

CIBP SPRINT

CO-CREATING VALUABLE
CONTENT AND INSIGHTS
FOR OUR MEMBERS

**Effective and Impactful International
Cooperation between Cooperative
Banks**



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SPRINT: Providing meaningful and collaborative food for thought on innovation within the CIBP community

Taking on this challenge, the CIBP team designed a solution: SPRINT

The CIBP SPRINT is an opportunity to connect and engage specialists and seniors in an international approach to innovation and technology. This is a collaboration of CIBP members to generate knowledge, tools, and experiences to be used by all members. Based on a methodology of innovation sprints, our focus is to produce relevant

material from within the community to serve real challenges.

How does SPRINT work?

After selecting a theme of innovation and technology that has multiple implications in banking and financial services, in coop models or product trends, the SPRINT team will deep dive into the matter conducting studies, interviews with representatives from

select cooperative bank members, analyzing data and cases, and sharing draft reports to encourage CIBP members to share their own experience. Finally, the goal is to produce an insightful and practical report.

The success of a SPRINT lies in the engagement of our community. Reach out to the CIBP team to co-create the next one.

Executive Summary

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Cooperative banks have a unique opportunity to serve as catalysts of the multifaceted nature of human cooperation, which serves as a foundation for understanding and enhancing international cooperation among cooperative banks, giving them the opportunity to contribute not only to theoretical knowledge, but also to the development of effective global cooperative banking cultures, leveraging their values of mutual benefit and shared prosperity, and mission to drive a positive change in the world.

As Ênio Meinen, Systemic Coordination and Institutional Relations Director at Sicoob in Brazil reinforced, *“We have great examples within the internal scope of member countries, but we have not yet found the formula to implement impactful international cooperation. How to build it, is the answer we seek. In any case, I believe the first step is to identify points of convergence and common challenges in the strategic, regulatory, and business fields.”*

This report provides a comprehensive overview of the evolution of international cooperation between these banks, as well as practical guidance for improving and cultivating cooperation between cooperative cultures in diverse societal settings.



Executive Summary

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Some key takeaways from the report include:

- The consciousness that cooperative banks operate within a framework that involves direct and indirect reciprocity and institutional structures, vital mechanisms for shaping its behavior over the long term.
- The importance of strategies derived from understanding third-party norm enforcement and incentive applications, which not only enhance theoretical knowledge but also foster the development of effective global cooperative banking cultures.
- The potential for cooperative expansion and influence through an effective international collaboration, business connections, information sharing, and new technology platforms.
- The warning of the emerging of an existential crisis if cooperatives fail to adopt and promote their identity, potentially leading to perceived irrelevance when compared to alternative business models and approaches, and the importance of emphasizing the necessity of reinforcing awareness, gaining institutional support, enhancing education, implementing strategic initiatives and stress the collective responsibility.





Introduction

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As part of the recognition of the transformative impact of international cooperation, especially in community building, and the ongoing commitment to advance this cooperation within the cooperative banking sector worldwide, International Confederation of Popular Banks (CIBP) conducted a comprehensive study to explore various aspects of cooperative banks' engagement on a global scale, involved insightful and meaningful interviews with representatives from cooperative banks in Argentina, Austria, Brazil, Belgium, Chile, Colombia, France and Germany. Through these interviews, we have delved into key topics crucial to understanding and enhancing international cooperation among cooperative banks.

Firstly, we examine the Cooperative Bank's main perception of international cooperation, exploring how cooperative banks perceive their role in the global landscape and the significance they attribute to collaborative endeavors.

Subsequently, we explore the landscape of international cooperation, providing an overview of the drivers and factors conditioning cooperative banks' engagement in collaborative efforts on a global scale. By understanding the underlying



Introduction

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motivations and challenges, we aim to uncover opportunities for strengthening cooperation among cooperative banks.

Furthermore, we identify core challenges faced by cooperative banks in their pursuit of international cooperation, offering a comprehensive look at the obstacles hindering collaborative efforts and exploring potential solutions and opportunities for overcoming these challenges.

Additionally, we showcase exemplary initiatives and programs in cooperative banking on an international level, highlighting successful collaborative endeavors that serve as benchmarks for cooperative banks seeking to enhance their global impact.

Finally, we present a guidebook for unlocking collaborative opportunities, offering practical insights and recommendations for cooperative banks looking to foster collaborative growth and make a meaningful global impact through strategic cooperation.





