledge of EU institutions, EU programmes, and EU acquis, especially the one directly related to them as specific business actors, including the first acquis on cooperatives appearing this year (Council Decision on the European Cooperative Society Statute of 3 June 2002, and incoming Commission Communication on Cooperatives), the acquis referring to the social economy (which groups cooperatives and other socially-oriented business actors) such as the EU Council’s Annual Guidelines on Employment, and the new acquis referring to Corporate Social Responsibility (CSR).
- ✓ While bases have been laid for CEEC-EU business cooperation among cooperative enterprises, such cooperation has materialised in one case already, namely between partners NAUWC (PL) and CGM (Italy) on appointing nurses from Polish health cooperatives into Italian health cooperatives, with the same labour rights as their Italian counterparts, including membership / shareholding of the host cooperative. The first batch of 20 nurses have already arrived in Italy and several dozen more are expected in the next few weeks. Similar East-West business cooperation is being studied among project partners in the field of public works.

## **PART II: DESCRIPTION OF PROJECT ACTIVITIES**

### **A. PROJECT PREPARATORY PHASES**

THE PROJECT PREPARATION, PRIOR TO IMPLEMENTATION, LASTED 7 MONTHS AND DIVIDED ITSELF INTO 2 PHASES: INCEPTION AND RESEARCH PHASE, AND NETWORK-BUILDING AND PREPARATORY PHASE.

#### **1. Inception and research phase (3 ½ months: 10 June to 1 October 2000)**

##### **1.1. Design of strategy, methodology and ongoing phase work plan**

At the above meeting, a “project guide” was established (attachment 1),

- ✓ identifying 5 different “pillars of organisational excellence”, which the project should focus on as a basic strategy (institutional representation, enterprise support services and systems, data gathering and management, training, auditing)
- ✓ defining the project methodology, based chiefly (a) on twinning arrangements for the transfers of best practice, and (b) on the creation of “European Liaison and Development Units” (“ELDUs) in each of the 10 candidate countries
- ✓ proposing a tentative work plan for the two preparatory phases.

##### **1.2. Gathering of basic information from partners**

Five different preparatory forms were also elaborated and distributed to all partners in order to find out :

- ✓ which coordinators they would appoint for the SCOPE project
- ✓ on which development topics they wished or needed to focus, and
- ✓ with which organisations and countries they wished to establish East-West and East-East twinning relations

##### **1.3. Establishment of PMG (Project Management Group)**

Within one week after the project contract was signed (10 June), the PMG was established, consisting of:

- ✓ Rainer Schlüter (general secretary of CECOP): project responsible person
- ✓ Bruno Roelants (coordinator of CECOP’s development projects): project coordinator
- ✓ Jiri Svoboda (director of CECOP-East office, Prague): coordinator of ELDUs (European Liaison and Development Units, in the 10 candidate countries).
- ✓ Antonina Guarrella (Administrative assistant of CECOP): responsible for administration
- ✓ Thomas Fröbel (Financial assistant of CECOP): responsible for financial supervision

The work plan for this first phase, which was basically designed before the project started (see above), was further elaborated among PMG members, who then started being linked through daily e-mail connection concerning SCOPE.

##### **1.4. Analysis of preparatory forms**

The analysis of the forms (see above and attachment 2) enabled the PMG to design a number of East-West and East-East twinning hypotheses.

##### **1.5. Prague meeting with Eastern partners (10-11 July, 2000)**

The meeting was between the PMG and the representatives of the partner organisations from the 4 CECOP-East countries (Czech Republic, Poland, Slovakia, Bulgaria), as well as from Hungary and Estonia. The meeting discussed the following:

- ✓ New priorities of the European Commission in CEECs
- ✓ CECOP's action programme, especially the points regarding CEECs
- ✓ Basic ideas of the SCOPE project (principles, strategy, methodology)
- ✓ Work plan and calendar for ongoing phase
- ✓ Situation of cooperatives and participative enterprises in the 6 CEECs represented at the meeting.

#### **1.6. Dialogue with partners on East-West groups**

The twinning arrangements were further discussed through e-mail (attachment 2).

#### **1.7. Survey on the situation of each partner federation**

This was performed through a grid that was sent to each of them, in the EU and CEECs, based on the above-mentioned "five pillars" of organisational excellence. The returned grid made it possible to gradually engage in a SWOT analysis (Strengths, Weaknesses, Opportunities, Threats).

#### **1.8. East/ West Seminar: «Benchmarking the best co-operative legal practises in Europe », Bologna, 11 September 2000.**

The seminar, co-organised under the SCOPE project by the three Italian cooperative confederations and with the help of the CESAR Foundation and the Luzzati Institute, examined the necessary legal model to assure the development of the worker / social co-operative and participative enterprises in Europe.

#### **1.9. Preparation, implementation & follow-up of exploratory missions by the project coordinator in the four countries where organisations of worker cooperatives and participative enterprises are either inexistent or embryonic (Estonia, Latvia, Lithuania, Slovenia):**

- ✓ Mission to Estonia, Latvia and Lithuania, 28 August – 2 September 2000 .
- ✓ Mission to Slovenia, 18- 19-20 September.

Both missions achieved the following results:

- ✓ Understanding of the general situation of worker cooperatives and participative enterprises in the country (numerical importance, characteristics, legislation, policy framework).
- ✓ Contacts with organisations interested or involved in this issue
- ✓ Exploration of the possible strategies to promote worker cooperatives and participative enterprises
- ✓ Creation of a national partnership structure for the SCOPE project in view of establishing East-West and East-East twinning arrangements within self-managed East-West Groups and ELDUs (European Liaison and Development Units).

#### **1.10 First meeting of all project partners, Bratislava, 30 September – 1 October 2000**

The meeting collectively decided on:

- ✓ The project planning until the end of the project (network building and preparation phase, pilot phase, multiplication phase)
- ✓ The creation of four East-West strategic groups and four East-West twinning arrangements, later reduced to two by the inclusion of the two remaining ones into two strategic groups, see attachment 9). The system was later reduced to 5 groups (Baltic, Polish, Central-European, Balkan-Carpathean, Slovene).
- ✓ The budgetary distribution principles among the strategic groups, twinings and ELDUs.
- ✓ A first draft work plan for the pilot phase by groups/twinings.

## **2. Network-building and preparation phase (4 months: October 2000 to February 2003)**

### **2.1. Completion of partnership**

- ✓ Lithuania: Litcoopunion
- ✓ Slovenia:
  - RRZ 2010 Svenica
  - DEZAP (SI)
  - SBDC/PCMG (Small Business Development Centre)
  - ZZS (Union of Cooperatives of Slovenia)
- ✓ Romania: UCECOM (Union of Handicraft and Producers' Cooperatives of Romania)
- ✓ Spain:
  - MCC (Mondragon Corporacion Cooperativa)
  - CCE (Confederacion de Cooperativas de Euskadi)
  - FVECTA (Federacion Valenciana de Cooperativas de Trabajo Asociado)
  - FESALC (Federacion de Sociedades Anonimas Laborales de Catalunya)
  - ASLE (Asociacion de Sociedades Laborales de Euskadi)
- ✓ Italy: CCIFRG (Unione Regionale delle Cooperative del Friuli – Venezia Giulia della Confederazione delle Cooperative Italiane)
- ✓ Germany: Netz für Selbstverwaltung und Selbstorganisation
- ✓ Belgium: Synerges

### **2.2. Completion of drafting of “partner profiles” in English and French (see “SCOPE project partner profiles”)**

### **2.3. Meetings of groups/twinings and subsequent e-mail work on definition of work plans + budgets**

- ✓ Baltic Sea Group (27-28 October 2000)
- ✓ SCMVD-Legacoop (October 2000)
- ✓ Balkans-Carpathian Group (12 December 2000)
- ✓ Hungary-Slovakia Group (14 December 2000)
- ✓ Slovenia (18 December 2000)
- ✓ NAUWC-MCC (4 January 2001)

### **2.4. Meeting of groups' coordinators (Warsaw, 25 January 2001, half day)**

- ✓ Update of situation of the project
- ✓ Preparation of the workshop

### **2.5. Workshop on groups/twinings work plans (Warsaw, 26-27 January 2001), with all project partners**

- ✓ Common discussion on project objectives
- ✓ Finalisation of work plans + budgets by groups/twinings (group work)
- ✓ Definition of ELDUs' (European Liaison and Development Units) work
- ✓ Signature of terms of reference for groups/twinings and for ELDUs (except Balkan Group and Bulgarian ELDU which signed it on March 5) (see attachment 11)
- ✓ Discussion on long term priorities of groups/twinings
- ✓ Plenary discussion on monitoring indicators of groups/twinings with on site group work
- ✓ Presentation of financial framework



**2.6. Completion of definition of long-term project priorities by all partners** through e-mail, dividing those for SCOPE itself and those for daughter projects (beginning of pilot phase)

**2.7. Completion of definition of monitoring indicators and expected results**, discussed and drafted by all partners by e-mail, and handed in by each group coordinator (beginning of pilot phase)

## **B. PROJECT IMPLEMENTATION PHASES**

The project implementation phases were:

- ✓ Pilot phase: February-December 2001
- ✓ Multiplication phase: January-September 2002

In fact, the multiplication phase was the continuation of the pilot phase, with a mid-term conference and related meetings (Tallinn, 6-8 December 2001) for temporary assessment and replanning. Since the same categories of activities took place during both phases, reporting will be clearer by describing the activities by categories, unifying the pilot and multiplication phases in this description. For all activities where precise planning had been done, the activities are first summarized in tables showing the planned activities in the right column, and the level of implementation in the left column. Beyond the planned activities, as we will see, the project had to engage in activities that could not have been planned precisely during the preparatory period, let alone during the drafting of the project proposal, such as lobbying for specific new legislation in some countries, the participation to the consultancy process for new community acquis, the participation to a meeting with Romano Prodi etc. At the same time, engaging in such activities was essential if we wanted to be consistent with the nature and objectives of the project.

The implementation phases ended up with a reporting and self-evaluation exercise carried out in an evaluation seminar in Würzburg, Germany, on September 68, 2002, hosted by the Friedrich Ebert Foundation.

The two first categories of activities listed below are transversal. They correspond to two fundamental instruments through which the implementation of the project has taken place. They are:

1. Establishment and consolidation of East-West and East-East partnership within self-managed East-West groups
2. Establishment and development of ELDUs (“European Liaison and Development Units”) for European integration - related questions, including acquis communautaire and European programmes

# 1. Establishment and consolidation of East-West and East-East partnership within self-managed East-West groups

The groups, with outcomes of their implementation, are the following:

Planned groups	Implementation and immediate outcomes
<p>1. <b>Slovenia Group</b> with Slovene partners, Confco-operative and its regional union for Friuli (Italy), ASALMA (Spain/Madrid).</p>	<p><b>Implemented</b> The partnership has been subdivided between worker co-operatives (federation still in preparation) with Italy, and employee-owned enterprises (DEZAP) with Spain. Strong involvement of Confco-operative in Italy prompting it to open a project centre in Friuli for Eastern Europe.</p>
<p>2. <b>Baltic Group</b> with project partners from : 3 Baltic States (including the Trans-Baltic housing co-operative union BUCHA), Poland, Finland, Sweden, Germany (replacing the UK) and Belgium.</p>	<p><b>Implemented</b> The Finnish organisation played the central role of coordinator of the Group. Polish organisation contributed in convincing Lithuanian consumer co-operative partner to enter the project. However, the Polish organisation remains more like an “observer” member of the Group, which focused on the Baltic States. The partnership between the 3 Baltic partners started earlier under BUCHA, and has been reinforced through this project.</p>
<p>3. <b>Balkan-Carpathian Group</b>, with Czech, Slovaks, Romanian, Bulgarian and French partners.</p>	<p><b>Implemented</b> ICOSI (France) being coordinator and providing new partners in France for specific purposes (e.g. Bulgaria in tourism). French partner CGSCOP has not had a really active role so far. The Eastern partners have been able to strengthen their partnership, which had started earlier through their membership of CECOP, the CECOP-East project, and a previous ICOSI project in the region.</p>
<p><b>4. Central European Group</b></p> <p>4.a. <b>Czech twinning</b> with Legacoop, Italy (merged into Central European Group for multiplication phase).</p> <p>4.b. <b>Slovakia-Hungary Group</b> with Hungarian and Slovak partners, Legacoop and AGCI (Italy), COGETA and FVECTA, Spain (merged into Central European Group for multiplication phase).</p>	<p><b>Implemented</b> Legacoop highly increased its interest in the region during this period. Nevertheless, the focus of the partnership required a partial revision for the multiplication phase (see below).</p> <p><b>Implemented but with problems</b> Slovak Group coordinator and main contact person in FVECTA and AGCI all left their job during this phase, while Hungary’s co-operative movement is in a very difficult moment.</p>

	<p>The project was an occasion for the Slovak and Hungarian neighbouring partners to establish a stronger partnership (cooperation on enterprise fairs etc.)</p> <p>The Czech twinning and Slovakia-Hungary Group have merged for the SCOPE multiplication phase to form a new Central Europe Group, with COCETA and FVECTA becoming inactive, AGCI becoming active again, and HEA (Hungary Esop Association) and Spain's CONFESAL entering the Group.</p> <p>Integration of Czech partner is made easier because it has a long term partnership with Slovak partner (previously part of the same State, participation in common projects since).</p>
<p>5. <b>Poland twinning</b> with Mondragon Group focusing on sectoral consortium strategy (later <b>Polish Group</b> with Italy's CGM).</p>	<p><b>Implemented with important changes</b></p> <p>This twinning was "doubled" by another one between the Polish partner and Italy's CGM Social Co-operative Consortium, preparing a project of work for nurses from Polish co-operatives in CGM co-operatives, and a possible project in Poland itself. After the non-approval of a Polish-Mondragon daughter project, and closer contacts between CGM and MCC, a triangular Polish-CGM-MCC is being established.</p>

The 6 groups and twinings, which became 5 groups, have been the main *locus* of bilateral and multilateral East-West and East-East partnerships during the SCOPE project.

Although the central project management has provided dynamic coordination, the groups have functioned in a self-managed, democratic and participative way:

- ✓ They have defined their respective work plan themselves
- ✓ They have defined their respective budgets.
- ✓ They have negotiated their budget packages among themselves and with project coordinating organisation CECOP.
- ✓ They have implemented their work plans according to their available budget.
- ✓ They have defined their own concrete monitoring indicators for the activities scheduled in their work plan.
- ✓ They have regularly taken part in the monitoring "control board" table (updated version on 30 September 2002 appears under section III 4. "Assessment").

This self-management system, which has in fact characterized the whole project, has provided the groups with a real project management experience "*in vivo*", and therefore with a pedagogical experience in project management. It has made them completely responsible and accountable about all their activities. Furthermore, this collective experience among project partners has been a significant element in the building of a long-term partnership, which is thus much stronger than if the partners had simply taken part in common meetings managed "from above".

The monitoring "control board" at the end of this report shows in details how and to what extent the planned activities have been effectively implemented according to the established monitoring indicators.

The East-West groups, however, were not the only modality through which project partners constructed partnership. The project grouped 36 organisations (including principal and associate partners) from 17 European countries. Most of these partners gathered for 3 working sessions of 2 to 3 days : at the beginning of the project (Bratislava, Sept-Oct 2000), at the beginning of the pilot phase (Warsaw, January 2001, and at the end of the pilot phase (Tallinn, December 2002). Those occasions were opportunities for all project partners to discuss and reflect on the development of co-operatives in the 10 candidate countries.

The trans-European aspect of this partnership has so far been fundamental in the mobilisation of each partner around co-operative development elsewhere in Europe. If the project had been working only as a sum of partner groups, this mobilisation would have been much more difficult to attain.

Furthermore, another fundamental element in the building of East-East partnership has been the ELDU network (see section 2 below).

Logically, along the evolution of the project, the project results have become increasingly differentiated by country, depending on the specific characteristics of each national environment, resulting in a gradual shift of emphasis in project coordination and monitoring, from the East-West groups to the 10 national environments. This phenomenon has been further consolidated by the 2d chief implementation mode of the project (the “ELDU” system described below), which is based on each candidate country. Therefore, while the description of project activities and results could easily be done according to the East-West groups in the previous SCOPE documents (brochure, mid-term report, and “The SCOPE project experience”), it appears now necessary to analyse the result according to each important project topic, and, under each, according to each candidate country. The analysis per candidate country begins from the next section onward, after a first summary table when activities could be planned in advance. The order chosen is always from North to South.

## **2. Establishment and development of ELDUs (“European Liaison and Development Units”) for European integration - related questions, including acquis communautaire and European programmes**

### **2.1. Summary of planned activities and implementation**

Planned activities	Implementation and immediate outcomes
Establishment of 10 ELDUs, one per candidate country, with at least one fixed coordinator per ELDU	<b>Implemented</b> between July and December 2000. The ELDUs have been established in the capital city of all 10 candidate countries, as an entity hosted by (and depending upon) the main SCOPE partner in that country, namely worker cooperative federations in PL, CZ, SK, HU, RO and BG, federations of housing cooperatives in EE, LV and LT, and association of participative enterprises in SI.

