THE CO-OP CONNECTION
THE POWER OF PRINCIPLE 6

Mike Beall
President & CEO
National Cooperative Business Association
CLU...
Co-op's are the intersection of Business, Community, and Democracy.
Cooperative Principles
Cooperative Principle # 6

Cooperation among Cooperatives

Cooperatives serve their members most effectively and strengthen the cooperative sector by working together through local, national, regional and international structures. Cooperatives often lack necessary resources to meet all the needs of its members; can achieve greater economies of scale by working with other co-ops.
Connecting NAHC with a network of other sectors

Scheduling a webinar series

Co-op Month Radio Program

Worked together with NAHC on FEMA Housing Bill to ensure Housing Co-ops are eligible for FEMA Housing Assistance in times of natural disasters.
Challenges and issues NAHC faced with FEMA:

- FEMA categorizes co-op and condo associations as “businesses,” deeming them only eligible for loans and not federal FEMA grants.

- Legislators believe owners of cooperative housing and condominiums are discriminated against under current FEMA policy. **Example:** When making their interpretations on disaster assistance, housing co-ops and condos are treated differently when compared to single-family homes.

- Efforts changing the Stafford Act are to confirm that **co-ops and condos are NOT businesses**, but owner run communities deserving of FEMA grants, just as those afforded to single-family residences.

- **Historical precedence:** After Hurricane Wilma in Florida in 2005, condominium and homeowners’ associations lobbied for assistance to pay for removal of storm debris, to no avail.
• NCBA CLUSA is working with NAHC to reach out and educate Members of Congress for support of H.R. 2887 & S. 1480.

• NCBA CLUSA has worked closely with the bill sponsor in the House, Rep. Steve Israel (D-NY).

• NCBA CLUSA galvanized its members, urging them to reach out to their representatives.

• Connected with the media on key issues and suggested modifications in support of NAHC and its members.
Due in part to NCBA CLUSA and NAHC combined efforts with Rep. Israel, FEMA was required to provide a report with options as a result of language that was included in the FY2014 Consolidated Appropriations Act (P.L. 113-76). This law required FEMA to:

1. Describe current eligibility of housing co-ops and condo association owners and residents for disaster relief under the Individual Assistance Program (IA).

2. A description of availability of IA for owners and residents to pay for common areas.

3. Provide options, including statutory changes, for housing co-ops and condo associations directly eligible for federal disaster assistance based on disaster to common areas through an existing program or a new program.
Next steps in joint advocacy:

1. Housing co-ops and condo owner-occupants remain eligible for federal assistance for temporary housing and for repairs INSIDE their individual units.

2. Most housing cooperative and condo associations before Hurricane Sandy had a master insurance policy to cover common area repairs such as the roof, the boiler, the hallways, and entrance, etc. but the insurance settlements were not enough to make the repairs necessary to make the areas habitable.

3. The FEMA report from the FY2014 Consolidated Appropriations Act reaffirmed the need for statutory changes as provided in the Israel/Schumer bill. It’s premise relates to fairness, i.e. that condominium or housing cooperative associations cannot receive FEMA assistance to supplement their insurance settlement for repairs to common areas that other single-family homeowners can or even receive an advance while waiting for an insurance settlement.
Established in 1916, **NCBA CLUSA** is the **oldest** and **largest** U.S. trade association for the cooperative sector—representing all co-op sectors:

- Housing
- Insurance
- Marketing
- Manufacturing
- Technology
- Utility

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29,000 Cooperatives in the US

2 million jobs

$652 billion in annual sales

$3 trillion in assets
Beginning in 1953, NCBA CLUSA began implementing cooperative development programs overseas, organizing the **Indian Farmers Fertilizer Cooperative (IFFCO)** in the country of India. Today NCBA CLUSA has **projects in 15 countries** implementing **$40 million USD annually** in international development.

Key Projects in:
- Senegal
- Uganda
- Indonesia
- Niger
- Burkina Faso
- East Timor
- Guatemala
- Mozambique
NCBA CLUSA’s Role

• A “Chamber of Commerce” for co-ops
• The only national organization that addresses co-op issues across industries
• Represents co-op sector before Congress, government, private sector, donors
• Executes international development projects that support cooperative development
Key Projects

**MILLET**
- 73% increase in Millet yields
- Revenue from processed Millet increased by 226%
- Volume sold increased by 193% through co-ops and private partnerships

**YAAJEENDE**
- 59% reduction in households that consume fewer than 2 meals per day
- 492 private enterprises developed (co-ops, women’s groups…)
- Established asset building for women
- Nutrition training for more than 40k and counting

Nutrition-led & Conservation Agriculture
Yes Youth Can!
National associations based on the cooperative model

- Formed 1,629 youth bunges (groups) representing more than 83,000 individuals
- 119,023 youth (including 50,674 women) obtained National Identity Cards
- 37,290 youth (including 14,910 women) elected into leadership positions
- More than 16,000 advocacy campaigns promoted gender equality, governance, and health
Key Projects

**Delta Regional Market (DRM)**
Cooperative sponsored community economic empowerment, promoting locally grown/made products.

- Nearly **35% of current population** at or below poverty level
- Directly targets **poverty alleviation** through job creation, business development, and tourism
- DRM will be **formed as a cooperative**
- Will boost economy, nutrition, health
- Combatting **“food desert”** syndrome
- Model for Public/Private partnerships
- Focused on investing in local community

Poverty Alleviation

Marks, Mississippi
Co-op Question?

What are the global **CHALLENGES & SOLUTIONS** Faced by Co-ops
Questions?
Thank You!

Michael Beall
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