Exploring Coop Bank's Perspective on International Collaboration

In the ever-evolving landscape of global finance, the cooperative banking ecosystem stands as a testimony to the power of collaboration and shared objectives.

Cooperative banks, rooted in principles of shared interests and productivity, recognize the pivotal role of international cooperation in stimulating peer learning, fostering innovation, and creating avenues for strategic new opportunities business partnerships. Carolina Sorensen, Executive Director of Coopeuch Foundation, Chile, emphasizes the opportunity provided by international cooperation *“generating networks, exchanging experiences and information that allows us to learn about the best practices of financial cooperatives worldwide, which allows us to connect, learn and also share what we are doing.”*

The cooperative banking community understands that effective collaboration transcends the boundaries of traditional finance and that it is vital to address global challenges, such as climate change, poverty, armed conflict, communicable diseases, migration, leveraging technological advances, and aligning efforts with shared goals, especially the Sustainable Development Goals, recognizing the importance of diverse perspectives and active participation from various stakeholders.





Analyzing the International Landscape and its Challenges:

A Strategic Framework for Enhanced International Cooperation

In an era characterized by globalization, technological innovation, and shifting societal paradigms, cooperative banks find themselves at the nexus of a dynamic international landscape. This chapter explores the intricacies of international cooperation, focusing on the main drivers, influential factors, and core challenges that shape the cooperative banking sector. By dissecting key elements, we provide you with a comprehensive understanding of the forces propelling cooperative banks towards collaborative global endeavors.

Main Drivers influencing International Cooperation

a) Globalization Dynamics, Technological Advances, and Global Communication:

Globalization acts as a potent catalyst for international cooperation among cooperative banks, necessitating adaptation to a seamlessly connected world. Understanding the changes in products, cybersecurity, and data management is crucial. Challenges include addressing security, functionality, regulatory compliance, and scalability changes, especially for international operations.





Acknowledging this imperative, cooperative banks strategically leverage technological advances to foster cross-border collaboration. Digital platforms, online collaboration tools and the influence of social media serve as instruments that erase traditional borders, fostering a collaborative mindset, inspiring members to explore new possibilities, enabling seamless exchange of best practices and fostering mutual learning among banks worldwide. The symbiosis between globalization and technological innovation positions cooperative banks to uphold core principles while enhancing services globally.

b) Regional Economies and Proximity:

Navigating regional economies and maintaining proximity emerges as a strategic imperative for cooperative banks while balancing global aspirations to thrive in an interconnected world. The cooperative model, distinct in its commitment to community-centric operations, prioritizes the humanization of the organization.

Hyungsik Eum, Director of Research at ICA, highlighted, as a driving force, the proximity of taking care of people, of taking care of the community. For Hyungsik, *“the advantage of the cooperative model is that they also look for the community. People consider cooperative banks differently because they don’t leave. Even though they use technology, they understand the importance of humanizing the organization. Many of the private banks just closed their branches because they think more and*





more people use the internet, so they wanted to reduce their branches.” While traditional banks are closing their branches, cooperative banks are expanding by opening new ones.

c) Democratization of Transportation:

A transformative shift in transportation dynamics, marked by sustainable and widespread mobility, reduces geographical barriers. Cooperative banks recognize this democratization as a catalyst for international cooperation, enabling members to seek experiences abroad. As Pierre-Laurent Berne, Director of Development at Groupe BPCE France mentions, *“this democratization of transportation reflects a shift towards making transportation more accessible to a broader population.”*

This shift aligns with societal trends, climate consciousness, new generation’s different behaviors and international education experiences, breaking down obstacles associated with international mobility.

Pierre-Laurent Berne, mentioned that *“in our youth today, we can see that we have young people who are increasingly going abroad for an experience during their studies. Here, a young person who goes abroad, goes as a member. Don’t we have something to offer to this young person in the region where he is going, with the local cooperative bank?”*

Cooperative banks recognize this as a catalyst for their members to seek experiences abroad, drawing inspiration and insights from diverse cultures and practices, where, as Pierre-Laurent says, *“the cooperative banks have a role to play, as cooperation can facilitate it. Everything that is inspiring can allow us to go faster.”*





d) Youthful Perspectives and Aspirations:

Societal trends driven by the younger generation amplify the importance of addressing global challenges, such as, but not limited to, climate crises, environmental transitions, employment, economic changes and global disparities. Ana Aguirre, ICA Youth Network President highlighted that *“the synergy between business and human development plays a pivotal role in this cooperative environment and that business, seen as a facilitator of personal transformation and human development, becomes a reinforcing factor.”* Ana emphasized the challenges of global disparities felt in the cooperative sector, with certain geographical locations exhibiting more robust cooperative movements. *“In the cooperative sector, there are naturally geographical locations that have stronger cooperative movements. And I think that people feel that there is that need, under Principle Six- cooperation among cooperatives - to actually support those who don't have necessarily a super strong environment for flourishing and implementing cooperative models.”*

It becomes a collective effort to assist those facing challenges in adopting cooperative practices. Harnessing the energy and perspective of the younger generation ensures a dynamic and resilient cooperative movement.

e) International Regulation and Advocacy:

International financial regulations and advocacy emerge as central drivers for cooperative banks to collaborate.