One day training and information seminar in Brussels with EU officials on EU structures linked to enlargement (DG Enlargement, DG Enterprise, ECOSOC) and on main EU programme lines.	<b>Implemented</b> 5 March 2001 The ELDUs were introduced to the EU structures and projects (PHARE-BSP and PHARE-ACCESS) by officials in charge. INTERREG and JEV also introduced.
Two day training session in Budapest on project design, strategy, drafting and management (CECOP / CECOP R&D).	<b>Implemented</b> April 2001 Practical exercises on project design were also done by the trainees.
Two day training seminar in Budapest on examples of successful projects in EU countries.	<b>Implemented</b> April 2001 Co-operative organisation representatives from Emilia Romagna (industrial consortium) and Valencia (regional federation) shared their experience.
Establishment of a dynamic and permanent network among the ELDUs	<b>Implemented</b> from March 2001 onwards. See details below, under sub-section "From isolated units to a dynamic network: the ELDU NETWORK"

This initial training, the ELDUs began receiving assistance from their EU partner organisations and by the central project coordination in the design and elaboration of daughter projects. This work has a strong training effect "on the job" but, of course, follows the various calls for proposal that are published at different dates for the different candidate countries: therefore its implementation can only be gradual and differentiated by candidate country.

The central project coordination has also been involved in the preparatory phase of a LEONARDO "daughter" project, which is seen as the continuation of the initial training initiative described above. This project will provide distance learning opportunity to the ELDUs by exchanging their ongoing work concerning the preparation of daughter projects.

## 2.2. Details per candidate country

Here follows the evolution of the ELDU in each candidate country.

### EE

The ELDU coordinator Marit Otsing received training with Finnish partner. The ELDU was well inserted into host organisation EKL/BUCHA (housing cooperative federation, grouping 800 cooperatives with 100 000 inhabitants). The ELDU will continue its work, as a common initiative of the housing, health and worker coop sectors. Its new host organisation is the new federation of worker and social cooperatives established under SCOPE (see section 5) – ESTCOOP.

### LV

There is a good insertion of the ELDU, coordinated by Sergei Sidorko, in host organisation DZIKs, and reinforcement thanks to the 2 cooperative advisory centre established during the project (Non profit cooperative society "Flat Owners' advisory centre" in Riga, "Temida R" in Rezekne). A characteristic of the Latvian ELDU is its good connections with regional NGO support centres. Non-Governmental Organization Support Center in Rezekne, communities such as Aluksne, Cesis, South Latgale, Liepaja, Madona, Preili, Selija, Tukums, Ventspils, Central Kurzeme, Zemgale, and Northern Kurzeme, also are hosts to regional NGO support centers.

## **LT**

The ELDU, coordinated by Algimantas Paulavicius, is alive, but did not really obtain the concrete support of the other LT (associated) partner, LITCOOPUNION (consumer cooperatives), which in fact did not sign up to be a SCOPE 2 partner. So there is very weak support from other cooperative organisations, and its own host organisation, the housing coop federation of Vilnius Namu Valda is itself very weak too. But many contact have been established.

## **PL**

The ELDU coordinator, Adam Piechowski, was already in charge of international relations for a long time, and had therefore no problem of integrating the ELDU into the Polish partner organisation NAUWC (representing 511 cooperative enterprises and 25 000 employees). Because of his links with the Polish cooperative umbrella organisation NCC (an estimated 12 000 cooperative enterprises and 8 million cooperative members), he was able to attract the interest of this latter structure (grouping a higher number of enterprises, workers and members) into European integration matters and to disseminate the corresponding material. NCC established a European Integration Committee. However, the coordinator was also faced with many different responsibilities (the ELDU being only one of them). He has been increasingly seconded by Joanna Brzozowska, responsible in the Cracow regional branch office of the Union for the “Co-operative Development Agency”. Since September 2002 she has been on a training stage at CECOP’s Brussel office. Some administrative and office assistance is given by NAUWC President’s secretariat.

## **CZ**

The ELDU coordinated by Jiri Svoboda is now well consolidated within Czech partner federation SCMVD (representing 350 cooperative enterprises, and 30 500 employees). It plays an important information role on EU related topics, thus attracting the interest on EU-integration related matters from the Czech cooperative umbrella organisation DACR (2880 enterprises), similarly to what has happened in Poland. Very good relations have also been established with the Czech Employers’ organisation, of which SCMVD’s president is vice president. There has also been regular contacts with the Economic Faculty of Prague University

## **SK**

The establishment of the ELDU has brought about a change in the organisation of the international relation department of the host organisation SZVD (representing 150 enterprises with 13 200 members).

Only one person was doing international relation work at the beginning of the project, and became too busy. A similar problem of overwork as in Poland took place. A new person was appointed for the ELDU but remained only until the middle of the project, thereafter there was a reorganisation of the department, with new appointments. The person originally in the department, Helena Capova, took over the leadership of the ELDU, which identified with the international department, in fact giving a more European role to the international department. Step by step, there was internal lobbying by the department to put more emphasis on the project and on European work. Also, good team work was established.

Documents and information were well disseminated to the umbrella cooperative organisation SCA (representing 948 enterprises, 77 636 employees and 762 950 members) and to other cooperative sectoral organisations, thus creating a dynamic similar to PL and CZ.

When lobbying on the disabled, the ELDU has been working on collecting and analysis of EU countries’ legislation.

In various project training, such as financial tools, new forms of cooperatives, quality etc, the ELDU involved each time specialists of the subject inside the organisation.

Also thanks partly to the project and ELDU work, the organisation established in 2001 two commissions:

- ✓ one on legislation
- ✓ one on new forms of cooperatives

Project writing remains a weak point. However, the ELDU also had the opportunity to analyse the causes of project failures, therefore what we should avoid.

## **HU**

The results of the ELDU work and efforts are now only beginning to appear, after a lot of energy and time invested. The ELDU coordinator, Andras Kemerli, had to work alone, and there was lack of team work. However, the ELDU has been able to attract the interest to EU integration related matters not only from his own organisation OKISZ (representing 350 cooperatives and 800 other SMEs), but also from other social economy organisations, and mainly the Hungarian umbrella cooperative organisation NCC (representing 6200 cooperative enterprises) and the Hungarian ESOP (participative enterprises) Association (representing 12 participative enterprises), which became a partner in the second part of the project. The ELDU task was particularly difficult because of a lack of interest and promotion of cooperatives in this moment in Hungary.

## **SI**

The ELDU is now well established within DEZAP (Slovenian association of employee owned companies, representing 9 enterprises with around 10 000 employees) which has now a permanent office in Ljubljana and a fixed full time person (since this year), Petra Kozel, also ELDU coordinator. New organisation for worker coops ZKS (Slovenian association of workers and social coops, representing 8 small cooperatives with around 30 employees) is in connection with the ELDU, which is now is more in the hands of DEZAP, with gradual withdrawal of temporary partner SSR, which mission was to ensure the establishment of ZKS. An agreement for inter- sectorial relation with other coops associations is prepared, but not yet signed.

## **RO**

The ELDU has been very well received within host organization UCECOM (representing 1070 cooperative enterprises and 98 00 employees). The ELDU coordinator, Carmen Istode, had too much work for one person alone, although colleagues helped her. The results of ELDU work appeared clearly during the Social Economy Conference (10 September).

## **BG**

In host organisation NUWPC (representing 357 enterprises and 35 000 employees) the function of ELDU coordinator is carried out by the same person, Zornitsa Boiadjeva, who is responsible for International Relations, PR, Protocol, secretarial assistance, and relations with other cooperative sectors in the country. Team work was therefore not possible, due to financial limitations of the host organisation. But interest in European integration – related aspects has clearly gained ground in the organisation thanks to the European work done by the ELDU. Work on European development programmes is still lacking and is perceived as important.

### **2.3. From isolated units to a dynamic network: the ELDU NETWORK**

After their constitution, the 10 ELDUs have rapidly constituted a dynamic ELDU network, expressing itself in English. This was facilitated by the series of meetings among ELDU coordinators that have taken place within the project, namely:

- ✓ July 2000, Prague (first working meeting)
- ✓ September 2000, Bratislava (side meetings of the plenary meeting of partners)
- ✓ January 2001, Warsaw (side meeting of the plenary meeting of partners)
- ✓ March 2001, Brussels (side meeting of the seminar on European institutions and programmes)
- ✓ April 2002, Budapest (training session and seminar on project design and coordination).
- ✓ December 2001, Tallinn (side meetings of the plenary meeting of partners)
- ✓ February 2002, Brussels (side meeting of the European Cooperative Convention with Romano Prodi)

- ✓ July 2002, Brussels (working meeting on designing SCOPE 2 project)
- ✓ September 2002, Würzburg (final reporting and self-evaluation meeting)

At the same time, e-mail collective communications have developed steadily during the project. Since the beginning of 2002, the use of an EasternNet internal website and forum (under the LEONARDO daughter project called LECO) has proved useful and timely.

The network character of the ELDUs has been a fundamental characteristic of the project, especially as regards comments and participation regarding EU acquis (see next section), and as regards information on development programmes and calls for proposal.

It could be observed that the ELDU network has had an impact on the relation between the presidents of the CEEC partner organisations (PL, CZ, SK, RO, BG), and on the space they now tend to give to European integration –related matters in their common meetings (that have taken place regularly on the sidelines of international cooperative events).

Furthermore, the impact of the ELDU European work on cooperative umbrella organisations where those exist (PL, CZ, SK, HU, with a combined membership of 21 948 enterprises) could be verified by the fact that 3 of those 4 umbrella organisations have signed up to be SCOPE 2 partners, and the 4<sup>th</sup> one (PL) has expressed the same intention.

### 3 Gathering knowledge on “oneself”: data gathering on cooperative and participative enterprises

#### 3.1. Summary of planned activities and implementation

Planned activities	Implementation and immediate outcomes
<p>“Partner profiles” for project partners having a representation structure, with a common format, describing organisation, affiliated enterprises, and the wider co-operative and social economy.</p>	<p><b>Implemented with slight modifications</b></p> <p>The “partner profiles” were done in English and French for most partners having a representation structure. The format used differed for the Mondragon Group (we used material we had edited in a previous project), and for Slovene and Baltic partners the format used has been different (we used the reports of SCOPE preparatory missions in these countries, because the existing data was insufficient).</p> <p>All partner profiles have been edited into a photocopied volume (in English and French version). They have been widely distributed among partners, and used mainly by partners of the same group (see next point).</p>



Survey on existing cooperatives (with a focus on worker co-operatives) in the 3 Baltic States.	<b>Implemented</b> The survey showed that many registered cooperatives do not exist any more, but also that a substantial amount are operational. It also showed a positive attitude from interviewed cooperatives to being organised in federations, and that a number of them could become members of a federation grouping worker / social cooperatives (existing in EE, still to be established in LV and LT).
Survey on managers' and trade unions attitudes to employee ownership in Slovenia.	<b>Implemented</b> Conducted by a lecturer of Ljubljana University. 10 % response rate. Show a general positive attitude to employee ownership and a strong support for future action for its promotion.

### 3.2. Details and comments per candidate country and unplanned results

#### EE

The ELDU found the possibility to cooperate with specialists from universities and other cooperative organisations. The questionnaire was designed by the Finnish partners.

#### **Purpose of the study:**

The purpose of the study was to deliver background information for planning further development activities and also for increasing awareness of co-operation.

#### **Aims:**

- ✓ To find out the present situation and structure on co-operation in Baltic countries
- ✓ To get a picture of attitudes to co-operation among local authorities and also their opinion about co-operatives role in different sectors
- ✓ To find out whether cooperatives are known, and which are the sectors in which cooperatives could have business opportunities.

#### **Target groups:**

- ✓ Co-operatives,
- ✓ local authorities

First, data was requested to the state register. It appeared that there were:

- ✓ 924 “profit making” coops (most of them in retail sales and agriculture)
- ✓ 16 586 “non profit associations” (7300 of them are housing and garage coops, others are mostly choirs and different small associations)

The selection of the target group was based on the following aspects:

- ✓ most of the co-op enterprises are not registered as non profit organisations
- ✓ there are many “ dead “ cooperatives in the register, which is from the year 2000.

To avoid sending letters to the “dead” coops, it was decided to ask for the advice from EÜL (Estonian Cooperative Association, the umbrella organisation of Estonian cooperatives). EÜL completed a study on coop enterprises in 2001. In the framework of the research they posted letters to all registered coops and

as a result they found out that there were around 60 cooperative enterprises really in existence – 15 of them being umbrella structures – e.g. a union of cooperatives dealing with measuring land. The database of EÜL was taken for the basis of the research, and 69 questionnaires were sent out – 33 of them are agricultural, 17 are consumers coops.

The questionnaire was also sent to 15 county governments of Estonia and 47 members of Estonian Towns – different town governments.

16 telephone interviews were carried out with local municipality employees.

**Results:**

- ✓ no answers from towns and counties
- ✓ 9 answers from coops:
  - 5 consumer coops
  - 2 credit coops
  - 2 worker cooperatives in the agricultural sector
- ✓ 5 of the 9 coops were established between 1905-1911
- ✓ Owners of the coops are either consumers or workers (in one case both)
- ✓ 75 % of the coops had equal division of shares
- ✓ Average number of members – 583
- ✓ Percentage of women – 72,24 %
- ✓ Annual turnover: 2.64 EURO (the main part being the turnover of the consumer coops in retail activities)
- ✓ In 5 cases the annual turnover had risen in 2001
- ✓ Main clients are consumers or “others”
- ✓ Most important features (on the scale 1-most important, 5-less important)
  - member participation in decision making –3,6
  - education and training – 3,5
  - environment friendly development – 2,6
- ✓ Most important identified problems :
  - quickly changing legislation
  - need for education and information
  - member participation

## Conclusions

- ✓ The amount of respondents was too small for making trustworthy conclusions;
- ✓ At the same time this small amount shows the attitude of Estonian public towards co-operatives – the co-operative enterprise form is not well-known - this fact was also confirmed by local government representatives during the interviews. At the same time, the local authorities presumed that the co-operative sector would become stronger in the near future and that local municipalities would have closer co-operation with them;
- ✓ The annual turnover among the respondents was remarkably high, according to the interviews with co-op people they are mostly small shops in rural regions;
- ✓ Most of the stronger co-ops are consumer co-ops which started their activity at the beginning of 1900-s. Because of the long history and some property they were in a stronger starting position at the beginning of 1990-s.
- ✓ Basically we can say that the co-operative movement in Estonia is not very strong today, the term “Worker co-operative” is not well-known, many companies that are structured internally as worker co-operatives are not aware of it, and do not consider themselves as such.
- ✓ The attitude towards co-operatives among local authorities is supportive in words. Also they have hope for a better future in a more stable society.
- ✓ The emergence of worker co-operative enterprises is possible with the help of state policy or supportive program (eg creating new jobs). This means that there is a need for educating local (and state level) authorities first.
- ✓ The first group of consumer coops with worker members, and the agricultural worker coops could be affiliated to ESTCOOP. It appears that there would be no problem of affiliating them, even if they are affiliated to another federation.

## LV

The research has shown that:

- ✓ Most registered cooperatives do not exist any more. 1289 questionnaires were sent (except for the housing sector), and 14 questionnaires came back.
- ✓ Most cooperatives that responded to the questionnaire are small agricultural or wood-producing cooperatives with a (total or partial) worker cooperative profile (e.g. 5 members 5 workers, 10 members – 5 workers).
- ✓ 24 credit cooperative societies having their own Union have also been identified.
- ✓ More than 800 flat owners cooperative societies exist, with their own association.
- ✓ 2 new advisory centres have been established as worker cooperatives under the SCOPE project.
- ✓ The 14 respondents to the questionnaire and the Union of Credit cooperative Societies express the need for a national cooperative umbrella organisation.
- ✓ Today there are in Latvia three Unions – the Union of Credit cooperative Societies, Central Cooperative TURIBA (consumers’) and the Association of Flat Owners’ Cooperative Society (DZIKS, hosting the ELDU).
- ✓ The cooperative housing sector has experienced a very rapid progress recently: in 1999 there were 101 housing cooperatives, in 2001, they were 568, and in 2002 they were more than 800. A similar situation appears to exist in the cooperative credit sector.
- ✓ The cooperative housing sector today has a very good background for establishing new worker cooperatives in the field of services (cleaning, engineering, technical, legal and bookkeeping support), and for introducing new heating consumption reducing technologies, an activity that may be connected with the establishment of new credit cooperatives (inside or among housing cooperatives) and mutual insurance cooperatives.

