The contribution of cooperatives to sustainable development: the case of a cactus valorization cooperative

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Abstract
As organizations based on values and guided by principles, cooperative enterprises are by nature a form of sustainable business. They focus on job security, improving working conditions, profit sharing and the distribution of dividends by promoting knowledge and practice of democracy and social inclusion.

Thus, cooperatives are well placed to contribute to the fundamental objectives of sustainable development in economic, social and environmental, because they are concerned companies of economic advancement of their members while satisfying their social interests and protecting the environment. They propose an alternative model of social enterprise whose contribution to sustainability goes well beyond job creation (one of the components of the triptych of sustainable development).

Although the contribution of cooperatives in the GDP (Gross Domestic Product) and the share they represent in the total number of companies are relatively small, their promotion and development could be a major instrument for achieving national goals of sustainable development.

It is in this sense that fits the purpose of our article. This is to highlight the contribution of cooperatives to sustainable development and stimulates discussion on the role of cooperatives in the design and implementation of national sustainable development goals; based on a case study in a cooperative business through a qualitative study based on content analysis.

Key words:
Cooperatives, Sustainable Development, Social Responsibility, Responsible Entrepreneurship.

Introduction
As organizations based on values and guided by principles, cooperative enterprises are by nature a form of sustainable business. They focus on job security, improved working conditions, profit sharing and the distribution of dividends by promoting knowledge and practice of democracy and social inclusion.

Thus, cooperatives are well placed to contribute to the basic objectives of sustainable development on economic, social and environmental; if only because they are conscious businesses of the economic advancement of their members while satisfying their social interests and protecting the environment. They propose an alternative model of social enterprise whose contribution to sustainability goes well beyond job creation.

The cooperative sector occupies a significant place in the national economy; it plays a leading role in sustainable development, insofar as it represents a significant part in the economic and social development programs of the country. This sector has opened promising horizons to create economic and social projects that contribute to combat poverty, exclusion, and the integration of small producers into the market. These horizons were reinforced by the National Initiative for Human Development (INDH). This resulted in the significant progress of the number and the quality of Cooperatives.
The research presented here aims to better understanding the contribution of cooperatives to sustainable development. We chose to explore the case of a cactus valorization cooperative. We will first present the conceptual framework by defining the cooperative and its specificities. Then we will analyze the situation of cooperatives in Morocco. We will propose a synthesis on possible links between cooperatives and sustainable development. Finally, we present the results of our empirical study through a case study in a cactus valorization cooperative.

1. The Conceptual Framework

In this part we try to define the cooperative, point out its specificities and present its development in Morocco.

1.1. What is a cooperative?

A cooperative is a business like any other, but it is also a company that aims to serve the needs of its members, who own and control.

Thus, a new law No. 112-12 on cooperatives was adopted by the parliament on July 16, 2014. It defines a cooperative as "a group of natural or legal persons who agree to meet to create a business" (Article 1). Meanwhile, the cooperative creation procedure will be simplified, as well as the obligation to obtain approval will be deleted. The minimum capital for their establishment will be set at 1,000 dirhams.

The cooperatives will be required to make their records in the 'Register of cooperatives '. This is one of the novelties of this text. It "consists of a central register maintained by the Office of the Development of Cooperation, and local records maintained by the secretariats grafts of the trial courts" (Article 9). It will include "maintain cooperative records, disseminate related information and vulgarize their activity to third parties."

The International Cooperative Alliance1 defines cooperatives as “business owned and democratically governed and guided by the values of self-help, self-responsibility, democracy, equality, equity and solidarity. They focus their activities on the person and allow members through democratic decisions, to determine how they want to realize their economic, social and cultural aspirations”.

1.2. The characteristics and principles of cooperatives

The cooperative principles contained in the Declaration on International Cooperatives Identity (International Cooperative Alliance, 2003) are guidelines by which cooperatives put their values into practice:

- Voluntary and open membership: Freedom and Personal Responsibility
- Democratic power exercised by the members: Equality and Democracy
- Member’s Economic Participation: Mutual responsibility and sharing.
- Autonomy and independence: Fairness and Integrity.
- Educations, training and information: Transparency.
- Cooperation among cooperatives: Solidarity.
- Commitment to the community: Social Responsibility and Citizenship.

In Morocco, the principles enacted by Law No. 24-83 are in perfect cohesion with the universal principles of cooperative work. In fact, the second article of this law lists a set of cooperative

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1 Alliance Coopérative Internationale, (2003), « Définition et principes des organisations coopératives », www.ica.coop
principles to the Moroccan context. It should be noted some characteristics of cooperative institutions, referring to Law No. 24-83 governing the general status of cooperatives:

− The possibility of freely and voluntarily join the company and to withdraw the same way;

− A democratic structure where each member has one vote (or a limited number of votes), where decisions are taken by majority and where the persons elected as representatives of the other members and are accountable to them;

− An equitable, honest and fair distribution of economic results.