The collaborative approach involves joining forces to influence international financial terms, regulations within regions like the



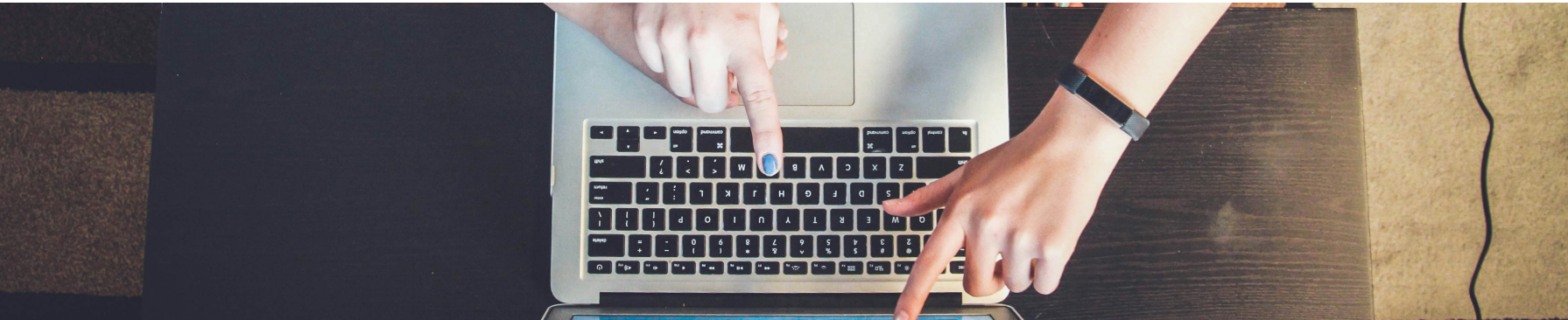
European Union, and international accounting standards. The overarching goal is to drive positive changes in national and international regulatory frameworks.

Gretchen Hacquard, Director of Membership at ICA, emphasizes the importance of this collaborative advocacy efforts in shaping regulations at both regional and global levels. The focus extends beyond compliance to actively contributing to the creation of new regulations that better suit the unique needs of cooperative banks. She highlights the specific example of remittances, as a compelling case for cooperative banks to strategize on how to effectively address the financial needs of their members on an international scale. *“Remittances, especially in America or Africa, and the diaspora that live in developed countries, who send remittances back home”, questioning “how can different credit unions or cooperative banks work on it or its members, who might be international, or whose family members are international”, illustrating how cooperative banks can work together to address challenges faced by members, especially those with international connections.*



f) Strategic Alliances and Business Partnerships:

One pivotal driver propelling international cooperation among cooperative banks is the establishment of strategic alliances. As articulated by Markus Stachel, Head Investor Relations at DZ BANK, Germany, some banks in certain countries are



heavily concentrated on their local markets, creating challenges for cross-border collaboration. There exists a desire to work together, but the potential for business partnerships is often overlooked. *“We are missing the opportunities to really do it”*, highlights Markus.

As Ronny Ramirez, Technology & Digital Banking Vice President at Banco Cooperativo Coopcentral, Colombia, reinforced, *“In an increasingly interconnected world, International Cooperation is driven by economic interdependence among countries. Cooperation in areas such as trade, investment, technology transfer and financial cooperation promotes economic growth and globally sustainable development. By joining forces, we can establish stronger, more strategic business partnerships. This will allow us to access new markets, expand our business lines and offer joint services that generate value for our customers and partners.”*

Bilateral and multilateral agreements, trade pacts, and global coalitions become avenues to promote cooperation in specific financial and developmental domains. *“By pooling our voices and resources, we can strengthen our international representation in international forums and bodies. This will allow us to influence relevant decisions, promote the interests of our cooperative banks and advocate for inclusive and sustainable financial policies.”* says Ronny Ramirez.