## LT

The research has shown that:

- ✓ There are 254 cooperative companies in Lithuania (information from Statistics Department)
- ✓ One third of cooperatives in Lithuania are in the agricultural or related sectors, but around 50% of them are in fact worker cooperatives.
- ✓ It was also observed that a number of so-called consumer cooperatives (also one third of all cooperatives) are in fact worker cooperative enterprises in the food industry.
- ✓ Many new partnership businesses registered as conventional enterprises are in fact run virtually like worker cooperatives.
- ✓ Thus, there is a substantial amount of businesses run according to worker cooperative principles in Lithuania.

The full result of the research will be clearer only after 1st October, as about 10 % of the questionnaires are back, and some more are expected.

## SI

A research done in SCOPE indicated that there were over 1000 partly employee-owned enterprises (10 to 60%, with actual employee control being stronger thanks to the combination of employee-ownership with German-style co-determination), with a total workforce of 120 000 employees, amounting to one fourth of the Slovene urban workforce employed in enterprises. The survey also showed a positive attitude to employee ownership in the country.

In the Trade Register, 540 coops are listed ( some of them are “sleeping” or not yet erased from the Register). ZZS (Cooperative Association of Slovenia) counts 180 coops with 22 000 members and 4 100 employees. Newly established ZKS associates 8 cooperatives with approx. 30 members.

## 4. Gathering knowledge on the other: Study and analysis of models of best practice in the EU

### 3.1. Summary of planned activities and implementation

After the exchange of basic and systematic written material, the following study visits on the spot or training seminars organised by experts, from 2 days to one week, (generally 2 to 4 persons per country) were planned :

Planned activities	Implementation and immediate outcomes
Polish cooperators (federation, mechatronics, pharmaceuticals) to Mondragon Group to analyse basic components of a specific project on sectoral consortium building).	<b>Implemented</b> March 2001 Federation and sectors agreed on a possible strategy for gradual consortium building, to be translated into a “daughter” project, which was introduced for co-financing (but not approved so far).
Polish cooperators (federation) to Italy’s CGM social co-operatives consortium to analyse social sectors that could be viable for Polish co-operatives.	<b>Implemented and reinforced through a series of meetings in 2001 and 2002</b> Reached better understanding of the social co-operative system under CGM and discovered that some sectors (e.g. service for HIV positive patients and rest houses for elderly) could be viable in Poland.

<p>Estonian, Latvian and Lithuanian cooperators (federations, health sector, housing sector) to Finland to analyse the concept of worker/social co-operatives and the rapid development of this sector and its specific federation model in that country.</p>	<p><b>Implemented</b> September 2001          Latvian and Lithuanian cooperators really understood what a worker/social co-operative is. Estonian cooperators obtained a model of federation-consulting organ which they established a few weeks later in Estonia.</p>
<p>Slovene official and Slovene consultants in charge of co-operative development projects to Italy (Friuli and Emilia) focusing on the study of legislation, institutional building, government policies and financial instruments.</p>	<p><b>Implemented</b> May 2001          Better understanding of Italian co-operative legislation and of the functioning of a co-operative representative system. Also a regional (Friuli) financial instrument (FINRECO) analysed in detail.</p>
<p>Slovene representatives of employee-owned enterprises (association and enterprises) to Spain (Madrid region) to study legislation, institutional building, start-ups, government policies.</p>	<p><b>Implemented</b> May 2001          Better understanding of Spanish legislation on worker-owned limited companies (SALs), on government policies towards the social economy and its impact on start-ups, on the national/regional representation systems of SALs.</p>
<p>Czech cooperators' (federation) visit to Italy (Emilia-Romagna) and visit of Italian cooperators (federation, development institutions, enterprises) to Czech Republic (seminar in Prague) on legislation on social co-operatives, quality certification, and consortium model.</p>	<p><b>Implemented</b> November 2000, March and June 2001, and April 2002          Better understanding of Italian legislation on social co-operatives (already studied partly in a previous project), enabling the editing of a publication (see later). Quality certification remains documentary because the topic is studied mainly with the French partner ICOSI. Consortium model remains a central interest, but has not translated into development strategy (as in Poland). Seminar in Prague did not have the impact it could have had (very low attendance due to inappropriate period – end of school year).</p>
<p>Hungarian (federation) and Slovak (federation and enterprises) visit to Italy on project work and enterprise level contacts : two visits planned (a preparatory one and the study visit proper).</p>	<p><b>Partly implemented</b> February 2001          Only the preparatory visit was organised. General understanding of functioning of LEGACOOOP and AGCI reached. Contacts with some industrial co-operatives done. One of them (fire proof doors) went to Hungary to examine the possibility of economic cooperation (not attained).</p>

<p>Hungarian (federation) and Slovak (federation and enterprise) cooperators visit to Spain (Valencia) on training systems, start-ups, project work, cooperation with local government.</p>	<p><b>Implemented partly in a different way</b>  One person from the Hungarian Federation made a (shorter) separate study visit to Valencia within the framework and costs of an other project (May 2001).  Slovak federation (visit in October 2001) was particularly interested in the development of the health and social services sector in Slovakia, and is now investigating on how to open this sector to co-operatives.  Also understanding of the need for written material and training in the promotion of enterprise start-up.</p>
<p>Italian (consortium, representing federation) and Spanish (federation) cooperators to Hungary and Slovakia (seminar, visits to enterprise) on project work, image, cooperation with local government, enterprise structure, legislation.</p>	<p><b>Partly implemented</b> April 2001  Activity successfully organised, but was mainly a training activity for ELDUs (see above section 2). One enterprise-level representative of Slovak federation, but no enterprise-level representatives of Hungarian co-operatives although in Budapest. No visit to Slovakia.</p>
<p>Czech, Slovak, Romanian and Bulgarian cooperators (federation and enterprises) to France to study the labour insertion of disabled persons in social economy structures, and (for Bulgarians only) to study models of social tourism.</p>	<p><b>Implemented</b> in two successive training seminars in October 2001 and July 2002</p>
<p>Training in Romania for Czech, Slovak, Romanian and Bulgarian cooperators (federation leaders) on new forms of social economy.</p>	<p><b>Implemented</b> in May 2001  Impact reinforced by the presence of the French Secretary of State for the Social Economy.</p>
<p>Training in Prague for Czech, Slovak, Romanian and Bulgarian cooperators (federation and enterprises) on training in quality management.</p>	<p><b>Implemented</b> in March 2001 and March 2002  This topic is the one which rose most interest among the 4 federations</p>
<p>Training in Sofia for Czech, Slovak, Romanian and Bulgarian cooperators (federation and enterprises) on the creation of audit systems and financial instruments.</p>	<p><b>Implemented</b> in November 2001</p>

The dissemination of best practice has not only occurred through the self-managed East-West groups: the ELDU network and the 3 general meetings of partners have been channels through which best practice models have been transmitted.

## **4.2. Analysis by candidate country and unplanned results**

### **EE**

Through study visits to Finland and Sweden, the idea of creating cooperative advisory network has been taken over from Sweden, and information was received from Finland about financing and lobby activities in a cooperative centre dealing with creating new cooperative enterprises. A very good model was found in Tampere (Finland), where they succeed in cooperating with the local municipality and at the same time in offering services to coops.

The model of SCOPE partner CoopFinland was the main example for designing and planning the development of ESTCOOP, the new worker cooperative federation in Estonia established under SCOPE. Business contacts between Estonian and Finnish co-operatives are in preparation.

### **LV**

The Latvian ELDU divides the best practice models in theoretical and practical.

1) Theoretical – understanding real situation of cooperatives in EU countries (very important because of bad image of cooperatives at home). The examples of the Mondragon group in Spain and social cooperatives in Italy have left their mark: for Latvia it is a totally new concept that cooperatives are not something “exotic” for the most of European countries. All the contacts with participants in the meetings within the framework of the SCOPE project were significant opportunities to get experience. All documents which we get during SCOPE project (EU working document “Cooperatives in Enterprise Europe”, European Cooperative Society Statute, Dossier on the social economy) provide a very good background for institution-building, lobby and services to cooperatives.

2) Practical – the possibility to study the CoopFinland experience on the spot gave the ELDU many practical ideas for establishing and developing 2 new worker coops – advisory centres.

### **LT**

The study visits to Helsinki have provided very useful practice about the aim and influence of worker coops for citizens with a low income or who are unemployed, and about the structuring of an umbrella organization. Nevertheless, the situation in Lithuania is different from Finland, and using the best foreign experience is still premature. Worker cooperatives are not associated and still belong to a strong organization LITCOOPUNION, which is in fact mainly a federation of consumers’ cooperatives. The present institutional set-up of Lithuania is not the best, and leaders of cooperative enterprises will probably perceive it in the future. The ELDU and the host organisation NAMU VALDA intend to help them make up their minds on this issue.

### **PL**

The MCC (Mondragon group, Spain) and CGM (social cooperatives, Italy) models have been presented, carefully analysed and discussed at many meetings within NAUWC and sometimes even within the cooperative umbrella organisation NCC. Among the most important results, we can mention the creation of NAUWC’s new credit guarantee fund for co-operatives inspired by the solidarity and mutual funds present in the Mondragon model. There are discussions on creating strong branch groups of co-operatives, but this issue is less advanced.

NAUWC also considers developing the activity of its health service co-operatives in the direction of social services according to the CGM model in Italy. Some attempts are in progress to establish co-operative centres for elderly people similar to the CGM ones. The possibilities of gaining public contracts like in Italy are being discussed.

### **CZ**

Employees of the SCMVD federation and some directors of cooperative enterprises have experienced the high level of the seminars organised by French partner ICOSI. The information obtained on best practice

models in those seminars have been used by the federation within domestic training seminars that are regularly organised by the federation for directors and managers of the affiliated cooperative enterprises.

## **SK**

The visit to FVECTA (Valencia, Spain) in October 2001 brought the following conclusions:

- ✓ Necessity to increase introductory information on coops for society as a basis for new start ups.
- ✓ Necessity to improve training for members and employees.
- ✓ Apply model of social cooperatives and medical cooperatives for old-aged persons
- ✓ Try to propose a model of cooperation between cooperative organisations and local government
- ✓ Introduce 4 year strategic planning system.

An important instrument established in Slovak partner SZVD under SCOPE to study best practice models is the new commission on new forms of cooperatives, which in turn has been working also with the Slovak cooperative umbrella organisation SCA and a inter-sectoral cooperative development agency (CDA) in Martin.

Impact of Legacoop model of Italian social cooperatives on SK partner BRO SZVD:

- ✓ In Legacoop, the cooperative societies are regrouped according to their activities. Horizontally, coops are associated accordingly to regions and they are linked and cooperate with the local authorities and cooperative development institutions. Vertically, the coops are associated according to the sectors and they are dealing with development strategies. The establishment of the consortium within the framework of Legacoop as the body through which the cooperatives can obtain contracts, is a very important factor supporting the cooperative development. Otherwise, the cooperatives would probably fail in gaining tenders in public procurement.
- ✓ This model is being also used within the social cooperatives which are founded on the basis of the social request to solve the problem arising in the region for the identified social group. Through the consortia created in Legacoop, the social cooperatives may ensure a whole range of services that are necessary in order to tackle a given problem.
- ✓ In Slovakia, for the establishment of the above mentioned type of cooperative society, the political conditions that occurred after the creation of The Higher Administrative Units were needed. By these units, an appropriate linkage of state administration bodies is established with cooperative enterprises while solving the particular problems in the social field through the social cooperative form. In order to create this type of cooperative society, it is now necessary to prepare the appropriate legislation.
- ✓ With the aim to support the creation of this type of cooperative societies, within the producer / worker cooperatives system SZVD is preparing the necessary methodology for the creation, the study model of the social cooperative, the project of systematic training related to the needs of cooperatives.

## **HU**

Best practices from FVECTA (Valencia, Spain) arrived in Hungary, but the whole information had been blocked by the previous General Director of partner organisation OKISZ who has now been dismissed. The recently improving situation both inside the organisation and in the country towards cooperatives may now help disseminate this model.

## **SI**

Spanish legislation and practice related to employee-owned companies ("SAL") was studied during the study visit to ASALMA, Madrid and to several companies. The history of this legislation and implementation are rather specific for Spain, but some principles are general applicable.

Even closer to the needs and situation in Slovenia are the solutions embodied in the new Belgian law on financial participation, because this law includes SMEs.



## RO

Among the best practice models that caught the attention of Romanian partner organisation UCECOM is the one of protected workshops and CAT (Centre d'Aide par le Travail) of the Association "Clos du Nid de l'Oise". UCECOM is studying how this model could be applied to its affiliated cooperatives of the disabled.

## 5. Creation and/or reinforcement of the institutional set-up

### 5.1. Summary of activities and implementation

Planned activities	Implementation and immediate outcomes
Establishment of worker/social co-operative federation or (first) development centre in Estonia.	<b>Implemented</b> Worker co-operative federation cum consulting centre ESTCOOP was fully established in May 2002.
Establishment of worker co-operative federation or (first) development centre in Latvia.	<b>Partly implemented, preparation continues</b> And discussions with Consumer Co-operative federation TURIBA about the future establishment of an umbrella organisation did not succeed so far. However 2 consultancy centres established under SCOPE as worker cooperative start-ups can have a regional federating role, and cooperatives identified through survey can constitute the basis for a future federation.
Establishment of worker/ social co-operative federation or (first) development centre in Lithuania.	<b>In progress, preparation continues</b> Ongoing discussions with Consumer Co-operative federation LITCOOPUNION and credit co-operatives about the future establishment of an umbrella organisation, which would directly affiliate worker / social cooperatives at first, plus identification of worker cooperatives through survey are necessary intermediary steps.
Establishment of worker co-operative association in Slovenia.	<b>Implemented</b> ZKS (Association of Worker and Social Cooperatives of Slovenia) established in June 2002 with 8 small cooperatives and 30 members. Also initial discussions on establishing a coordinating unit among various co-operative and social economy sectors and organisations of the country.
Increasing affiliation capacity of DEZAP (Slovenia association of employee-ownership) with 20 new members.	<b>Partly implemented</b> DEZAP lost 3 members because of company takeover, but regained 3 members through public conference, after which it hopes to gain more new members. Another public conference to be held shortly by DEZAP in Ljubljana on CSR should bring in new members.

## **5.2. Analysis by candidate country and unplanned results**

### **EE**

Full legal establishment of ESTCOOP (Estonian Union of Worker Cooperatives, Participative Enterprises and Social Economy Organisations) on 13.05.2002 with 2 affiliated cooperative enterprises with a total of 4 workers and 5 physical person members. The organisation is in fact designed as a federation combined with a business consultancy centre, on the model of SCOPE Finnish partner Coopfinland. For the next few years, ESTCOOP plans to offer consulting services in cooperative business, creating financial basis for the survival of cooperative enterprises, and then gradually affiliating new member cooperative enterprises.

Two new social co-operative enterprises have been established - 1 provides services to the disabled people in Kilingi-Nõmme. Another one and deals with disabled children in Pärnu. Two further cooperative enterprises are being prepared- one in the field of children day care and another one in social tourism.

There is also a strengthened relationship with EÜL, nominally the umbrella organisation of Estonian cooperatives.

### **LV**

No federation of worker cooperatives has yet been established, as conditions are not ripe. But 2 worker coops – advisory centres linked to housing cooperatives have been established under SCOPE, one in Riga, and one in Rezekne, a district where there appears to be a concentration of cooperatives, and where there is an NGO called The Rezekne NGO Support Center “Meridian“. Communities such as Aluksne, Cesis, South Latgale, Liepaja, Madona, Preili, Selija, Tukums, Ventspils, Central Kurzeme, Zemgale, and Northern Kurzeme, also are hosts to regional NGO support centers working in partnership with the Latvian ELDU and its host organisation DZIKS. Although these 2 start-ups are cooperative enterprises, there is a possibility that, given their advisory centre nature, they could play a “federating” (or mobilising) role for other cooperatives in the same districts in a first period.

The project also allowed contacts to be initiated between the ELDU (linked also to the housing cooperative sector) and the consumer cooperative organisation “TURIBA” on establishing an umbrella organisation. However, TURIBA also maintains that, as it was the umbrella organisation in pre-soviet times, it should recover such role today. Other Latvian cooperative sectors, such as housing, credit and agriculture, disagree with this claim. Nevertheless, contacts and discussions are expected to continue between TURIBA and the ELDU, especially on concrete cooperative issues such as legislation.

### **LT**

The establishment of a worker cooperative federation appears to be premature. The first task appears to be the establishment of an umbrella organisation covering also worker cooperatives. This is even more important because the consumer cooperative organisation Litcoopunion, also the biggest coop organisation in the country, has among its affiliated enterprises several productive plants that are in fact worker cooperatives.

Discussions between the main cooperative sectors represented in Lithuania (housing, consumers’, credit) on establishing an umbrella organisation have taken place under the SCOPE project. The organisations first need to know each other better and to build trust in each other. Further meetings are planned in the autumn.