A cooperative can adopt any legal form; it can be adapted to define the principles, and the aforementioned characteristics. The adoption of specific legislation may not be necessary since the nature of a cooperative can be defined in the internal texts (rules or status). However, specific cooperative laws exist in most countries and define an appropriate framework for cooperative activities and for the protection of members and third parties.

1.3. Cooperatives in Morocco: what evolution?

Through their values of democracy, solidarity, sharing and mutual aid, cooperatives play a role increasingly important in the economic and social development of Morocco. Their attractiveness is growing especially since 2005, the launch of the National Initiative for Human Development (INDH) encouraging the creation and sustainability of structures of the social economy².

In Morocco, till 31 December 2013, the number of cooperatives has increased 2.5 times compared to the year 2004 from 4827 to 12022; mobilizing 440372 members and adherents with a capital of 6.43 billion dirhams³.

According to the Ministry of Crafts and the social economy, new cooperatives with a capital contribution of over 15.82 million dirhams and mobilized 18,771 members in many income generating activities, through all regions of the Kingdom. The sectoral distribution of the cooperatives created in 2013 shows a predominance of agriculture with 982 entities or 73%, followed by particular craft with 270 cooperatives. By region, Laayoune Boujdour Sakia Alhamra monopolizes the lion's share in this area with 192 entities created especially followed by Alhoceima Taza Taounate region with 151 cooperatives according ODCO.

Note also that women entrepreneurship in cooperative is an important turning point in Moroccan society, enabling women to have financial autonomy and more power in decision-making. Women were able to create 245 cooperatives in 2013 with a capital of 1.06 million dirhams, either 17% in total registered cooperatives.

Moreover, the cooperative success stories are many. For example, COPAG cooperative gets to compete with agribusinesses internationally renowned.

2. Sustainable development and cooperative: what connections establish?

Sustainable development has long been perceived as a vague concept. Nowadays and referring to many research work, sustainable development is a concept that is based on an integrated approach in which all economic development cannot be separated from social and environmental aspects.

Several definitions have been allocated to sustainable development. The definition in the famous Brundtland Report⁴, is still the most commonly used definition when it comes to defining sustainable

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³ www.odco.gov.ma
⁴ www.theinternationaljournal.org > RJSSM: Volume: 06, Number: 06, October 2016 Page 75
development: "Sustainable development is development that meets the needs of the present while preserving the needs of future generations and especially the basic needs of the poor who should be given the highest priority ... ". Sustainable development is also defined in the fifth Community program of EU on environment, entitled "Towards sustainability" (1993-2000), as "a policy and strategy to ensure continuity in time of economic and social development, respect for the environment, without compromising the natural resources essential to human activity."

A first approach movement between "cooperative" and "sustainable development" is recognizable from the 90s in international and national institutions of the cooperative movement (ACI, Coop de France). Since 1992, the ACI led a reflection on the founding principles of cooperatives and their implications for sustainable development. The works open in 1996 on the integration of the concept of sustainable development in the seventh cooperative principle: "Cooperatives acting on sustainable development of their communities" (ACI, 2003). Thus, the role of cooperatives is no longer limited to the satisfaction of its members, but it tends to contribute to the development of the community on the economic, social, environmental and political.

In economic terms the purpose of cooperatives, like all other businesses, is to create jobs to produce goods and services by selling them at affordable prices. Cooperatives also have a social function which refers to the principles and values in the management of cooperatives and the development of human resources through the establishment of adequate training, and the dissemination of the values of mutual assistance, the equity and solidarity. They also aim to ensure the social and economic wellbeing by integrating the marginalized persons in order to reduce unemployment, poverty and discrimination. The environmental contribution of cooperatives is the responsible production of natural resources, and the cooperative informs and educates its members about the importance of preserving the environment in a sustainable development perspective.

Although cooperatives are important actors in achieving sustainable development, because they are concerned about their members and local needs, they have not always been proactive in the national debate. Due to the low visibility of cooperatives on the national scene, it seems that policy makers have not realized the potential of cooperatives and the importance of the contribution they could make to the design and realization of objectives of sustainable development.

In the third part, we will present our case study of a cooperative for the valorization of cactus.

3. Case study: a cooperative of valorization of cactus

After Argan oil, Morocco seeks to promote cactus oil, known for its pharmaceutical and cosmetic virtues. Very widespread in the rural landscape of the Kingdom, the cactus is attracting more and more growing interest, given the promising benefits of this crop with high added value. In recent years, a dozen Moroccan cooperatives, mainly located in the region of Marrakech -Tensift- El Haouz and the Souss -Massa- Draa, are trying to develop the production of prickly pear oil. In this perspective, the Morocco attaches importance to these local products.

These products protect the environment, ensure stable employment and improve the social level of the local society. Similarly they are the center of the concerns and expectations of consumers especially those who seek authenticity, originality and food security. That is why we chose this business to meet our main question.