This collaborative approach enables access to new markets, expands business lines, and facilitates the joint provision of services that generate value for both customers and partners.





Focusing on international risk management and adapting to the needs of international partners ensures a smoother and more resilient foray into global markets.

One exemplary illustration of the power of strategic collaboration is the CIBP working group focused on business partnerships. In a concerted effort, cooperative banks within this group strategically assist each other in navigating international markets. This collaborative initiative not only facilitates business transactions but also serves as a model for effective international cooperation within the cooperative banking sector, exemplifying the potential for cooperative banks to collectively drive success and mutual growth in the global landscape.

g) Synergizing Shared Responsibility, Common Priorities, and Global Impact:

The cooperative banking ecosystem operates on the principle of shared responsibility. Acknowledging that global challenges demand collective action, cooperative banks actively collaborate, understanding that no single entity can address complex issues in isolation. Placing a significant emphasis on international development as a major driver, cooperative banks, united by their commitment to cooperative ethos, actively collaborate to contribute to a more cohesive global society.

Remittances, particularly from diaspora communities, emerge as a pivotal element in fostering international cooperation. Cooperative banks, attuned to the opportunities presented by these financial flows, explore and implement collaborative strategies to enhance services for members with international connections. This underscores the sector's adaptability and commitment to meeting the diverse needs of its members on a global scale.





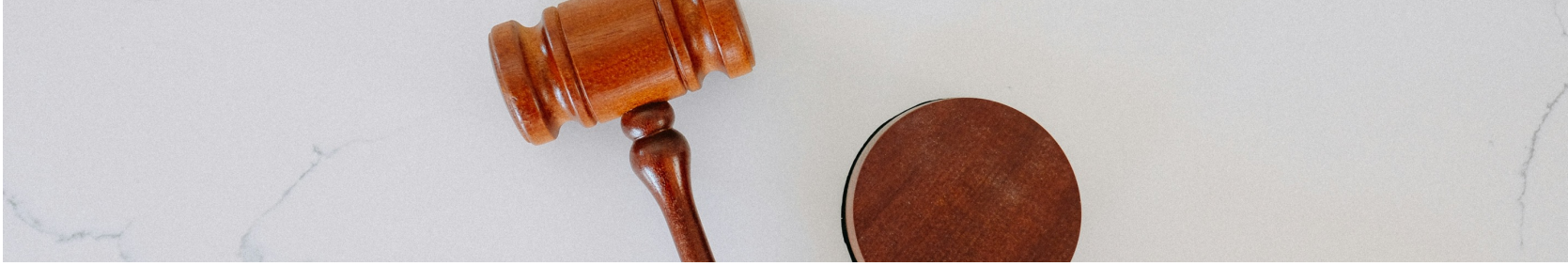
Sergio Clur, Deputy General Manager at Banco Credicoop, Argentina, reinforces the cooperative banking sector's dedication to developing, maintaining, and sustaining cooperative character: *“One thing that we work hard on and care a lot about, is the development, maintenance, and sustenance of the form and management of cooperative character, extending beyond the legal form to encompass the practical application of cooperative principles, positioning the sector as a service provider to the community and small and medium-sized enterprises. A service to the people that distinguishes itself through its commitment to differentiation based on proximity, cost-effectiveness, efficiency, and competitiveness in service provision.”*

This underscores their dedication to serving their members and the broader community while remaining true to their cooperative values.

Carolina Sorensen, Executive Director of Coopeuch Foundation, from Chile highlights *“the importance for the cooperative movement, of generating greater impact, scope and continuing to work for the development of its members and society, which implies that there is a greater connection, work networks and exchange of good practices between the cooperatives and the importance of the existence of organizations that help to generate these links.”*

In conclusion, the sector remains steadfast in aligning its actions with the broader goals of the international community while actively navigating challenges and seizing opportunities in our interconnected world, recognizing the importance of joint efforts and a shared responsibility.





Main Factors Conditioning International Cooperation

i. Adaptive Regulatory Approach:

Cooperative banks recognize the necessity for a gradual and effective adaptation to the highly regulated nature of the industry. Staying abreast of regulatory changes, particularly in areas like mobility and renovation financing, is paramount to navigating the dynamic regulatory landscape.