### **SI**

A small association of worker cooperatives called ZKS has just been established, with 8 member cooperative enterprises totalling 30 workers.

DEZAP lost 3 members because of company take-overs, but gained 3 new affiliations after DEZAP conference in November 2001, other members are expected within the next few months. To get more

members, a conference will be organised shortly after end of project, with the invitations being made by 3 employee owned enterprises that are among the largest Slovene companies (ISKRAEMECO, ETI and DOMEL). It is expected that the great prestige that these 3 enterprises enjoy in the country will convince other enterprises to join DEZAP.

Regular contacts have also been established between ZKS and DEZAP (participative enterprises), and with other cooperative and social economy organisations, in view of establishing a national social economy platform. An agreement on mutual work, communication and activities is prepared for signing.

In the 6 other candidate countries (CZ, SK, PL, HU, RO, BG), sectoral organisations of worker / social cooperatives with a substantial number of affiliated enterprises (several hundred in each country) already existed at the beginning of the project. In the first 4, national umbrella cooperative organisations also existed. The SCOPE project has stimulated the cohesion within these umbrella organisations, especially in regard to European integration – related matters. An indication of this is the fact that these organisations have expressed their willingness to be partners in SCOPE 2.

## 6. Model promotion through publications and contacts with civil society organisations

### 6.1. Summary of planned activities and implementation

Planned activities	Implementation and immediate outcomes
Slovenia : 1000 folders and webpage on DEZAP, 1000 folders and webpage on worker co-operatives.	<b>Implemented</b> 2000 folders printed. Webpages established
Slovenia : 1 article per month and 5 radio presentations.	<b>Partly implemented</b> 6 articles published (4 on employee-owned enterprises and 2 on worker co-operatives).
Slovenia : 4 workshops for unemployed persons to present the co-operative model.	<b>Implemented</b> 4 workshops in 2 provincial towns, attended by 15 persons each (unemployed and persons with an idea to set up an enterprise).
Baltic States : booklet on co-operatives (focus on worker/social co-operatives) with annex on national legislation to be edited in Finland, translated into the 3 Baltic languages and distributed in the 3 Baltic States (3000 copies in Lithuania, 2000 in Latvia and Estonia respectively).	<b>Implemented</b> Booklet translated, printed according to planned number, and partly distributed.
Baltic States : 2 article published.	<b>Implemented with more results</b> 14 articles, 1 radio and 1 TV interview

## **6.2. Analysis by candidate country and unplanned results**

### **EE**

- ✓ The Booklet “Co-operative movement today” was published and disseminated in 9 local offices of EKL, in seminars of Scope and to members of other cooperative organisations EKL, EUSHCO and EÜL. 1200 copies have been disseminated today.
- ✓ “Co-operatives in Enterprise Estonia” published in EKL magazine “Elamu” sent to 1000 subscribers, disseminated in EKL offices, to EKL, EÜL and EUSHCO members (total 1200 copies).
- ✓ 2 Articles published in EKL magazine “Elamu”, 1 article published in EÜL newsletter.
- ✓ 1 article published in civil society newspaper “Foorum”
- ✓ 3 articles published in biggest daily newspaper “Päevaleht”
- ✓ 2 articles published in local newspapers.

### **LV**

Articles published:

- ✓ 2 articles published in Latvian newspaper “DIENA” (main daily newspaper).
- ✓ 3 articles published in Latvian Russian-language newspapers,
- ✓ 1 interview state TV.

The booklet “Co-operative movement today” was distributed:

- ✓ at seminars held by ELDU (more than 150 copies)
- ✓ by some political parties during the election campaign
- ✓ Directly to coops during the survey
- ✓ To the NGO Offices
- ✓ participants to seminar in Riga from 14 Latvian towns),
- ✓ participants to local seminars in Kuldīga, Rēzekne, Liepāja, Ventspils.

Contacts with local NGOs is one of the strong points of the Latvian ELDU

### **LT**

Booklet “Co-operative movement today” was published and partly distributed.

ELDU hosted by Association “NAMU VALDA” IR SAVININKAI has commented the consultative Document of the European Commission “Co-operatives in Enterprise Europe” and the present situation of the cooperative movement in a radio interview.

### **PL**

The ELDU contributed to the promotion of co-operative model by writing and publishing articles virtually on a monthly basis on European co-operative issues in NAUWC’s monthly bulletin and in the review of the National Co-operative Council. The latter is published in 8 thousand copies and distributed to most Polish co-operatives. The ELDU also translated and published the Finnish Co-operative Law as an example of one of most modern co-operative legislations in the EU. The publication of other co-operative legislations from the EU is planned for the near future.

### **CZ**

10 articles were written and published in the Czech press.

A brochure on social cooperatives, based on the study of Italian social cooperatives, was drafted, printed and distributed in 2 100 copies.

### **SK**

In order to promote the co-operative model, the ELDU has been contributing to drafting articles on best practice cases and field visits, which were published in the following national newspapers:

- ✓ Hospodarsky Dennik
- ✓ Parlamentný kuriér (Parliamentary Courier).

At present, ELDU host organisation SZVD is working on the scenario of a film on the co-operative movement titled “ Slovak Co-operation on its way to the European Union”, in which best practice-related material gathered during SCOPE will be used. SZVD is also in contact with the Slovak TV.

Among other events aimed to increase the awareness of the population on co-operative issues, we should mention:

- ✓ The reconstruction of the Samuel Jurkovic (the founder of the first Slovak cooperative in 1848) Co-operative Museum in Sobotiste in February 2002
- ✓ Nationwide celebrations of the International Co-operative Day, at the regional level (in the region of Martin, Liptov, and Central Slovakia)
- ✓ the 9<sup>th</sup> Cooperative Contract and Sale Exhibition COOPEXPO ( August 2002)
- ✓ The special issue of Slovak Co-operative News published in English ( will be disseminated at the ICA-Europe Regional Assembly)

SZVD also contacted the Council of Youth of Slovakia, in order to make links with the body representing the young generation.

## **SI**

Apart from the leaflets and websites, and from the articles published (see table above), DEZAP has also made recent contacts with the Chamber of Commerce, Trade Unions, and the Association of Workers Councils.

## **RO**

Good contacts have been developing with 5 trade union confederations (with a new cooperation agreement with one of them, called MERIDIAN), with the Foundation for the Development of Civil Society, and the National Council of Private SMEs.

## 7. Public conferences and lectures

### 7.1. Summary of activities and implementation

Planned activities	Implementation and immediate outcomes
Slovenia : 1 conference on co-operatives and employee-ownership.	<p><b>Implemented twice</b></p> <p>A first conference on the 2 sectors (80 participants), but more focused on co-operatives in April, and a second conference exclusively on employee-ownership in November (50 participants). Substantial participation from government ministries.</p> <p>Unexpected result : co-operatives have become eligible to public tenders.</p>
Baltic States : conferences in each State with 30 participants at least.	<p><b>Implemented with modifications</b></p> <p>Mid term project conference in Tallinn in December 2001 was opened by President of Parliament and attended by several government and civil society persons. It reached a similar outcome in terms of strengthening the status of co-operatives and social economy as would have a national conference.</p> <p>Seminar was organised in Vilnius in January 2002 with presence from government officials.</p> <p>A Baltic conference has been organised in June 2002 in Riga, Latvia, but because of slow movement of funds, the necessary promotion could not be made, and the meeting was converted into a seminar internal to cooperatives..</p>
<p>Hungary: Social economy conference to be held in June 2002, with the presence of the President of the International Cooperative Alliance</p> <p>Romania: Social economy conference to be held in September 2002</p>	<p><b>Implemented with modifications:</b></p> <p>The one-day conference, held in June 2002, showed important cohesion of cooperative organisation, but failed to extend to other social economy actors, except for HEA, the Association of Hungarian participative enterprises, also a SCOPE partner.</p> <p>The ICA President could not attend the Conference. However, through the intermediation of the SCOPE coordinators, he paid a visit on 29 September 2002 to the President and Prime Minister of Hungary, thus attracting the attention of the new government to cooperative matters.</p> <p><b>Implemented:</b> All main actors of the social economy participated.</p>

## **7.2. Details by candidate country and unplanned results**

### **EE**

The Tallinn mid-term project conference attracted the attention of the government. The president of the Parliament opened the conference, and other officials (5 different local municipalities, representative of Ministry of Internal Affairs, representative from Ministry of Economy, representative from parliament) were also present.

The Tallinn conference also facilitated contacts and cohesion with other cooperative and civil society organisations that attended (EUL, Union of credit coops, NGO network , 9 different coops).

### **LV**

The Riga SCOPE seminar in June, which was planned to have a public relation component, failed to attract the external public. This was due to the fact that the ELDU was faced with a lack of cash because of a failure to obtain the fund transfer in time from the Baltic Group. As a result, real expenses had to be reduced four-fold.

### **PL**

Some public lectures were done – eg. on the occasion of the opening new academic year in Cracow High School of Banking and Management (on international and European co-operative movement), and during co-operative fair in Kielce (same issues). Similar issues were presented for the members of NAUWC Board, to the European Integration Committee of NCC and others.

### **CZ**

The Czech ELDU has been particularly involved in the preparation of the 1<sup>st</sup> European Social Economy Conference in CEECs, to be held in Prague on 24-25 October 2002.

### **HU**

The Conference held in Budapest on 3d June 2002 with the presence of 200 persons was an important step forward for the interest of the whole Hungarian cooperative system (not only worker cooperatives) to EU integration related matters.

### **SI**

Two conferences on cooperative and participative enterprises held in 2001 and a round table on the European legislation on financial participation with the presentation of the new Belgium legislation held in 2002 were very well covered by daily newspapers and by specialised publications.

The two conferences and the round table were attended by a total of 160 participants and corresponding materials have been handed over.

### **RO**

At the Franco-Romanian Social Economy Conference held in Bucharest on 9 September 2002, important actors of the Romanian social economy and civil society took part, such as producers' cooperatives, consumers' cooperatives, credit cooperatives, the Foundation for the Development of the Civil Society, the 5 main trade union confederations (Romanian Democratic Trade Union Confederation, Cartel ALFA, CNSLR FRATIA), the National Council of Private SMEs.

A representative from the minister of SMEs was present at the conference, but without any message from the Minister.

## **8. Relation with governments**

### **EE**

The Tallinn mid-term project conference created a contact with the following institutions who sent representatives:

- ✓ the Parliament, whose president opened the conference,
- ✓ the Ministry of Internal Affairs
- ✓ the Ministry of Economy,
- ✓ 5 different local municipalities,.

7 meetings in all were held with officials from

- ✓ the ministry of the economy
- ✓ the ministry of social affairs.

### **LV**

Contacts have been established with the:

- ✓ Ministry of Economic, Ministry of Finance,
- ✓ Ministry of Agriculture ,
- ✓ Ministry of the Environmental Protection and Regional Development,
- ✓ Association of the Latvian Local Governments,
- ✓ Association of the Latvian Towns.

The main objective was to inform officials about EU aquis in social economic field and to improve the image of cooperative enterprises.

### **LT**

- ✓ Informal contacts were made with a government commission on cooperatives, but the government did not relaunch the contacts.
- ✓ ELDU host association NAMU VALDA has been organizing meetings with representatives from Vilnius city Municipality and interested persons with discussions and comments 3 times a week after the launching of a SCOPE Daughter project (PHARE-ACCESS, July, 2002 – July, 2003).

Furthermore, NAMU VALDA has established contacts with

- ✓ Ministry of Social security and labour;
- ✓ Ministry of the interior;
- ✓ Seimas (parliament) of the republic of Lithuania;
- ✓ National Regional Development Agency;
- ✓ Vilnius city Municipality.

### **PL**

- ✓ Good contacts have been established with the Ministry of Labour.
- ✓ The representatives of some local governments and co-operatives from Wroclaw region were involved in an information meeting on REVES (European Network of Cities for the Social Economy). This last activity, under the auspices of NCC was possible only thanks to the contacts ELDU had been established with REVES representatives. Next meetings of that kind are planned for this year and coming years.

### **CZ**

Particularly close contacts have developed with the ministry of Labour and Social affairs, within the framework of the preparation of the 1st European Social Economy Conference in Central-Eastern Europe, to be held in Prague on 24-25 October 2002, with the presence of several ministers from the Czech Republic, other candidate countries, and EU countries.



## **SK**

Contacts have been made with the following ministries:

- ✓ Ministry of Labour, Social Affairs and the Family (all issues related to the disabled people employment are dealt with the Council of the government for the placement of disabled people)
- ✓ Ministry of Finance of the Slovak Republic ( the Slovak Co-operative Association makes lobby with this ministry for the promotion of credit cooperatives)
- ✓ Ministry of Construction, Public Works and Regional Development
- ✓ Ministry of Economy
- ✓ Ministry of Education. The negotiations are held on how to promote the co-operative issues into the curriculums of high schools (this being one of the main points of the recently passed ILO Recommendation 193/2002 on the Promotion of Cooperatives).

## **SI**

Contacts have been made with the following:

- ✓ Ministry of Labour
- ✓ Ministry of Economy
- ✓ Individual Members of Parliament,

## **HU**

Contacts have been made with the:

- ✓ Ministry of Agriculture and Regional Development
- ✓ Ministry of Economy and Transport,
- ✓ Ministry of Education,
- ✓ Prime Minister's Office for National Development Plan,
- ✓ Ministry of Health, Social and Family Affairs,
- ✓ Ministry of Environment Protection and Water Management, Ministry of Employment and Labour,
- ✓ Ministry of Foreign Affairs,
- ✓ Ministry of Finance.

Furthermore, through the SCOPE project, a visit by the President of the International Cooperative Alliance Ivano Barerini to Hungary's president Mladl and prime minister Mengyessy has been arranged on 29 September 2002. From the first echoes of the visit, it appears that the latter has substantially stepped up the interest of the Hungarian government towards cooperatives.

## **RO**

- ✓ The ELDU host organisation UCECOM is presently negotiating the solution of a conflict with the government concerning a project of emergency ordinance on cooperative issues which was drafted without prior consultation with the cooperative movement and without abiding by the universal cooperative principles, which have formally become world standards through the ILO Recommendation 193/2002. Material studied and disseminated through the SCOPE project, such as the European Cooperative Society Statutes, the EU Consultative Document "Cooperatives in Enterprise Europe" and national cooperative legislations from EU member states are being used in UCECOM's present negotiation with the government
- ✓ The presence of the French Secretary of State for the Social Economy at the training seminar organized within the framework of SCOPE for cooperative leaders on new forms of social economy at Kovacna, Romania in May 2001, was also an important legitimizing element for SCOPE Romanian partner BRO UCECOM in its relations with the government.

## **BG**

Contacts have been made with:

- ✓ the responsible representatives from the Committee of Labour and Social Policy in the National Assembly,

- ✓ the Secretary on Social Policy to the Presidency ,
- ✓ the Ministry of the Labour and Social Policy,
- ✓ the Rehabilitation Fund of the Council of Ministers.

Corresponding working materials have been disseminated through these institutions.

## **9. Legislation study, proposal and lobbying**

The European seminar held in Bologna during the preparatory period was a basis for this activity. Given that national legislation follows national agendas, and that such agendas often change, it was not possible to fully plan those activities.

### **EE**

A law for “profit making cooperatives” was passed on Feb 1 2002. There is still need for making some changes in the law for creating the best conditions for new coops. Andres Jaadla, president of EKL, the organisation hosting the Estonian ELDU, is member of the state committee that makes proposals for legislative changes. Work on it is going on.

### **LV**

The new legislation that has been introduced is a backward step. But the organisation hosting the ELDU (DZIKS) is planning to meet with consumer cooperative federation TURIBA and Union of Credit Cooperative Societies in October in order to lobby for an amendment next year. In the end of October, DZIKS plans to organise a large public discussion with participants from more than 200 cooperatives (mostly housing, plus consumers’ cooperatives affiliated to TURIBA, Credit Unions) and government departments and parliament commissions on the other side.

### **LT**

New cooperation law was accepted on May 26, 2002, bringing it in line with the new Civil Code. The differences are:

- ✓ minimum number of members of a cooperative is 5 instead of 3;
- ✓ share holders may not be only Lithuanian citizens (also foreign);
- ✓ every share holder has an opportunity to let his shares to third person;
- ✓ an audit became compulsory;
- ✓ possibility for a cooperative company to reorganize under another company form (joint stock company, etc.).

### **PL**

In Poland there is a special Committee of the National Co-operative Council which is actually working on the draft of the new co-operative law to be submitted to the Parliament probably next year. The draft is ready at 70%. The role of the ELDU in supporting the Committee’s work has been to collect co-operative bills from other countries and to provide information on specific solutions proposed by other national legislations.