3.1. Research methodology

In this research, we chose to study the case of a women's cooperative working on cactus valorization. We based our study on data collected during an interview with a person in charge in the cooperative according to an interview guide. The interview aimed to better understand the link between cooperatives and sustainable development.

3.2. Study Results

- Presentation of the cooperative:
The cooperative was founded in 2012 in the region of Chaouia-Ouardigha. It aims the valorization of cactus and marketing of its derived products. It advances as mission: “The best of nature for your wellbeing”.

- Product Overview:
It is an exotic fruit, tasty, but also particularly interesting for its nutritional qualities: low in calories, rich in water, sugar, minerals, vitamins A and C and fiber. We find the cactus in many the regions from Sidi Ifni to Tangier and in the regions of El Kelaâ. The highest yields are recorded in the regions of Sidi Kacem, Rabat-Sale, and Doukkala. We can identify thirty species cultivated in Morocco which include Opuntia ficusindica or real prickly pear which is grown mainly in the south, Opuntia megrecathula which is common in most regions and Opuntia schumanni that produces sweet fruits and juicy quality in the south where it occupies thousands of hectares.

- Analysis of Results
We will present our study according to a division that connects each of the practices and initiatives of the cooperative to one of the axes of sustainable development that matches it.

  - Economic Axis
From the fruits of the prickly pear, the cooperative produces a variety of products.

Suppliers of fruit are farmers cacti growers in the villages of the region. The prickly pears are purchased in quantities of 10 kg at a price of 10 to 30 DH or in boxes of 30 kg for a price range between 50 DH and 70 DH.

The cooperative produces prickly pear oil through a semi-mechanized method. A first machine through which the cactus spines removed, then washing and peeling by women before putting in a separating machine that separates the seeds from the juice.

The seeds are washed, dried to extract oil and from the juice, it produces nectar, vinegar and jam. From young rackets, the cooperative produces racket nets that can be eaten as a salad or soup and also a flour rich in fiber. Waste is used for livestock feed.

The direct economic impact of the marketing of cactus-derived products is characterized by selling the product at a price that makes good remunerate women's work and the cooperative members. As well as ensuring a stable income to member and consequently, that of their families and finally the reduction of working time and hardship through the adoption of a semi mechanized method, which effectively improves the production capacity of the cooperative.

  - Social Axis
The specific social objectives that are the reason of being for cooperatives are training, education, satisfaction and well-being of members. All women of the cooperative live in the town and
surrounding villages. Their main task is usually to washing and peeling. These women benefit from literacy classes and training around the valorization of cactus. Women are paid based on days worked.

- **Environmental Axis**
The relations of the cooperative with the environment are central, and are present from the use to valorization. Cactus is a culture that contributes both to the enhancement of poor soils and protection against erosion, as in drought for livestock feed. As we have already pointed waste related to peeling are given to farmers for cattle feed.

### 3.3. Discussion

The results of this work confirm that the cooperative organization is a possible framework to encourage producers to implement actions that are favorable to sustainable development.

However, we propose some actions to be conducted internally by the cooperative to integrate the principles of sustainable development at all levels of the organization.

Economically, the cooperative must develop a communications policy about the products to integrate efficiently the market and to face competition. For distribution, the cooperative must avoid long circuits to better control the distribution and prevent the intervention of several intermediaries. Similarly the cooperative must develop a network of point of sale for cactus derived products in the main cities of Morocco.

On the other hand, the cooperative by establishing traceability procedures which are to save the information to track the product from the stage of "raw material" to that of "finished product" will only build confidence and consumer protection.

Regarding the social aspect, we propose the establishment of an access to social protection system for women to give them more security and social stability.

Finally, improved environmental practices can be declined at two levels:

- First: the treatment and recycling of wastewater from the washing process.
- Second: a labeling “Bio” for derivatives products of cactus will be benefit to the cooperative for more “ecological” durability.

### 4. Conclusion

Through their values of democracy, solidarity, sharing and mutual aid, cooperatives play a role increasingly important in economic and social development of Morocco. Their attractiveness grows especially since 2005, the launch of the Initiative National Human Development (INDH) encouraging the creation and maintaining the structures of the social economy.

To succeed, cooperatives must be competitive, while preserving their specific nature of companies focused on user’s needs, democratically controlled and managed by their members. In the case of cooperatives, "success" is not only synonymous with profitability of the business itself, but also a contribution to the development of the community economically, socially and environmentally.

In our study, the evaluation is limited to observation or the mention of actions deemed to be favorable to sustainable development, so that we know the importance of having both commitment and impact indicators. This limit represents an opening to further study the internal conditions of the cooperative determining the commitment of actions conducive to sustainable development by implementing
assessment tools to measure the specific contribution of cooperatives to sustainable development, like indicators or scorecards.

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