Karl Kinsky, Head of Institutional Investor Relations in Volksbank, Austria, emphasizes the impact of regulatory constraints and the overwhelming challenges posed by regulatory constraints, particularly in the realms of data, privacy, and ESG (Environmental, Social, and Governance) regulations: *“together with regulations in terms of how the financial market should operate itself, there is also a lot of pressure when it comes to the necessary adjustments regarding new data and privacy regulation, and ESG regulation. The sheer amount that is coming along is overwhelming with these three regulations, and since we are in a regulated business environment, we either have the choice to comply or stop playing in that field.”*

In addition to regulatory pressures, cooperative banks grapple with the ongoing wave of digital disruption. The necessity to transition business operations and financial products onto digital platforms adds another layer of complexity. The adaptive



regulatory approach encompasses not only compliance with existing regulations but also strategic positioning to thrive in the digital era.

ii. Navigating Digitalization Challenges:

One pivotal factor conditioning international cooperation is the intricate task of harmonizing digital convenience with core cooperative values. Straying too far into the realm of technological progress without reinforcing the cooperative differentiators risks dilution, potential confusion and becoming indistinguishable from conventional banks. Integrating technology into cooperative education can ensure that the cooperative essence is maintained in the face of technological advancements.

Cooperative banks, driven by the imperative to modernize, find themselves grappling with the delicate balance between adopting cutting-edge digital tools and preserving their essence of member ownership and democracy. This challenge is vividly exemplified by Karl Kinsky from Volksbank, Austria, who shares the obstacles faced in the pursuit of digitalization. Attempting to integrate a portfolio management software from another bank revealed inherent hurdles—divergent core banking systems. The inability to seamlessly incorporate digital platforms across different institutions and regions, hinders cooperative banks' cooperative goals, resulting in both financial and temporal costs: *“we are trying to move a lot of business and a lot of*





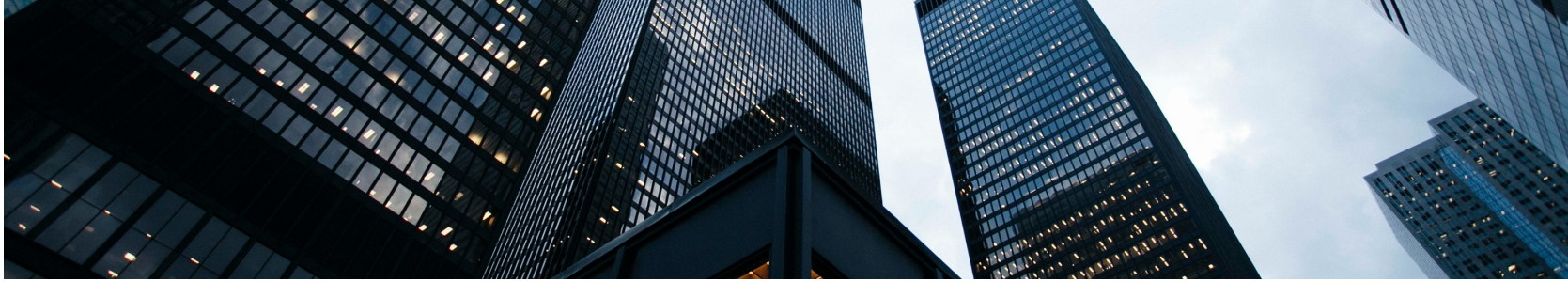
product offerings and products itself into a digital platform, and most of the time, it is not possible to acquire digital platforms or products from other banks and incorporate those into your own systems because the core banking systems are different. So there is a natural hurdle built in for a lot of corporation goals that are hindered by these things. We tried to acquire a portfolio management software from another bank and we quickly found out that we just could not plug that platform into our systems, which would be too complicated, very costly to adapt it, and doubtful whether we would bring it to work properly, in a reasonable timeframe”.

Overcoming these obstacles is imperative for effective international cooperation. As cooperative banks seek to navigate the digital terrain collectively, the shared challenges and solutions become integral. The global cooperative banking community must collaborate to address technological disparities, fostering an environment where digital platforms are not only cutting-edge but also seamlessly interoperable.

iii. Understanding Foreign Markets:

The complexity escalate when considering foreign markets. Navigating them effectively poses a strategic challenge for cooperative banks engaged in international cooperation where, for the sake of convenience, cooperative banks often find themselves entering agreements with commercial banks. This lack of cooperation extends not only across various sectors of cooperativism but also in a multisectoral context, encompassing electric, food, transportation cooperatives, among others. The absence of sectoral collaboration is keenly felt. The intricacies of cultural nuances, diverse regulatory frameworks, and unique market dynamics demand precise adaptation.





iv. Global Economic Dynamics and a Responsive Collaboration:

Cooperative banks respond to global economic and societal shifts with adaptive cooperation strategies. Economic inclusion and addressing labor shortages through international collaboration become key focus areas. Involving civil and civic movements, as well as clients changing behaviors in decision-making processes recognizes their impact on international cooperation.