### **CZ**

In cooperation with Czech cooperative umbrella organisation DACR, ELDU host organisation SCMVD has prepared a draft cooperative law, but it has been rejected by the Czech parliament. SCMVD is now working on a draft law for social cooperatives on the Italian model, using the material gathered on the Italian social cooperative legislation and entrepreneurial system, gathered during the SCOPE project.

## **HU**

The latest cooperative law, from 2000, is now being examined by the Constitutional Court after the cooperative organisations through their umbrella organisation NCC argued that the law was anti-constitutional. The material studied and gathered during the SCOPE project, and transmitted to the NCC (especially the new cooperative-related EU acquis and the ILO Recommendation 193/2002) is providing important additional arguments for a change in the present cooperative legislation.

## **SI**

- ✓ DEZAP prepared a draft legislation on employees' shareholding in agreement with its affiliated enterprises, after having engaged in an extensive study of related legislation in EU countries, especially Spain and Belgium. DEZAP then had a meeting with the ministry of labour and social affairs and was invited to participate in the working group for the amendments of the Law on financial participation and legal forms of organised employee shareholders.
- ✓ Comparative study of the Italian and Slovene cooperative legislations, and a legislative proposal drafted.
- ✓ A common strategy is now being worked out to present the two proposals for changing the legislation for cooperatives and participative enterprises together. The two proposals must be presented to the ministry or to a member of parliament (in order to examine the proposals, five members of parliament must support them), ministry or member(s), after which the ministry or member of parliament requests a change in the existing legislation. Afterwards, a specialized parliamentary commission should review and make comments on this proposal. Only then could the proposals be sent for further proceedings in Parliament.

## **RO**

- ✓ A draft law for handicraft and production cooperatives has been submitted to the senate in 1996, and approved by the latter in 1998. The law has been awaiting to be examined by the parliament for 4 years, and SCOPE Romanian BRO partner UCCECOM has so far been unable to unblock the situation.
- ✓ A draft law on disabled workers, presented by the Director of the League of Cooperatives of the Disabled, has been approved by the senate and by the parliament Projet, thanks to the lobbying provided by UCCECOM, and materials and information gathered on the French legislation during the SCOPE project. Nevertheless, the draft proposal was amended by the parliament with a new formulation that is unfavourable to the disabled. Further lobbying is being done.

## **10. Work done on Community “acquis” and European integration issues related to cooperative enterprises.**

### **GENERAL CONSIDERATIONS**

SCOPE 1 was under the institution-building BSP line, not the acquis promotion one. Nevertheless, the fact of having, at several months' distance, the appearance of the first acquis on cooperatives (ECS and Communication) just during the second phase of SCOPE 1 was a strong mobilisation factor to work on this. It turned out to be an important strengthening factor for the partner BROs in the candidate countries. It was also an important way to mobilise other cooperative organisations than the sectoral ones directly involved in the project as partners.

10.1. Participate in the consultancy process related to the EU Consultative Document “Co-operatives in Enterprise Europe” (basis for the incoming Commission Communication on Cooperatives) “and the European Co-operative Society (ECS) statutes:

Planned activities	Implementation and immediate outcomes
<ul style="list-style-type: none"> <li>◆ Translate the EU Document into the national languages of the 10 countries</li> </ul>	<ul style="list-style-type: none"> <li>◆ <b>Completed in 8 out of the 10 languages</b>, and uploaded on the website of the European Commission DG Enterprise (<a href="http://europa.eu.int/comm/enterprise/entrepreneurship/coop/consultation/">http://europa.eu.int/comm/enterprise/entrepreneurship/coop/consultation/</a>)</li> </ul>
<ul style="list-style-type: none"> <li>◆ Coordinate national comments on the EU Document and on the ECS by the different co-operative organisations of the 10 countries.</li> </ul>	<ul style="list-style-type: none"> <li>◆ <b>Completed.</b> The consultation process involved, directly or indirectly, 48 co-operative organisations from the 10 countries, i.e. virtually all of them</li> </ul>
<ul style="list-style-type: none"> <li>◆ Discuss and draft a synthesis to be presented at the “European Convention” (13 February 2002, with final panel with President Romano PRODI).</li> </ul>	<ul style="list-style-type: none"> <li>◆ <b>Completed and uploaded on the website of the European Commission DG Enterprise</b> (“National Co-operative Positions from Candidate Countries on the European Commission Working Document ‘Co-operatives in Enterprise Europe’: a Synthesis”, SCOPE/CECOP, 13-02-2002. <a href="http://europa.eu.int/comm/enterprise/entrepreneurs/hip/coop/consultation/replies/scope-synthesis-candidates.pdf">http://europa.eu.int/comm/enterprise/entrepreneurs/hip/coop/consultation/replies/scope-synthesis-candidates.pdf</a> ). See attachment 3</li> </ul>
<ul style="list-style-type: none"> <li>◆ Draft a table on cooperative legislation in the 10 candidate countries, as a material for the <b>Commission Communication on Cooperatives</b></li> </ul>	<ul style="list-style-type: none"> <li>◆ <b>Implemented</b> and sent to DG Enterprise. See attachment 4</li> </ul>

The European Cooperative Society Statute was approved on 3 June 2003 by the Council of the European Union, as the first ever binding piece of Community acquis focusing exclusively on cooperatives.

The European Commission Communication on Cooperatives, based on the consulting document “Cooperatives in Enterprise Europe” referred above, is expected to be published at the end of 2002 or in early 2003.

10.2. Work done on Corporate Social Responsibility (CSR)

Planned activities	Implementation and immediate outcomes
Engage a debate in candidate countries on “Corporate Social Responsibility”	<p><b>Launched.</b></p> <ul style="list-style-type: none"> <li>✓ The Green Paper and related documents have been circulated by the ELDU NETWORK among the organisations of cooperative and participative enterprises of the candidate countries.</li> <li>✓ Opinions received from CZ and SK SCOPE partners were included in the comments drafted by the European cooperative umbrella</li> </ul>

	<p>organisation CCACE (secretariat at CECOP), before the publishing of the definitive “Commission Communication on CSR”.</p> <ul style="list-style-type: none"> <li>✓ A half-day meeting was organised with all ELDUs in Brussels on 12 February 2002 to debate the issue of CSR, with the presence of representatives from the OECD and from ETUC (European Trade Union Confederation). Deepening of the acquis-related topic has been proposed for SCOPE 2.</li> <li>✓ At the national level, the CSR issue is taken up so far mainly by Slovene partner DEZAP.</li> </ul>
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**Details from candidate countries on the 3 EU texts mentioned (Consultation Document, ECS statute, CSR):**

**EE**

ECS Statute - 3 working groups were created for making proposals for the document – 1) in housing coop sector, 2) in consumers’ coop sector (EÜL), 3) in social and health care coops sector. These working groups made their proposals for the document.

Published the document 1 in magazine to 800 housing coops and 200 other addresses including local governments.

**LV**

Common work under Latvian opinion about document “*Cooperatives in Enterprise Europe*” together with TURIBA, information about all documents in newspapers, distribution of this documents to local authorities, political parties, government officials/departments and civil society organisations (for example Union of the Latvian towns municipality), discussions with the Latvian Union of Credit Cooperative Societies.

**LT**

All the material on Consultative Document and ECS was discussed and distributed to LITCOOPUNION, representatives from credit unions, agricultural, housing coops and local authorities interested in it during the umbrella establishing meeting, annual association’s “NAMU VALDA” IR SAVININKAI meeting and 5 meetings in different cities: Vilnius, Kaunas, Klaipeda, Siauliai, Panevezys which were organized by association “NAMU VALDA” IR SAVININKAI for advising interested persons in foundation of new co-ops.

**PL**

“Co-operatives in Enterprise Europe” was translated and published twice: first in NAUWC’s bulletin and then as a separate brochure edited by the National Co-operative Council.

ECS is planned to be translated and disseminated. The information on ECS were published in co-operative reviews.

**CZ**

Together with umbrella organisation DACR, ELDU ensured translation of the above 3 documents and dissemination to all cooperative federations. Then distribution of the documents through summaries through newspaper article in federation magazine to all affiliated cooperative societies.

Also sent to universities as a preparation of legal standards.

## SK

This was the result of team work and cooperation with the intersectoral cooperative association, which in turn redistributed the translation to other sectoral federations. The full version of Consultative Document was also distributed to all staff in partner BRO SZVD and to the cooperative development centre in Martin. It was published in SZVD's newspaper, and therefore reached every affiliated cooperative, as well as a number of municipalities and of public authorities.

Moreover, the ELDU made a summary of the document and published it in two issues of *Hospodarsky dennik / Economic Daily News*. The summary was sent to Mrs Maria Kadlecikova, Deputy Prime Minister for the European Integration.

The CSR Green Paper was also summarized in SZVD's newspaper through the ELDU.

The ELDU is presently translating the ECS statutes into Slovak.

## HU

NCC (umbrella organisation) has taken an interest in this matter. It now says that all documents relevant for cooperatives should be translated and there is a need to make a book with it.

Consultation document has been translated to Hungarian and distributed in wide circles including government, NCC, Cooperative federations covering Hungary.

## SI

ZZS ( Association of agriculture coops of Slovenia) and ZKS ( Slovenian association of workers and social coops) show strong support to documents 1. and 2. and ZSK and will use documents by lobbying and amending present regulations.

DEZAP will organise an seminar on CSR as one of the main feature of employee owned companies

## RO

The Consultative Document was translated, transmitted to the president of Romania, to the prime minister, to the senate, to the parliament, and to different representatives from the government, together with a letter signed by the president of the partner BRO UCECOM. It was also sent to CENTROCOOP (National Union of Consumer's Cooperatives) and CREDITCOOP (Central Cooperative Credit Bank). With those two organisations, a common point of view was elaborated and sent to the European Commission and to CECOP.

The document was also distributed to 42 regional associations of Romanian cooperatives, and each regional president in turn sent the document to their affiliated cooperative enterprises.

The ECS Statute is being translated into Romanian.

The speech of Romano Prodi at the Cooperative Convention (13 Feb 2002, when the synthesis of comments coming from CEEC cooperative organisations was presented, was also translated into Romanian and sent to the Romanian authorities.

### 10.3. Work on other "acquis" related questions

Planned activities	Implementation and immediate outcomes
<i>Other "Acquis" topics to be debated within the ELDU network, such as SMEs, employment, social inclusion, local development, public procurement, the single market, as well as sectoral issues</i>	<b>Not implemented</b> Although the need to engage in such work was identified even before the publication of BSP-2, the effort required was beyond the possibilities of SCOPE-1. Those activities have been proposed for SCOPE-2 (see SCOPE-2 project proposal).

10.4. Work towards the inclusion of CEEC cooperative organisation in enlarged ECS

Planned activities	Implementation and immediate outcomes
<p><i>Participation in the EU Economic and Social Committee.</i> Ensure the participation of co-operative organisation within the future enlarged Economic and Social Committee of the European Union. Co-operative organisations from the EU already have an institutionalised participation within the ESC's Third Group, and the same should occur with the candidate countries.</p>	<p><b>Lobby just launched</b></p> <ul style="list-style-type: none"> <li>✓ First information on the whole issue was given by Jan Olsson of the ESC at the information seminar held at the ESC itself on March 6, 2001.</li> <li>✓ Successful inclusion in national ESC of BG partner,</li> <li>✓ Failure so far of including EE partners.</li> </ul> <p>The continuation of this activity should be pursued in the institution-building part of SCOPE 2.</p>

10.5. Preparation of the 1<sup>st</sup> European Social Economy Conference in Candidate Countries "Enlarging the Social Economy", Prague, 24-25 October 2002

The social economy, gathering cooperatives and other socially-oriented entrepreneurial actors, and estimated to make up 10% of the EU's GDP and employment, is being increasingly referred to in the community acquis, including in the Council Annual Guidelines on Employment since 1997, and 10 out of the 15 member states have officially recognized it in terms of socio-economic policies and public administration.

The 1<sup>st</sup> European Social Economy Conference in Central-Eastern Europe (Prague, 24-25 October 2002) is an important event, sponsored by a number of EU institutions (such as DG Enterprises, the CoR etc.), that is meant to bring representative entrepreneurial actors of the social economy (cooperatives and other socially-oriented business actors) from the candidate countries and the EU member states to discuss a number of common issues, and to gather several ministers and high level public officials from both types of countries on the question of public policies for cooperative and social economy actors.

The Conference is being prepared by a Committee that includes the European umbrella organisations of cooperatives, and other socially-oriented entrepreneurial actors. The ELDUs have the task to coordinate the preparation of the conference in their own national environments.

This preparatory activity is critical in strengthening the partner BROs, since the social economy is expected to become the space in which they will increasingly need to evolve in the future, in terms of alliances and public policies.

Planned activities	Implementation and immediate outcomes
Some public conferences to be organised in SCOPE will also be pre-conferences preparing the one in Prague	<b>Implemented in 3 candidate countries</b> ✓ in EE (Dec 2001), in combination with the SCOPE mid-term conference, with the presence of DG Enterprise, ESC and CoR officials. ✓ In HU (June 2001) ✓ In RO (September 2001) <b>Not implemented in SI</b>
Drafting, translation in the 10 languages and distribution of a comprehensive dossier on the social economy (definition, actors, strengths and weaknesses, challenges etc.).	<b>Implemented almost totally</b> (translated in 7 of the 10 languages, plus French, Spanish, Italian, Swedish) (see attachment 14)
Identification of actors of the social economy in the 10 candidate countries	<b>Implemented with the help of other European institutions of the Social Economy</b>
Establishment of national lists of invitees for the Prague conference.	<b>Implemented, with difficulty so far to have as many registrations as from EU countries</b>
Lobby the presence of ministers and secretaries of state from the 10 countries to the Prague conference	<b>Ministers or high-level government officials from at least 4 out of the 10 CEECs are expected to attend, as well as their counterparts from a number of EU countries</b>
Elaboration of a proposal for a EU programme to develop the social economy in the candidate countries	<b>Main design already made, to be published at Conference</b>

## 11. Promotion of business services to coops (including training) and international business cooperation

### 11.1. Planned activities and implementation

Planned activities	Implementation and immediate outcomes
Slovenia : establish 5 enterprise-level relations and take part in Pordenone fair.	<b>Partly implemented</b> Slovene partners DEZAP and RRZ have submitted two joint offers for public tenders of the Slovene government with Spanish partner ASALMA and its affiliate CIFESAL. ZKS and DEZAP took part in Pordenone fair, where they built some contacts.
Slovakia and Hungary : Ecommerce : explore possibilities and difficulties and exchange among each other.	<b>Possibilities explored</b> Basic information gathered by HU partner and discussed with SK partner.



Identify possible priority sectors for cooperation between Slovak, Hungarian and Italian co-operatives.	<p><b>Just started discussing</b></p> <p>Interest by Italian cooperatives concerning public works cooperatives in CEEC expressed</p> <p>One enterprise level contact between Hungary and Italy (in door production) failed to produce results after a viability study on cooperation highlighted the gap between the Italian requested prices and the Hungarian manufacturing costs (the offered manufacturing prices unable to cover the raw materials in Hungary not even the labour costs plus delivery costs plus packaging plus insurance etc.).</p>
Arrange one stall in Nitra co-operative fair COOPEXPO (Slovakia) for Hungarian co-operatives.	<p><b>Implemented</b></p> <p>4 enterprises affiliated to the Hungarian partner OKISZ participated at COOPEXPO 2001. OKISZ arranged the Government to re-categorize COOPEXPO and provide support for future Hungarian participants.</p>
Design of a project for the employment of at least 200 Polish nurses in CGM co-operatives	<p><b>Partly implemented</b></p> <p>Project already designed, first nurses already arrived, others will arrive in next few months. The Polish nurses will become worker-members of the Italian co-operatives.</p>

## 11.2. Analysis per candidate country and unplanned results

### EE

- ✓ 5 local seminars organised with total number of participants- 250. The trainings are for starting a co-operative, making SWOT analysis, making business plan, offering services etc.
- ✓ As mentioned above (section 5), 2 social cooperative enterprises have been established, and two more are in preparation.

### LV

As mentioned above (section 5), two worker cooperative enterprises have been established, one in Riga and one in Rezekne.

### PL

NAUWC organized in its premises in Gdansk the first training course for the nurses to be employed in CGM-Ravenna. Next courses are being prepared. The representative of NAUWC established contacts with the Italian embassy in Warsaw and with Polish health authorities in order to assist the co-operatives in all formal arrangements concerning the employment of their nurses in Italy what is indeed a very difficult task because of the terrible bureaucracy.

### CZ

As mentioned under section 4 above, the information obtained on best practice models in those seminars have been used by the federation within domestic training seminars that are regularly organised by the federation for directors and managers of the affiliated cooperative enterprises.

