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Fonterra's Book of Commitments



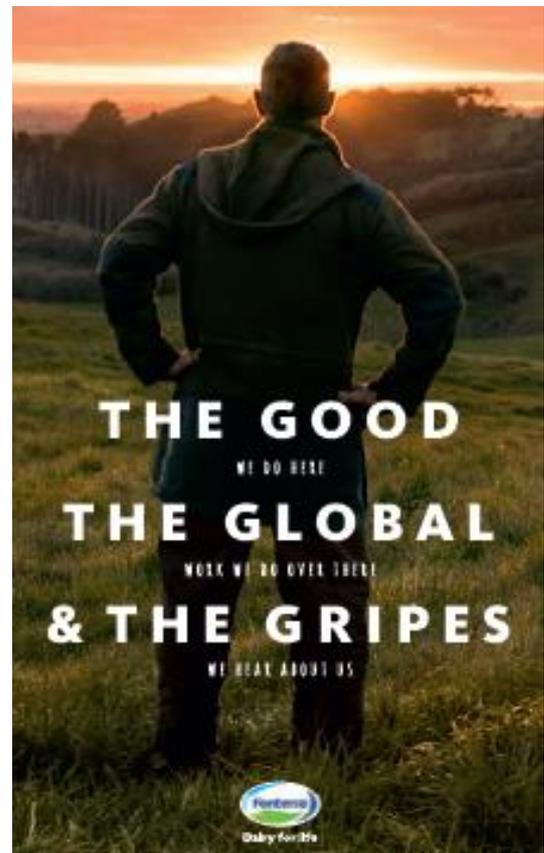
Dairy for life

Fonterra has recently released a **Book of Commitments** ([attached](#)) which covers:

- **The Good** (we do here)
- **The Global** (we do over there) and
- **The Gripes** (we hear about us)

This easy-to-follow publication includes key facts and figures while addressing Fonterra's economic, environmental and social sustainability.

The book helps to clarify some misconceptions which are held by some in relation to Fonterra as an organisation and is well worth the read.



Global co-ops: turnover up 7.2% to US\$2.5 trillion

The world's largest 300 co-operatives and mutuals have grown their turnover by 7.20% to a staggering USD \$2.53tn (NZD \$3,580,000,000,000), according to the 2016 edition of the World Co-operative Monitor.

These findings were presented at the [International Summit of Co-operatives](#) held this week in Quebec City, Canada.



[Read it here](#)

The World Co-operative Monitor remains the only project of its kind, collecting and analysing data on the world's largest co-operative and mutual organisations and other enterprises controlled by co-ops.

Charles Gould, Director General of the International Co-operative Alliance, said the Monitor is now in its fifth year.

"There is no more appropriate way to celebrate this, than the 7% growth figure which we are proud to announce this year, and there is no better time than now, during the 2016 International Summit of Co-operatives".

"There is a grown interest for co-operatives worldwide, and we need to respond to this interest with adequate promotion of our model. The World Co-operative Monitor as the leading data source on the world's largest co-operatives and mutuals is a central instrument for awareness raising, policy-making, advocacy and research," said Charles, who visited NZ in March this year with fellow ICA leaders.

The Monitor refers to data from 2014, which was collected from various sources such as national rankings, sector rankings, existing databases containing financial data, annual reports and questionnaires.

The database for this edition contains information on 2,370 co-operatives from 63 countries. Of these, 1,420 co-operatives from across 52 countries have a turnover of over USD \$100m.

The top 5 co-operatives globally by turnover were:

1. Crédit Agricole (USD \$90.21bn) - a network of co-operative banks from France;
2. BVR (USD \$70.05bn) - Germany's national association of co-operative banks;
3. Groupe BPCE (USD 68.96bn) - another network of co-operative banks from France;
4. Insurer NH Nonghyup (USD 63.96bn) - an extension of the National Agricultural Co-operative Federation's financial operation from South Korea;
5. State Farm (USD \$63.73bn) - an agricultural mutual from the USA.

New Zealand's Fonterra ranked as the 41st largest co-operative globally based on turnover.

Over 32% of the top 300 co-operatives operate in agriculture, 39% in insurance, 19% in wholesale and retail trade, and 6% in banking and financial services.

Co-op sector-led approach to research and teaching

Leading NZ co-operative researcher Dr Lisa Callagher from the University of Auckland visited the Centre for the Study of Co-operatives at the University of Saskatchewan in Saskatoon, Canada in July 2016 during an international sabbatical.

So what can a co-operative research centre in the middle of a landlocked Canadian province tell us about co-operatives and mutuals in New Zealand you may ask? According to Dr Callagher, there are several reasons why Saskatchewan's co-op centre was well worth the visit.



The [Centre for the Study of Co-operatives](#) is an interdisciplinary teaching and research centre located on the University of Saskatchewan campus. Established in 1984, the centre is supported financially by major provincial and national co-operatives and the University of Saskatchewan.



The centre's goal is to provide people with conceptual and informational tools to understand co-operatives and to develop them as solutions to economic and social needs.

"The centre, now 32 years old, is strongly connected to the province's co-operative and mutual sector with local industry involved in the centre's governance and shaping the long-term research and training agenda" she reports.

"The centre is multi-disciplinary with researchers from agriculture, marketing, sociology, political studies, management, communications, history, and public policy working collaboratively on projects that matter for the local sector".

"The outputs of the research are presented through a mix of industry reports, practitioner books and industry-academic seminars as well as peer-reviewed academic journal articles, which remain the main currency in the academic world."

In Saskatchewan, a place better known for reported sightings of Bigfoot, it's clear giant strides are being taken in the realm of co-operative research.

Dr Callagher noted several significant research and training programmes including:

- a multi-million-dollar project with funding from Federated Co-operatives Limited investigating how the co-operative development in rural and aboriginal communities in western Canada can be supported
- a two-year study developing a model of governance for co-ops and mutuals
- a Graduate Certificate qualification in the Social Economy and Co-operatives

There are some things that Saskatchewan's co-op centre is grappling with, she reports.

“Similar to the New Zealand context, they are still working out how to embed co-operative and mutuals into the university curriculum. With 30 years of experimentation, there is a lot that my colleagues and I can learn from them”.

“They’re keen to extend their strategic network through student and staff exchanges, and shared PhD supervisions, so they can tap into new knowledge and trends occurring elsewhere.”

In the finest co-operative traditions, Lisa Callagher recommends collaboration between universities and countries.

“In terms of increasing our local capabilities to do research and teaching on and with co-operatives, collaborating with a research centre such as the Centre for the Study of Co-operatives at the University of Saskatchewan seems to be a good opportunity to pursue.”



Dr Lisa Callagher, PhD in Management, Cert. in University Teaching and Learning, MCom in Management and Employment Relations and BA in Employment Relations and Anthropology.



CURRENTLY Senior Lecturer in the Management and International Business Department, Business School, University of Auckland.

RESEARCHING innovation strategies and processes in entrepreneurial (new generation) producer co-operatives (with Drs Frank Siedlok and Vareska van de Vrande).

- Read [Universities to study NZ’s co-operative sector.](#)
- ✓ Lisa is an Individual Associate Member of Cooperative Business New Zealand.

Lisa will be attending our Co-operative Business NZ Governance Seminar to be held at the University of Auckland Business School on 18th November. For more details on this please refer to my [9th September Newsletter](#).

Places are limited to 24 and I still have several spots available to our Members. Please advise me by return email if you and/or others from within your organisation would like to attend this one day seminar which is being run by Richard Westlake. Thanks.

Kind regards,

Craig Presland