The cooperative sector must remain attuned to clients' evolving behaviors and address broader societal shifts while providing personalized services and aligning with sustainability concerns. Clients' expectations are increasingly shaped by digital, ecological, educational, and professional transitions, making it imperative for cooperative banks to adapt to these changes to stay relevant and responsive to evolving needs. Moreover, there is a growing emphasis on sustainability and social responsibility in financial services, prompting cooperative banks to align their offerings with these concerns by providing socially responsible and environmentally friendly investment and financing options. As the cooperative sector focuses on meeting these shifting demands, it is crucial to prioritize positive customer experiences through swift responses, efficient processes, and outstanding service. Active customer involvement in decision-making processes and activities is not only encouraged but expected from cooperatives. To accommodate diverse customer preferences, it becomes imperative to enhance both physical and digital channels.

Furthermore, acknowledging clients' apprehensions about the security of financial transactions and personal data, cooperative banks must prioritize the implementation of robust security and privacy measures. This proactive approach not only reassures customers but also safeguards their sensitive information, fostering trust and confidence in the cooperative banking sector.

In terms of Internal alignment and recognition, there is a need for better awareness among employees, clients, and the general public





about the cooperative dimension. Improved communication, especially through digital channels, and highlighting regional initiatives becomes pivotal in conveying the distinctive elements of the cooperative model, essential to enhance member status and encourage them to become ambassadors.

Pierre-Laurent Berne, Director of Development at Groupe BPCE emphasizes the *“the challenge itself of being a cooperative bank in this world that is changing a lot, a challenge which needs to be widely shared among employees and clients, engaging both of them. It is crucial to make them genuine ambassadors, who will serve the causes of the cooperative values, and make it a distinctive element. We can feel that the cooperative world resonates with them, but we also need to be able to convey this, especially with the young people, to convey these messages, so that they can recognize themselves. We struggle to emerge and reaffirm our cooperative bank status, that additional soul that makes us different from others. We must regain that competitive edge and further affirm our actions. Looking at this society, we have fully adapted our cooperative world, but perhaps we need to make all of this known. We have a beautiful model, and we can adapt and evolve, but we need to assert everything we do, especially in the digital age.”*

It is crucial to leverage social media and other communication channels to tell our story and showcase the positive impact we are making in the communities. Cooperatives need to be proactive and swift in their communication strategies in order to stay ahead of the curve and maintain a competitive edge.

An additional challenge is the limited financial resources, impacting the sector's recognition by hindering cooperatives' ability to invest in marketing. Despite being rooted in social and cooperative values, the market may not recognize these attributes and social orientation due to marketing limitations. Leveraging social media and proactive communication strategies are crucial to overcome resource limitations and enhance the sector's recognition.



Unlocking Collaborative Opportunities: A Guidebook for Collaborative Growth and Global Impact

The continuous exchange of ideas, knowledge, and best practices contributes to the resilience and adaptability of cooperative banks in the dynamic global financial landscape. Foster collaborative initiatives among CIBP members to capitalize on shared strengths, overcome challenges, and drive sustainable growth in the global cooperative banking landscape, harnessing the collective power of international cooperation.

As Ronny Ramirez, Technology & Digital Banking Vice President at Banco Cooperativo Coopcentral, Colombia, mentioned *“By sharing experiences and knowledge about effective leadership styles, we can improve the quality of leadership within each of our cooperative banks. Through collaboration, we can identify best practices and develop leadership skills that drive growth and innovation in our organizations.”*





Proposed Initiatives

Develop a timeline for execution, assign responsibilities, and establish key performance indicators (KPIs) to measure the success of each initiative:

1. **International Cooperative Banking Forum:** Facilitate an annual forum where CIBP members convene to discuss key industry trends, share insights, and strategize on collaborative initiatives.

Implementation: Rotate the hosting responsibility among CIBP members each year. Leverage virtual platforms for global participation, ensuring a diverse and inclusive discussion. Just as Gretchen Hacquard, Director of Membership at ICA mentions, collective sharing enhances access to information and resources, promoting a collaborative learning environment: "it's an opportunity to bring people together to learn from each other, to celebrate their differences, to provide connections and to try to find global solutions for the cooperative movement".