## **SK**

Following the ICOSI training on French models, ANRT and CAT / Centre d'Aide par le Travail, the internal training in the field of employment of disabled people was organized by the following way:

- (a) it was initiated the creation of Association of Employers employing people with disabilities (the conditions of its creation and development are stipulated by the Statute of the Association)
- (b) trainings on the new cooperative forms of the placement of socially weakened groups of population (the form of the cooperative depends on what are the requirements of disabled to services to be offered).
- (c) the organization of the protected work in synergy with the definition of the Statute of the Modified Working capacity of a citizen for integration through employment:
  - ✓ direct employment
  - ✓ retraining – requalification that increases his/ her chances to be integrated into the work
  - ✓ protected work in the sheltered workshops (eventually work at home)

Tasks stated in a) and b) above have been carried out. Slovak Union ensures the task under point c) in collaboration with the Ministry of Labour, Social Affairs and the Family through the Department of Expert's Activities and with the employment offices through the Unit of the Active Labour Policy.

In the cooperative development agency (CDA) in Martin, 2 new cooperative enterprises have been established, under the impact of models gathered through the SCOPE project. One, called MAGURA, is operating in the field of tourism and educational activities. The second, LEHOTKA, is an ecological farming cooperative enterprise.

## **SI**

ZKS and DEZAP were represented at the Pordenone fair in September 2002, and introduced to Italian people by the public conference. ZKS found several potential new partners in Italy. DEZAP member Janko Puchnik discussed with the president of Banca di Credito Cooperativo di San Giorgio e Meduno, Mr. Marino D'Andrea on establishing a savings bank for cooperatives and participative enterprises in Slovenia

## **RO**

9 interactive training sessions have been organized between June 2001 and June 2002 for 4 regional associations, with 2 to 3 persons per association, on the topic of quality certification after the international training seminars with the French experts organized by French SCOPE partner ICOSI. Representatives from 259 cooperatives took part (81,2% of invitees), 48,3% being enterprise directors.

## **BG**

Following ICOSI training, specialised training sessions were organized for the members cooperators:

- Subject:- New forms of Social Economy – 3 training sessions, 45 presented persons, from 43 cooperatives;
- Subject – ISO Certification – 4 training sessions- 40 presented people, from 35 cooperatives;
- Subject- Formulation of new policy of insertion of disabled – 2 training session- 20 presented people, from 15 cooperatives;
- Subject – Audit control for cooperatives- 2 training sessions- 22 presented people, from 18 cooperatives;
- A new training seminar is expected, connected with the subject of Tourism to be implemented now, with the assistance of ICOSI and the experts from UNAT-France.

## **12. Work done on European development programmes (daughter projects) in order to deepen specific aspects of enterprise services in partnership between specific SCOPE partners from CEEC and EU.**

### **CZ-SK-RO-BG**

Two successive daughter project co-financings have been approved by the French ministry of foreign affairs, thus complementing SCOPE funds for the Balkan-Carpathian group, gathering the partner BROs from those countries and French partner ICOSI.

### **EE**

PHARE-ACCESS already introduced by EKL and ESTCOOP in May (for creating a consulting network for starting new co-operative businesses in partnership with COO PFINLAND. Another project prepared in co-operation with Swedish partners is for planning and development of Estonian Social and Health Care co-operative movement. Application was given in August 2002.

### **LV**

PHARE-ACCESS already introduced by DZIKS and "Coop advisory centre" and NGO REZEKNE in the field "*creation workers coosp which deal with introducing heating consumption reducing technologies in housing and public sector (schools)*" in October.

- agreement with Rezekne NGO centre about common work in the field of creation new coops using Latvian NGO system. Common project with Rezekne NGO to ACCESS program - main objective "*Creation of workers coops which deal with intraducing heating consumption reducing technologies in housing and public sector (schools)*", coordination and participation in everyday job of the two new established advisory centre ):

### **LT**

PHARE-ACCESS already introduced by Namu Valda in the field of housing cooperatives. As the project's size is quite small (10000 Euros), there are no EU partners. Association "NAMU VALDA" IR SAVININKAI with Vilnius city Municipality will help citizens to found home owners associations and small coops in a housing field.

### **PL**

PHARE-ACCESS project submitted in partnership with CGM Social Cooperative Consortium (Italy) and the Confederation of Cooperatives of Euskadi (Spain) representing the Mondragon cooperative group. In September 2002 not approved by the company representing European Commission in Warsaw in assessment of the proposed projects.

Planned preparation for a LEONARDO between Cracow Coop College (now just started post graduate course on cooperatives) and Mondragon University not started yet.

### **CZ-SK**

Draft project on social cooperatives drafted with help of LEGACOOOP and AGCI

### **HU**

Planned preparation of a project on cooperative development centre with Modena not started yet. LEONARDO project with Italian partner INFORCOOP (under LEGACOOOP) approved.

### **SI**

PHARE-ACCESS in preparation with ASALMA (Spain) Three different proposals were submitted to previous calls published by Slovenian Government, but not succeeded.

## **RO**

PHARE-ACCESS project submitted in partnership with ICOSI not approved.

## **BG**

The work on the new daughter project, connected with the social tourism is under execution.

The French experts from ICOSI and UNAT have realised a technical expertise of our tourist equipment, i.e. a technical assistance for the compliance of social tourism facilities belonging to the NUWPC.

A training seminar on the concept of tourism products will follow – 20 responsible in the tourism field would attend this seminar.

This Project, unfortunately is out of the priorities of ACCESS programme.

# **PART III PROBLEMS & SOLUTIONS, MODIFICATIONS, OUTPUTS AND ASSESSMENT**

## **1. PROBLEMS ENCOUNTERED AND SOLUTIONS FOUND**

The project's methodology based in great part on self-managed groups, as explained above in "Methodology and management", and in section I.1., provided important advantages in terms of partnership building and project management experience. Nevertheless, it also occasionally created financial and administrative bottlenecks, and therefore slowed down the transfer of funds. Generally speaking, this did not affect the implementation of planned activities. In some cases, though, e.g. the Riga conference on June 7, 2002 (see section 7 above), it did. Based on this experience, and given that the East-West self-managed groups have now attained their function and can evolve on their own outside the SCOPE framework, the financial transfer of SCOPE 2 has been thought of differently: the groups planned for SCOPE 2 are thematic in nature, and fund transfers are planned to be done directly from the project management team.

While most conferences that have taken place within the framework of SCOPE have attained their goal, two did not provide their full potential: the Riga conference mentioned above, and the Prague CZ-IT bilateral conference on July 1, 2001. In this latter case, the problem was not due to financial transfers, but to a bad understanding between the Czech and the Italian coordinators. The Legacoop delegation was too important (in its number and in the importance of the persons coming to Prague) as compared to the Czech audience which was extremely reduced. This first affected the partnership between Legacoop and SCMVD. The problem was solved through the mediation of the project coordinator, and by merging the CZ-IT twinning and the Hungary-Slovakia group (both of which had Legacoop as main EU partner) into a Central European Group.

While most East-West Groups went well, the Hungary-Slovakia Group was having problems due both to the incompetence and the abrupt withdrawal of the Slovak coordinator (who coordinated both the Slovak ELDU and the Hungary-Slovakia Group), and to the specific Hungarian problems, both within the Hungarian partner BRO OKISZ, and regarding the situation of cooperative enterprises in the country in general (see below). The problem was solved by the fact that the Slovak ELDU has since then been entrusted to a person who was higher in the hierarchy and with much more professional experience (thus de facto upgrading the ELDU within the organisation), and by the merger of the Hungary-Slovakia Group into the Central European Group.

The withdrawal of the ELDU personnel in April 2002 also hampered the development of the Lithuanian ELDU at the beginning of the project. In that case too, the problem was solved within 2 or 3 months by the direct taking over of the ELDU by a person with much more professional experience (thus also upgrading the ELDU within the organisation).

Similarly, the functioning of the Slovene ELDU was slowed down between May and August 2002 by the withdrawal of the ELDU responsible person Bozo Lednik on the participative enterprise side<sup>1</sup> for health reasons, leaving his responsibility to a recently appointed person, Petra Kozel. However, the latter soon learnt her job and was able to carry out the whole coordination of the ELDU at the critical moment, at the end of the project, in which temporary partner ZZR logically withdraw to be replaced by newly established and still unexperienced ZKS (Slovene Worker and Social Cooperative Association), which was ZZR's main task in the project. The Slovene ELDU coordinator is now ready to coordinate the ELDU and to conduct her task, also in the event of an approval of the SCOPE 2 project proposal.

Likewise, the Bulgarian ELDU coordinator left the organisation in March 2002 in search of another job, but returned 2 months later when she realized that she had invested too much of her life into the cooperative system to withdraw. This temporary weakening of the ELDU, here too, resulted in the end in its strengthening.

As mentioned above in section II. 1 on ELDU work, Polish ELDU coordinator Adam Piechowski, probably the one with the highest amount of professional experience, was being increasingly overworked. The Polish partner BRO NAUWC then decided to provide appropriate training to Joanna Brzozowska for her to support Adam Piechowski in the ELDU work. She has just begun a 6 month internship at CECOP, which will provide her the appropriate training to be up to standards, also in the event of an approval of the SCOPE 2 project proposal.

Although the ELDUs have been receiving appropriate conventional and on-line training in project design, management, follow-up and monitoring, an important and still unresolved problem is the low approval rate of SCOPE "daughter" projects introduced under the PHARE-ACCESS programme. This is a problem of concern given the importance given to "daughter" projects within the SCOPE East-West partnership project strategy. A very small PHARE ACCESS project was approved in LT in 2002, applications are still pending for EE and SI, while rejections have occurred once in RO (2002) and twice in PL (2001 and 2002). The two consecutive rejections of the Polish "daughter" project proposal, by the company entrusted by the EU Delegation in Warsaw to evaluate the local PHARE ACCESS proposals, is particularly surprising, given that two of Europe's most prominent cooperative enterprise groups (the Mondragon Group in Spain and the CGM Social Cooperative Consortium in Italy), widely recognized for their top-level expertise in their respective sectors, took part not only in the partnership but also in the design of the project proposal.

In the case of Hungary, the application for PHARE ACCESS 2001 was not even possible, even though one of the programme's objective was the strengthening of associations of cooperatives, because Hungarian cooperative partner BRO OKISZ is registered as an employer organisation, like other cooperative organisations in Hungary and several other European countries (including SK and CZ). The administrative provision making HU employer organisations uneligible for PHARE ACCESS HU was therefore in contradiction with one of the objectives of the programme.

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<sup>1</sup> Unlike other ELDUs, the Slovene one was established by a collaboration between two associations, one representing participative enterprises (non cooperative employee owned enterprises) DEZAP, and the other one promoting worker and social cooperatives ZZR, thus making its management slightly more complex.

It may be that cooperative development does not easily fit with the present PHARE ACCESS criteria. Whatever the root cause may be, the low approval rate of SCOPE “daughter” projects introduced under PHARE ACCESS is in sharp contrast with the 100% approval rate obtained through other programmes (2 LEONARDO projects, and 2 co-financings with the French government).

The administrative problem of HU mentioned above is also the reflection of a much deeper problem affecting the whole cooperative system in the country. Among the 10 candidate countries, Hungary is now by far the one with the gravest crisis regarding the situation of cooperative enterprises (Poland was in a similar situation in the early 90s but managed to overcome the crisis). The 1992 legislation provides counter incentives for persons to create cooperative enterprises (the registration capital required is 12 times higher than in SK, for example), and for existing cooperative enterprises to remain under this legal form (because of the lack of appropriate financing mechanisms): OKISZ had 2000 industrial cooperative enterprises in the early 1990s, and only has around 350 today, most having chosen to convert to conventional enterprises. Graver still, the 2000 legislation is blocked at the Constitutional Court because it is allegedly anti-constitutional.

As a partial consequence of this state of affairs, HU partner BRO OKISZ was undergoing a management and leadership crisis. The ELDU coordinator found it increasingly difficult to have an impact within his own organisation, especially in regard to development strategies for cooperatives.

In such a situation, the SCOPE strategy had to focus on political lobby first. As soon as the new government was established, a public conference was organised. Although no high level politician turned up, several government officials did, as well as representatives from all other cooperative sectors, and high level representatives from CECOP (general secretary), Italian partner Legacoop (national coordinator for industrial cooperatives, and Spanish partner CONFESAL (president). Unfortunately, Legacoop president Ivano Barberini, also president of the International Cooperative Alliance (ICA), could not come at the last minute. But this drawback was amply compensated by the ICA president’s visit to the president and prime minister of Hungary on September 29, 2002, with the encouragement and active intermediation of SCOPE coordinators. The Hungarian government is now giving signs of interest for building a new partnership with the cooperative organisations.

Parallely, a leadership reshuffle has occurred within partner BRO OKISZ, in which the ELDU coordinator appears to have a stronger impact.

## **2. MODIFICATIONS TO ORIGINAL PROPOSAL AND TO PLANNING**

The two initial phases have been redefined. While inception work needed to be done in the beginning as planned, research in the 4 CEECs where work has to start almost from scratch was also a necessary prerequisite before starting any new activity. Therefore, the research component was anticipated to the 1<sup>st</sup> phase. The second phase, beyond network-building (with the concretion of the partner structure in Lithuania, Slovenia, Romania, Spain, Germany and Belgium), also focused on the preparation of the following pilot phase, by each group or twinning.

The two phases have been longer than originally planned because:

- ❖ It appeared that the participative approach to programme building by group/twinning required more time: however, this approach is now paying off in terms of commitment to the work plans.
- ❖ The project was approved shortly before the holiday period, while the combined traditional holiday period of the 17 countries involved in the project goes from mid July to mid September.
- ❖ Research in the 4 CEECs where work is starting from scratch needed more time than planned.

- ❖ The completion of partner building in those countries, as well as in others, requested much work.

The inception seminar took place in Prague instead of Brussels, in order to lay the emphasis on the Eastern partners.

The training workshop for ELDU coordinators (IP 1.5.) was postponed to the beginning of the pilot phase, in order to perform the training when the ELDU coordinators had already assumed their responsibilities so as to give it a more participative approach.

Most of the activities implemented within the implementation phases were replanned as compared to the original project proposal. Indeed, it was necessary to replan activities since one year and a half had passed since the submission of the project proposal and a substantial amount of partners were new ones.

Nevertheless, the activities remained faithful to the 4 objectives of the project, namely:

- ✓ Institutional development
- ✓ Information and research
- ✓ HRD / HRM
- ✓ The promotion of enterprise systems and support services,

And to the project two chief planned methodologies, namely

- ✓ East-West twinning
- ✓ European Liaison Units.

As can be seen from the monitoring control board below, and from the various tables in part II, most planned activities have been effectively planned. Some others could not have been planned at the beginning of the project, such as the publication of European Commission texts on cooperatives, or national parliamentary debates on cooperative legislation being put to the agenda. At the same time, the project needed to keep up with these unplannable events in order to comply fully with the project objectives.

### **3. QUANTITATIVE OUTPUTS**

See table below

**TABLE ON QUANTITATIVE OUTPUTS**

	EE	LV	LT	PL	CZ	SK	HU	SI	RO	BG
Number of days worked by ELDU coordinator(s)	320	176	176	105	Daily	360	198	139	240	207
N° of persons having undergone international field study visits in EU countries	4	2	1	11	12	12	2	24	3	13
N° of days of field visits in EU countries	15	9	9	8		38	29	11	21	29
N° of EU experts having visited home country	24	4	4	8	9	9	38	9	6	7
N° of days of visits by EU experts in home country	19	9	13	3	40	9	160	6	13	15
N° of persons having undergone international training	4	3	3	11	12	60	1	18	8	68
N° of hours of international training	192	168	168	64		236		72		80
N° of persons having undergone national training	250	191	230	80	70	70	-	60		127
N° of hours of national training	45	30	22	10		170	-	32		360
N° of documents translated	3	4	3	4	4	14	2	4	4	3
N° of pages translated	109	119	112	120		510	94			110
N° of documents produced	7	2	6	3	1	14	2	11	-	12
N° of pages of documents produced	103	78	95	90		84	94	106	-	120
N° of cooperative/participative enterprises (within the country) to which documents translated and/or produced have been distributed	1160	191	230	1000	390	200	314	350	42	300
Total N° of employees in these enterprises	2320	180 except housing	360	50 000 (estimate)	20 400	60 000	5000	15 000	3 800	21000
N° of government officials/departments and civil society organisations (within the country) to which documents translated and/or produced have been distributed	89	9	8	20		10	25	10		10
N° of seminars and conferences held	7	5	7	3	1	2	1	9	2	
N° of persons having attended these conferences	250	225	230	150	40	221	200	278	230	
N° of meetings with government officials (within framework of SCOPE)	6	8	7	2	2	6	9	11	2	28
N° of meetings with other cooperative and social economy organisations (within framework of SCOPE)	16	8	12	Constant in NCC	Constant in DACR	8	5	8	9	
N° of organisations of cooperative/ participative enterprises involved in consultation processes on Acquis	9	3	12	16	5	4	6	3	10	2



#### **4. BRIEF PROJECT ASSESSMENT**

The control board table below was effectively used and updated all along the project as a monitoring tool with as precise indicators as possible. It only shows activities that have been effectively planned, and only those within the framework of the East-West Groups.