2. **Cross-Border Learning Exchanges:** Promote knowledge exchange among CIBP members through cross-border learning programs, enhancing expertise in areas such as technology, sustainable banking, and regulatory compliance.

Implementation: Establish a structured exchange program where professionals from one cooperative bank spend a set duration at another member bank. Focus on key areas identified as challenges.





3. **Global Technology Taskforce**: Address the challenges of digitalization faced by cooperative banks by forming a taskforce that collaboratively explores, develops, and implements technology solutions aligned with cooperative values.

Implementation: Recruit technology experts from member banks to form a taskforce. Regular virtual meetings and shared resources can expedite the development and deployment of technology solutions.

4. **Sustainable Banking Collaborative**: Enhance commitment to environmental and societal responsibility by forming a collaborative dedicated to sharing best practices, developing joint initiatives, and setting industry benchmarks.

Implementation: Establish a Sustainable Banking Collaborative within CIBP, with regular meetings, joint projects, and a shared commitment to transparent reporting on environmental and societal impact.

5. **Youth Financial Literacy Initiative**: Integrating the youth into leadership roles through mentorship programs and decision-making processes injects fresh perspectives into the cooperative banking sector. Address the challenge of changing client behaviors by jointly developing and implementing a global youth-focused financial literacy program. Establish mentorship programs connecting experienced professionals from member banks with young leaders. Leverage digital platforms to make educational materials widely accessible.

Implementation: Pool resources to create engaging educational materials, leveraging digital platforms for wider reach. Collaborate with educational institutions globally for program integration.





6. **Global Cooperative Banking Business Club:** Cooperation provides easy access to key people, resources, tools, and frameworks. Create a platform for cooperative banks to connect, share client referrals, share advice, welcoming clients in different countries, and explore joint business opportunities, thereby expanding international market access.

Implementation: Establish a dedicated online platform for member banks to share business needs, seek collaborations, offer cross-border services and support for clients internationally. Organize annual networking events for in-person interactions. Generating networks for exchanging experiences and information allows cooperative banks to learn about the best practices of financial cooperatives worldwide.

7. **Regulatory Compliance Knowledge Pool:** Navigate regulatory challenges collectively by creating a shared knowledge pool that helps members stay updated on global regulatory changes.

Implementation: Establish a central repository accessible to all members, regularly updated with insights, summaries, and potential impacts of regulatory changes. Conduct periodic virtual sessions for detailed discussions.

8. **International Cooperative Banking Awards:** Recognize and celebrate outstanding contributions and innovations within the cooperative banking sector, fostering healthy competition and inspiring best practices and successful strategies.

Implementation: Institute an annual awards ceremony with categories covering innovation, sustainable banking, community impact, and more. Encourage members to submit nominations and participate in the selection process. Launch a robust campaign to promote this initiative globally. Encourage widespread participation, and involve external experts in the selection process. Use this platform to showcase the collective impact of cooperative banks on a global stage.





Expected Outcomes

- **Enhanced Collaboration**: Strengthened ties among CIBP members, fostering a spirit of collaboration, shared learning, and mutual support.
- **Innovative Solutions**: Collective efforts to address technological challenges, drive sustainable practices, and adapt to changing client behaviors.
- **Global Impact**: Establish CIBP as a driving force for positive change in the international cooperative banking sector, showcasing the impact of collaborative initiatives.
- **Increased Resilience**: Develop a resilient cooperative banking community that thrives on adaptability, innovation, and a shared commitment to cooperative values.

By implementing these proposed initiatives, CIBP members can harness the collective power of international cooperation, navigate challenges effectively, and capitalize on shared opportunities for growth and global impact.





Likely Scenarios for the Evolution of International Cooperation between Cooperative Banks

Looking ahead, the landscape of international cooperation among cooperative banks is poised for a transformative shift, driven by a set of interconnected visions that place people at the forefront, with the necessary need of the conscience and recognition from the international cooperative movement to its fundamental responsibility and role in ensuring the cooperative model contributes to the economic, social, and environmental sustainability of humanity and the planet.