This control board table, as well as the various summary tables in section II, clearly show that most project activities have been implemented. The implementation rate is estimated to be between 85% and 90%. Moreover, as can be seen from the individual country paragraphs under the various sections of part II, most unplanned project activities and results are in keeping with the project objectives. Furthermore, section III.1. above shows that most problems encountered have found a solution.

It is difficult for any self-assessment to go beyond checking the implementation rate of planned activities, and the level of compliance of unplanned activities to the project objectives. The assessment commissioned by the EC to evaluating firm OMAS in mid 2001, which included detailed partner interviews in Tallinn, Warsaw, Ljubljana, Rome and Brussels, is probably an important external point of view to take into consideration, even though this assessment took place at the beginning of implementation proper.

At the Würzburg reporting and evaluation seminar on Sept 6-8. 2002, among the ELDUs and the project management group, the temporary conclusion reached was that the project had largely attained its goal. The latest information and data on the project implementation, which could only arrive after the end of the implementation period on September 30, 2002, confirms this assessment.

Perhaps a similarly important consideration is the fact that nowhere has the project created dependency: all partners have organised themselves for the post – SCOPE project period, whether a SCOPE-2 project is approved or not.

In case of non approval, the structures, partnerships, dynamics and functions created under SCOPE are likely to go on and to be reinforced at their own pace. In case of approval, a) the institution building work initiated under SCOPE could be completed more rapidly in those countries where the work remains to be completed, thus attaining a satisfactory level of institutional harmonisation at the eve of EU membership; b) the *acquis* – related work, which was not designed to be a prominent activity under SCOPE, could come at the forefront at the most appropriate moment, namely when specific *acquis* on cooperative enterprises is appearing for the first time. Indeed, specific cooperative *acquis*, and all relevant internal market, harmonization and social / employment *acquis* are highly relevant in helping the BROs of cooperative and participative enterprises from the 10 candidate countries (which represent a substantial part of entrepreneurship, employment and stakeholders in those countries, as explained above in I.2.) be fully integrated into the enlarged single market.

## MONITORING CONTROL BOARD OF EAST-WEST GROUPS' ACTIVITIES

SLOVENIA GROUP		
ACTION/OBJECTIVE	INDICATORS/EXPECTED RESULTS	RESULTS SEPTEMBER 30, 2002
1. Establishment of union of worker co-operatives of Slovenia	Union to be established with 10-15 co-operatives	ZKS ASSOCIATION ESTABLISHED WITH 8 AFFILIATED COOPERATIVES AND 30 WORKERS
2. Reinforcement of the affiliation capacity of the Slovene Association of Employee-Owned Enterprises (DEZAP).	20 new members of DEZAP	Loss of membership because of company take-overs 3 new affiliations after DEZAP conference, other members expected within the next few months (multiplication phase) To get more members a conference will be organised shortly after end of project, with the invitation of 3 employee owned enterprises that are among the biggest Slovene companies. (ISKRAEMECO, ETI and DOMEL).
3. Analysis of legislation on cooperatives and participative enterprises, as well as a comparison with Italian and Spanish legislation, and submit it to Parliament.	Proposals of new law/amendments to be drafted, and presented to Parliament, on: <ul style="list-style-type: none"> <li>- participative (employee-owned) enterprises, including profit sharing</li> <li>- promotion of co-operatives</li> </ul>	<p><u>Participative enterprises</u>: Proposal of law drafted under DEZAP coordination, after study visit to Spain, and analysis of / round table on Spanish and Belgian law, and with agreement among associated enterprises</p> <p><u>Worker cooperatives</u>: Proposal of law drafted by RRZ after study visit to Italy</p> <p>Planned submission of participative enterprise legislation and cooperative legislations to the ministry of labour and social affairs</p> <p>DEZAP has been approved as a partner in the team set up by Ministry of labour to prepare the new draft legislation.</p>

<p>4. Improvement of the image of the cooperative <i>and participative enterprises</i> in Slovenia, and informing government and public opinion.</p>	<ul style="list-style-type: none"> <li>- 1 article/month</li> <li>- 5 radio presentations of the project</li>   <li>- 1000 folders on DEZAP</li> <li>- 1000 folders about co-operatives</li> <li>- websites</li>   <li>- 1 conference on cooperatives and participative enterprises in April 2001</li>   <li>1 workshop on Proxy companies, (trust companies with compulsory regulation through which no transfer of shares is allowed) , acquisitions and take-overs</li>   <li>One conference on the social economy as a pre-conference for the Prague European Social Economy Conference</li> </ul>	<p><u>Participative enterprises:</u> 4 articles published, Topics include: dilemmas faced by a Proxy company (Iskraemeco) and findings and impressions from study visit to Spain.)</p> <p><u>Worker cooperatives:</u> 2 articles published, on presentation of future Union of cooperative, and presentation of problems that cooperatives have</p> <ul style="list-style-type: none"> <li>➤ 1000 Folders for DEZAP printed</li> <li>➤ 1000 Folders for coops printed</li> <li>➤ DEZAP Website established and accessible on <a href="http://www.dezap.si">www.dezap.si</a></li> <li>➤ Web site for coops is finished and accessible on <a href="http://www.kin.si">www.kin.si</a></li> </ul> <p>1 day conference early april with around 80 participants, including representatives of government (labour and economy ministries), and housing, agricultural, credit cooperatives  Followed by two workshops: one on cooperatives and one On participative enterprises  Resolutions  Result: Since June 2001, coops have become eligible to apply for public tenders (according to Chamber of Commerce)</p> <p>A conference on Proxy companies and on future development of employee ownership in Slovenia held on Nov. 8 with 50 participants.</p> <p>Conference cancelled and will be replaced with conference on Social responsibility of Enterprises after end of project.</p>
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<p>5. Improve understanding of trade union cells' opinions <i>and managers</i> on the issue of employee ownership</p>	<p>questionnaire to assess the perception by managers and trade unions on employee participation and ownership to be sent to</p> <ul style="list-style-type: none"> <li>- 200 enterprise managers</li> <li>- 500 company trade union cells</li> </ul>	<p>Questionnaire sent to:</p> <ul style="list-style-type: none"> <li>- 300 big company directors directly under DEZAP's name</li> <li>- 300 company level trade union cells under trade unions' name</li> </ul> <p>A response rate of 10% from each target that were contacted. The questionnaires were analysed. Results presented at the Nov 8 Conference shows a positive attitude to the Employee Ownership and a very strong support for further action.</p>
<p>6. Promotion of international marketing links</p>	<p>Establish 1 relation association-association and 5 relation business to business</p>	<p><u>Participative enterprises:</u></p> <p>ASALMA and DEZAP set up a Association-association relation.</p> <p>DEZAP and KIN have submitted two joined offers with ASALMA and CIFESAL (Spain) to the public tenders of Slovenian Government, but WITHOUT SUCCESS.</p> <p>PARTICIPATION OF DEZAP AND ZKS ENTERPRISES AT PORDENONE FAIR in Sept 2002: ZKS and DEZAP were represented and introduced to Italian people by the public conference. ZKS found several potential new partners in Italy. DEZAP member Janko Puchnik discussed with the president of Banca di Credito Cooperativo di San Giorgio e Meduno, Mr. Marino D'Andrea on establishing a savings bank for cooperatives and participative enterprises in Slovenia</p>

<p>7. <i>Find or establish</i> fund for co operative development</p>	<p>Learn how to <i>find or establish</i> fund for co-operative development</p>	<p><u>Worker cooperatives:</u>  Italian cases studied during mission to Italy 11-14 June: 2 financial structures visited  A daughter draft project proposal in preparation, to be done end in partnership with Friuli Association of Cooperatives and FINRECO, a financial company under the latter.  ZKS COOP ASSOCIATION JUST ESTABLISHED, partnership with Finreco established, PROJECT STILL PROBABLY PREMATURE  (see also above point 6)</p>
<p>8. Organisation of education for employees</p>	<ul style="list-style-type: none"> <li>- <u>Participative enterprises:</u> 1 workshop to present result of analysis of questionnaire sent to enterprises</li> <li>- <u>Worker coops.:</u> 4 workshops for unemployed people to present the co-operative model</li> </ul>	<p><u>Participative enterprises:</u> Managers, representatives of Work Councils and trade unions were invited to the Conference on Nov. 8 where results of survey were presented</p> <p><u>Worker coops:</u> 4 workshops in Slovenia organised to present cooperatives to unemployed people and to people who have an idea of setting up an enterprise but do not know how to implement it, namely in:</p> <ul style="list-style-type: none"> <li>- Nova Gorica on 5<sup>th</sup> of October</li> <li>- Maribor on 11<sup>th</sup> of October</li> <li>- Krško on 15<sup>th</sup> of October</li> <li>- Gornji grad on 23<sup>th</sup> of October</li> </ul> <p>Approximately 60 people attended the 4 workshops.</p>

9. Understanding of Slovene situation by Italian and Spanish partners	1 immersion visit to p-e and co by Italy (Confcooperative) and Spain (Asalma) experts	Visit to 2 coops and 2 p.e. by 2 Confcooperative and 1 Asalma experts completed: enabled clearer understanding of terrain by EU partners and better preparation of visits of Slovene partners to Spain and Italy.
10. ESTABLISHMENT OF DAUGHTER PROJECTS	1 PHARE ACCESS TO BE PRESENTED	1 PHARE ACCESS INTRODUCED BY DEZAP WITH ASALMA (SPAIN)

## BALTIC GROUP

ACTION/OBJECTIVE	INDICATORS/EXPECTED RESULTS	RESULTS SEPTEMBER 30, 2002
1. Creation of 3 agencies for the development of cooperatives within the three Baltic States, to be transformed into worker cooperative federation (one in each Baltic State)	1 worker cooperative federation or worker cooperative to be created in each Baltic state	<p><u>Estonia:</u></p> <ul style="list-style-type: none"> <li>➤ Worker cooperative federation + consultancy cooperative ESTCOOP established.</li> <li>➤ 2 social coops established, 2 in preparation</li> </ul> <p><u>Latvia:</u></p> <ul style="list-style-type: none"> <li>➤ 2 worker cooperative start ups, which are also regional cooperative advisory centres (Riga and Rezekne), with a potential federating role.</li> <li>➤ exploratory talks between DZIK (housing coops, hosting ELDU) with TURIBA (consumer coops) and other cooperative organisations on establishing an intersectoral cooperative union took place</li> </ul> <p><u>Lithuania:</u></p> <p>Talks in progress between Litcoopunion (consumer coops), Namu Valda ir Savinankai (Housing coops) and credit cooperatives to establish a national inter-sectoral cooperative confederation (umbrella organisation)</p> <p>The statute for establishing new umbrella organisation according to new cooperation law (which was accepted in May, 2002) is being prepared. After all summer vacation foundation of umbrella organisation will be resumed.</p>
2. Cross-border contacts between worker co-ops	2 cross border activities for ELDUs and coops [between worker co-ops] (study visits, seminars etc)	<p><u>Estonia:</u></p> <p>Know-how from Finnish coops was gained on ELDUs</p>

		<p>meeting in Finland (no cooperative business was started)</p> <p>health care cooperation with Sweden: seminars in the end of May 2001 in Tallinn and in Pärnu. Specific topics in health and social care. Members from different co-ops from Tallinn, Pärnu and Põlva participated. Also expert advice given. Lecturers and experts from different Swedish co-ops: KOOP-i, Atvidaberg children advisory co-op,</p> <p>ELDU person participated in study visit to Sweden. 2 social coops established with the help of Swedish and Finnish partners.</p> <p>Seminars held for working out business plans for 2 new coops – one in tourism , another on childcare field.</p> <p><u>Latvia and Lithuania:</u> Sept. seminar in Helsinki described as decisive for ELDU in gaining understanding about worker coops and their developmental needs.</p>
3. Survey on existing worker cooperatives	3 databases with 30 enterprises minimum (each)	<p><u>Estonia:</u> 69 co-operatives in a database, 9 answers.</p> <p>Latvia: 1289 questionnaires sent. Information gathered on 40 producers' cooperative enterprises and 800 housing cooperatives.</p> <p><u>Lithuania:</u> 254 cooperatives identified, return from questionnaire not completed. Around 1/3 are worker cooperatives in agriculture or industry. All the situation about research will be clear after 1<sup>st</sup> of October.</p>
4. Editing of a brochure on worker cooperatives	<p>Publishing booklet in the 3 Baltic languages 7000 copies: 2000 in Estonian, 2000 in Latvian, 3000 in Lithuanian</p> <p>Distribution within 6 months of 3000 copies</p>	<p><u>Implemented</u></p> <p><u>Estonia.</u> 1200 copies distributed in Estonia in local seminars andwith the help of umbrella organisations EKL. EÜL, EUSHCO.</p> <p><u>Lithuania:</u> Only a smal pat of the brochures was distributed</p>





<p>7. Public relations</p>	<p>2 articles to be published 5 high level (local) government officials lobbied (in each country)</p>	<p><u>Estonia:</u> Government and local municipality officials and vice-president of parliament participated December 2001 Conference in Tallinn. 19 officials lobbied 9 articles published.</p> <p><u>Latvia:</u> 4 ministries and 2 public associations lobbied 5 articles published in the national press 1 TV interview on state TV</p> <p><u>Lithuania:</u> Vilnius city municipality lobbied Recently established governmental group on cooperatives approached 1 radio interview about new cooperation law and present cooperative movement. Special material is distributed during meetings (Daughter project).</p>
<p>8. Participation in other projects</p> <p>9. WORK ON DAUGHTER PROJECTS IN ALL 3 COUNTRIES</p>	<p>ELDU workers participating in 2 other project seminars</p> <p>1 PHARE-ACCESS OR INTERREGIO DAUGHTER PROJECT PER BALTIC COUNTRY</p>	<p>Baltic States ELDU coordinator, participated in health care seminars, Estonia coordinator participated in Gävle conference (Sweden).</p> <p>Estonia: 1 PHARE ACCESS project introduced in May 2002. No answer yet. Another daughter project with Swedish partners prepared in August 2002.</p> <p>Latvia: PHARE ACCESS, 2002-07-04, Vilnius “The program of professional administration of immovable property stimulating” BALTIC AMERICAN PROGRAM, 2002-05-12, Vilnius, “Promotion of multi – flat houses owners independent operations, establishment of home owners associations and their activities”</p> <p>Lithuania: One small PHARE-ACCESS project introduced by NAMU VALDA</p>

**BALKANS-CARPATHEANS GROUP (with complementary funding from French ministry of Foreign affairs approved)**

ACTION/OBJECTIVE	INDICATORS/EXPECTED RESULTS	RESULTS SEPTEMBER 30, 2002
<p>1. Training of presidents for creation of new forms of social economy</p>	<p><u>4 countries:</u>            One week training for 3 representatives of each union            Publication of strategic plan on new forms of social coops in each of the 4 national Unions</p> <p><u>Slovakia:</u> Supporting the employment in the regions through the social coops, coordination with the Regional Cooperative Development Centres</p>	<p>Training seminar in Bucharest in May 2001 attended by 3 representatives from each Union            Followed by meeting between the 4 union presidents plus the president of the Polish worker cooperative union, together with French secretary of state for social economy</p> <p><u>Romania:</u>            New forms of cooperatives are envisaged. Documentation on housing and medical cooperatives. No strategic plan yet.</p> <p><u>Slovakia:</u> A special commission on new cooperative forms has been established within federation. Social and health cooperatives are being envisaged.</p> <p><u>Bulgaria</u>            At the President's meeting, the Bulgarian side underlined the necessity that the European Community authorities ask the Governments of the countries with recent accession, to make clear what strategy do they stipulate in the co-operative field.</p>
<p>2. Training in quality management</p>	<p>4 countries:            One week introductory training sessions with 3 representatives per federation</p> <p><u>CZ, SK, RO:</u> One further training session to establish a diagnosis of the training needs for the creation of a group of internal auditors for quality certification within the cooperative unions            For each union:            2 national-level responsible persons of the</p>	<p>Training seminar in Prague (28 May to 1 June) attended by 3 representatives from each Union</p> <p>Quality management seminar in Prague / June 2002 with 6 persons per country</p>

	<p>cooperative union, 2 enterprise directors, and 2 responsible persons for quality issues within the national union, in all 6 persons</p> <p><u>4 countries:</u> training within the country (demultiplication)</p> <p>Ro Daughter project:  Creation of a structure that will provide intellectual services in the field of quality management for cooperatives  Creation of an organism for the certification of the products of handicraft cooperation and of an accredited laboratory at the national level</p>	<p><u>CZ</u> : A person in the Union has been named for the training in quality management and help all members in the certification process and is following up 40 enterprises</p> <p><u>RO</u>:  10 first enterprises identified for certification  Information and documentation actions of the management team for all the cooperative organisations of handicraft from 42 geographic regions, to adapt themselves to the new guidelines concerning quality management system  Organized 3 seminars for 19 regions  Organized 4 more seminars, up to 30.06.2002, for the others 23 regions  - organized sounding opinions with a view to selecting target groups for the project.  Federation decided to train its own auditors for blank audit previous to certification, with the help of AFAQ (Association Française d'Audit Qualité) through French partner ICOSI. But need of further financial means.</p> <p><u>SK</u>: 7 enterprises identified for certification</p> <p><u>Bulgaria</u>  Identification of co-operatives for quality certification is in progress.  4 training sessions have been organised , with 40 presented people, from 35 cooperatives.</p> <p><u>Ro</u>:  Daughter project presented as PHARE-ACCESS  PROJECT NOT APPROVED</p>
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<p>3. Training on the labour insertion of the disabled persons and economic development of the cooperatives of the disabled.</p>	<p>1 week introductory seminar with 3 persons per federation</p> <p>1 week advanced seminar  Training programme:</p> <ul style="list-style-type: none"> <li>✓ Sub-contracting market research</li> <li>✓ Sub-contracting to service providers</li> <li>✓ Marketing</li> <li>✓ Assistance to disabled workers</li> <li>✓ Follow up of disabled workers in their social integration</li> </ul> <p>Seminar to combine practical exercises and the visit to enterprises employing disabled workers</p> <p>Formulation of new policy on insertion of disabled (1 report per country)  Increasing the number of jobs suitable for disabled : 80 new jobs after one year (sk)</p> <p>CZ: Preparation of new law for social coops</p>	<p>Seminar implemented (Paris)</p> <p>Advanced seminar implemented (Paris and Oise)</p> <p><u>Ro</u>  - obtained necessary information and documentation to support the draft law concerning the insertion in work activities of the disabled persons applied for support the amended proposals for Order nr. 102/1999, concerning disabled persons, on meeting of Labour and Social Protection Commission from Senate (24.10.2001) and Deputy Chamber, that the National League of Organisations Working with Disabled Persons within the Handicraft Cooperation is invited to participate.  Law approved by the chamber of deputies but modifications to the detriment of the disabled. Lobby has begun to convince the parliament to modify those articles.</p> <p><u>Bulgaria</u>  After the seminar in Paris for the disabled people, organised an official meeting with our Vice Minister of Social Affairs, in order he to be introduced in the French experience.</p> <p>CZ: Draft law presented but parliament rejected it  <u>CZ</u>: Editing and printing of a brochure for social cooperation  1 brochure 2100 copies</p>
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<p>4. Training on the creation of audit systems and financial instruments</p>	<p><u>4 countries:</u> One week training session with 3 persons per federation on audit systems and financial instruments.</p> <p>Blueprint for mutual fund (sk) (ro: functioning, how it can benefit the cooperative organisations)</p> <p><u>RO:</u> Centre for audit control for cooperative organisations (organisation, practical details concerning the elaboration of the “control board” [tableau de bord] as an instrument of financial control) Carrying out of the audit within the cooperative organisations. Centres for checking balance sheet of handicraft cooperatives (organising mode, legal functioning details).</p> <p>Improving of the management within the cooperative organisations. Practical details concerning control board as an efficient instrument of management activity.</p> <p>Examining other financial tools that exist and that can be established</p>	<p>Training implemented Under preparation of the following Seminar, connected with the audit.</p> <p><u>RO</u> Trying to apply the information received.</p>
<p>Technical assistance for the compliance of social tourism facilities belonging to the cooperative union to existing norms and standards (BG)</p>	<p>Evaluation of the tourism assets of the NUWPC, according to UNAT criteria and “France Leisure” label: 6 tourism facilities in all</p> <p>2 medium-high quality facilities</p> <ul style="list-style-type: none"> <li>- Hôtel <i>Briz 3</i> in Varna</li> <li>- Hôtel <i>Jeravna</i> in Bankia</li> </ul> <p>2 medium-level quality facilities</p> <ul style="list-style-type: none"> <li>- Hôtel <i>Ropotamo</i> in Primorsko</li> <li>- La Hutte <i>Ezerata</i> in Smolyan</li> </ul> <p>2 medium-low quality facilities</p> <ul style="list-style-type: none"> <li>- Hôtel <i>Liyliyak 3 (spa)</i> in Stara Zagora</li> <li>- Hôtel <i>Izgrev</i> in Strelcha</li> </ul> <p>Duration 1 week</p> <p><i>Participants :</i></p> <ul style="list-style-type: none"> <li>- 1 ICOSI coordinator</li> <li>- 1 UNAT expert</li> </ul> <p>This will be followed by a report.</p>	<p>Not implemented fully</p> <p>New Daughter project under study</p>

	<p>2.2. Training seminar</p> <p>Concept of tourism products : « assembling », qualitative aspects, « added value » compared to the basic product (board and lodging)</p> <p>Tour-operator skills : knowledge of conventional markets (analysis of demand, adequation of offer, capitalisation on targets), definition of priority markets to focus on.</p> <p>Training of tourism personnel: adapting to different customers, welcoming quality, quality of services</p> <p>Duration 5 days</p> <p>Venue : Bulgaria (Sofia)</p> <p>Participants : 1 ICOSI coordinator, 1 training expert, 1 local coordinator-interpreter, 20 directors of tourism facilities.</p>	



<p>e-commerce promotion (SK, HU)</p>	<p>Each union (Hu-Sk) [to develop an e-commerce system] <i>to explore the possibilities and difficulties to develop an e-commerce system.</i></p>	<p>Basic information on e-commerce (including obstacles) gathered by Hu partner  <b>OBSTACLES: LACK OF COMPUTER LITERACY AND FLUENT ENGLISH, THE HS (HARMONISED SYSTEM) IN HUNGARY DOES NOT FULLY COMPLY WITH THE WESTERN SYSTEM YET, SHOULD 100% BE HARMONIZED, THE MEMBER OF THE ECOMMERCE SYSTEM SHOULD FIRST BE REGISTERED AT HOPPENSTEDT BONNIER INTL. DATA BASE, THE PAYMENT THROUGH THE INTERNET IS NOT SAFE, NOT SOLVED YET IN HUNGARY ETC.</b>  Sk: The National Council is going to adopt the law on electronic signature  Seminar of producer, consumer cooperatives and their unions with participation of Jednota (consumer cooperative) – presentation of experiences in asserting of e-commerce</p>
<p>International economic cooperation (SK, HU)</p>	<p>Identify possible priority sectors for cooperation between sk, hu &amp; it and development of sectoral web databases  Study the development of e-commerce between sk and hu</p>	<p>Slovakia: So far, established contacts with one of the biggest Italian cooperative producer of wooden doors and windows – Cormo.  Presentation of experiences at the seminar of chairmen of producer coops  Using of fruitful experiences in forms and methods of cooperative work  During the visit of the Italian and Hungarian delegations in Slovakia the products of our producer co-operatives were offered for sale in their sale chains  Hungary: <b>THE INITIAL (INTRODUCTORY) STEPS WERE MADE TO BRING THE ITALIAN PARTNER (CORMO) AND THE HUNGARIAN PARTNER (VISEGRAI FAIPARI KFT.) TOGETHER TO MANUFACTURE FIRE PROOF DOORS IN HUNGARY TO THE ITALIAN PARTNER. VISIT BY CUORMO TO “VISEGRADI FAIPARI KFT” IN OCTOBER PERFORMED. VISEGRAI TO PREPARE DOOR PROTOTYPE, THEN CUORMO TO TEST IT. IF SUCCESSFUL, 2000 DOORS PER YEAR ORDER.</b>  However, viability study unsuccessful, as costs of Hungarian enterprise were too high</p>
<p>Initiate crossborder economic cooperation between Hungary and Slovakia</p>	<p>At least one cooperative stall in Nitra fair for Hungarian coops</p>	<p>Publicity for NITRA fair in OKISZ’ journal distributed to APPR. 1200 MEMBERS IN APRIL, DISTRIBUTED</p>



<p>Daughter projects to be designed</p>	<p>Design of one “daughter project” for Hungary, and one for Slovakia</p>	<p>AGAIN IN MAY.</p> <p>Data given to one OKISZ-affiliated company is specialized in organisation of commercial fairs.</p> <p>4 Hungarian enterprises under OKISZ participated at the 8<sup>th</sup> annual international co-operative contract-sales exhibition COOPEXPO</p> <p>SK: Web page of COOPEXPO – can be used for more information</p> <p>Topics and framework for daughter projects being studied, postponed to multiplication phase (see above)</p> <p>preparation of project following the experience gained in Valencia (SK)</p> <p>(see above)</p>
<p>Deepening of selected topics of best practice (CZ)</p>	<p>Identification of 2 to 3 transferable models to be prepared through in depth grid and discussed at a conference in Prague on 30 June</p> <ol style="list-style-type: none"> <li>1. Model for the development of social cooperatives and cooperatives of assistance to disadvantaged persons</li> <li>2. Techno-organisational model for quality certification in an industrial enterprise</li> <li>3. Consortium model for the commercialisation of products</li> </ol>	<p>Transferable models already identified and more precisely defined:</p> <ol style="list-style-type: none"> <li>1. Italian legislation, especially on social cooperation, and organisation / management of Italian social cooperatives, in particular those focusing on the social inclusion of disabled people</li> <li>2. SCMVD publication concerning “social cooperatives as a new element for Czech economy”</li> <li>3. Modalities and transfer/implementation models of quality certification in Italian cooperatives</li> <li>4. Italian consortium model in industrial and construction cooperatives.</li> </ol> <p>Those topics were discussed in depth at the Prague conference on 30 June 2001, with the presence of Italian experts in each topic.</p>
<p>Selection and training of development workers (CZ, SK)</p> <p>Work on daughter projects (CZ, SK, HU)</p>	<p>Selection of 2 development workers for CZ and 2 for SK and short training in Emilia Romagna</p> <ol style="list-style-type: none"> <li>1. Project of lifelong learning System and training of 2 Czech development agents in Associations of ASISTA, EFESO and Bohemian and Moravian manufacturing cooperatives[Training of 2 Czech development agents] (SK,, CZ)</li> </ol>	<p>Implemented 15-20 April 2002</p> <ol style="list-style-type: none"> <li>1. postponed</li> </ol>

<p>MULTI: CENTRAL EUROPEAN GROUP          Improve the particularly low status of the cooperative system in Hungary</p> <p>Create a partner relation between the Hungarian organisation of participative enterprises and the Spanish CONFESAL confederation of worker limited companies.</p>	<ol style="list-style-type: none"> <li>2. Enterprise workshop for direct and stable enterprise level links</li> <li>3. Project on the social cooperative model (CZ, SK)</li> <li>4. Design of a project of cooperative development centre (HU with Modena)</li> </ol> <p>Conference in Budapest to be convened in June 2002 with various Hungarian organisations of cooperative and participative enterprises with 100 –150 persons , with the presence of the President of the International Cooperative Alliance</p> <p>1 visit of HEA to CONFESAL for 1 week</p>	<ol style="list-style-type: none"> <li>2. To be done later by development agents as part of their training process.</li> <li>3. Project hypothesis prepared by LEGACOOOP and AGCI, awaiting co-financing opportunity</li> <li>4. Not implemented yet (ACCESS for HU in December) -- LEONARDO project with LEGACOOOP and HU partner approved.</li> </ol> <p>Conference convened with around 100 persons mainly from cooperative organisations plus government officials          President of International Cooperative Alliance could not attend conference, but on September 29, through the intermediation of the SCOPE coordinators, paid an official visit to the President and to the Prime minister of Hungary</p> <p>Visit cancelled, but first partner contact implemented at a seminar on participative enterprises in Budapest (March 2002).</p>
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## POLISH GROUP: NAUWC-MCC TWINNING+ NAUWC-CGM TWINNING

ACTION/OBJECTIVE	INDICATORS/EXPECTED RESULTS	RESULTS SEPTEMBER 30, 2002
<p>Planning and design of bilateral cooperation in the field of sectoral promotion</p>	<p>Conception, design and introduction of a viable project on sectors and elaboration of a proposal to the European Commission within the framework of the PHARE ACCESS Programme</p>	<ul style="list-style-type: none"> <li>• Questionnaire in Polish pharmaceutical and mechatronical cooperative enterprises completed and analysed.</li> <li>• Seminar in Mondragon (Spain) March 2001 with NAUWC leadership and directors of Polish pharmaceutical and mechatronical cooperative enterprises, completed</li> <li>• On the basis of the above, decision to design and introduction of a Phare/access project</li> </ul>
<p>Planning and design of bilateral cooperation in the fields of university exchanges</p>	<p>Conception, design and introduction of one project on university cooperation</p>	<p>Decision at Mondragon seminar to prepare an educational project for 2002.            Contacts between Cracow and Mondragon universities have been going on. Cracow University to begin a course for cooperative directors, to be eventually transformed into a cooperative faculty with Master programme.            Contacts established on the level of rectors of the High School of Banking and Management in Cracow (connected with NAUWC) and Mondragon University (connected with MCC).  <u>Exchange of teachings materials and programmes.</u></p>
<p>NAUWC-CGM: Exploration on cooperation between cooperatives of the social-health sector</p>	<p><i>Creation of another twinning between CGM and NAUWC for cooperation between social-health sector cooperatives</i></p> <p><i>Study of each other's model</i></p> <p><i>Design of a project of employing Polish nurses in CGM cooperatives (at least 200 nurses needed in the first phase) through contract between NAUWC and CGM consortia</i></p>	<p>Twinning established through 2 first meetings (Warsaw and Brussels)</p> <p>Study realized through CGM mission in Gdansk (September) and NAUWC mission in Trento-Brescia (October)</p> <p>Project designed. Main points:</p> <ul style="list-style-type: none"> <li>➤ Polish nurses recruited by NAUWC health services cooperatives will be trained in Italian language and then will become workers-members of CGM cooperatives for a period of 3-5 years,</li> <li>➤ The Polish cooperatives will be reinforced through</li> </ul>

		<p>cooperation with the Italian consortia (10 local consortia under CGM identified) PROCESS STARTED UNDER MULTI: 20 FIRST NURSES HAVE COMPLETED TRAINING AND ARE ALREADY EMPLOYED IN RAVENNA CONSORTIUM. NEXT GROUP OF 72 NURSES IS COMPLETING DOCUMENTS TO BY CONFIRMED BY POLISH AND ITALIAN AUTHORITIES AND IS EXPECTED TO BE TRAINED AND EMPLOYED BY BRESCIA CONSORTIUM IN AUTUMN 2002</p>
<p><i>(Subject to availability of financing in the framework of the PHARE ACCESS Programme)</i> Concretely define the strategic plans for the cooperatives which are in the process of adhering to the 2 sectoral groupings (Pharma-ceuticals and Mechatronics), as subjects of promotion and structuration in subsequent phases</p> <p>✓ Identification and diagnosis</p> <p>✓ sectoral grouping</p> <p>✓ Strategic planning</p> <p>(After rejection of project proposal) redesign of a PHARE ACCESS project including MCC and CGM (Italian social cooperative consortium)</p>	<p>2 overall sustainable strategic plans for 4 years for sectoral groupings in 2 sectors</p> <p>✓ Specific dossier</p> <p>✓ Involvement of 2 sector x 10 Coop. x 5 Managers = 100 managers of the sectorial groupings + identification and definition of the Strategic Plan of each of the sectors.</p> <p>✓ Specific dossier</p> <p>Project designed and drafted in collaboration between NAUWC (PL), Confederation of Cooperatives of Euskadi and MCC/LKS (SP), and CGM Consortium for Social Solidarity Cooperation (IT), with similar design as above, but with the 2 following sectors: Mechatronics Social and health sector</p>	<p>THE PROJECT WAS NOT APPROVED BECAUSE OF A NEGATIVE EVALUATION OF THE PARTNERS (INCLUDING BASQUE PARTNER MCC WHO IS WIDELY KNOWN AS ONE THAT IS ABLE TO OFFER BEST PRACTICE MODEL AND EXPERTISE) BY POLISH ORGANISATION RESPONSIBLE OF EVALUATING PROJECT PROPOSALS AND OF THEIR REMUNERATION STRUCTURE.</p> <p>✓ Only preliminary draft dossier prepared before the final decision on rejecting the project</p> <p>✓ Some information meetings with a limited number of managers organized before the final decision on rejecting the project</p> <p>✓ Not prepared because of the lack of resources connected with rejecting the project</p> <p>PROJECT AGAIN RECEIVED NEGATIVE EVALUATION FROM POLISH ORGANISATION RESPONSIBLE OF EVALUATING PROJECT PROPOSALS (FINAL NEGATIVE DECISION IN SEPTEMBER 2002).</p>