As Sergio Clur, Deputy General Manager at Banco Credicoop in Argentina mentions *“The evolution of international cooperation will depend a lot on us, on the will of each of us, as those responsible for it, on the leadership of each of us in our own organizations, pushing in some way and sharing this knowledge for the sustainability and development of the cooperative sector. This evolution in the next 10 years will not happen on its own, it will not happen by the passage of time and the forces of gravity or the wind, but by the will of each of us, as those responsible for it.”*

This envisions a future where cooperative banks become not just financial entities but the primary drivers of positive change, offering solutions to global challenges. As Sergio Clur mentioned *“Solidarity and cooperation are taken from the hand. So, if we want a better world, it depends on what we do for the world. That's where sustainability comes in, climate change, and among the socio-economic differences and wealth with the world and the distributed poverty, but it's those of us who have to achieve those changes. A world can be different if we do things to make the world different”.*





A. Shift Towards National Networks and Youth Involvement

Anticipating potential reductions in international exchanges, cooperative banks are expected to pivot towards fostering domestic production independence. This strategic move aims to create robust national networks, coupled with a deliberate emphasis on actively involving the youth in leadership roles. Collaboration is envisioned to extend into critical sectors like infrastructure, energy, health, and education projects, fostering unity and shared development goals.

When asked for the scenario of the international cooperation between cooperative banks of the next 10 years, Ana Aguirre, ICA Youth Network President reveals us her opinion: *“it's going to be a mirror of what happens in the social society and I think that society right now is well polarized, and so are cooperatives”*. Regarding youth, Ana added *“I would like to see that there's a switch on mentality to a more unified movement, that can grow over the tensions that people bring from past experiences and generational change, with strong national networks in every region, and youth involved in every board, and youth that represents more than youth itself.”* The aspiration is to have representatives below 35 contributing significantly, steering the cooperative movement through generational shifts. As an urgent impact change, she manifested a scenario that would improve the youth Agenda and the positive impact it could bring: *“I would really hope we find a solution for cooperative investment.”*



B. Unified Vision for Global Transformation

The future of international cooperation among cooperative banks is characterized by a collective vision for global transformation. While geopolitical tensions may shape the landscape, the aspiration is to transcend historical divides and nurture a unified movement. The cooperative sector, echoing societal polarization, envisions itself as a unifying force that addresses global challenges collectively. Hyungsik Eum, Director of Research at ICA, brings forth the challenge of the political situation as one of the likely scenarios: *“After 10 years, we might see the new Cold War, and cooperatives in China, Russia and India might be in a different sector, and other cooperatives in European or Western countries could have another sector. (...) During the Cold War, the cooperative movement was divided. It's possible to see a similar situation and competition in Africa or Asia, having more power over their own models. That might be another scenario we might see, and we need to probably answer: Whether corporate movement should keep their neutrality in this context to have one voice of corporate movement, or just follow this change and then divide it into two different worlds. That's something probably cooperative leaders will need to answer in the upcoming years.”*

C. Cooperative Investment Solutions, Sustainable Finance and Inclusive Cooperation

A central theme revolves around positioning cooperatives as pivotal players in addressing global challenges. The collective



aspiration is to envision cooperatives not merely as financial entities but as drivers of positive change. Karl Kinsky, Head of Institutional Investor Relations in Austria, asked about the evolution of international cooperation in 10 years, mentions *“a natural playground for cooperatives using the ESG area, sustainability, because cooperatives by nature should be more sustainable than anything else.”*

Recognizing the growing importance of sustainability and social responsibility, cooperative banks are poised to integrate Environmental, Social, and Governance (ESG) criteria into their financial practices. This move is part of a broader global trend, with cooperative banks collaborating to share best practices, develop common standards, and collectively finance sustainable projects. The focus will be on aligning closely with the Sustainable Development Goals (SDGs) set by the United Nations, fostering a shared commitment to poverty eradication, inclusive financial services, gender equality, and climate action.

There is a strong commitment to finding cooperative-driven solutions to societal problems, with an overarching goal of making cooperatives the primary solution for global issues. This includes exploring cooperative business models and strategic investments, particularly in sectors like energy. Larger entities actively support energy cooperatives to gain new customers and expand their influence, initiating a positive cycle of growth.

The future landscape of international cooperation involves a commitment to inclusivity. Training programs are envisioned to reinforce cooperative identity and principles, ensuring a consistent understanding and commitment to cooperative values. Larger cooperatives are expected to play a supportive role, assisting smaller entities in their digitization efforts and offering guidance on the development of



new products and services. In this context, associations and confederations, particularly CIBP, emerge as key players facilitating effective collaboration and offering substantial returns to their members. Just as Gabriel Lombet, member of the executive committee of Banque CPH, in charge of Retail and Marketing mentioned, *“CPH is a small bank, but through CIBP, can gain access to an international network to learn from and to have local contacts that can help support its clients.”*

In response to potential reductions in international exchanges, cooperative banks are anticipated to focus more on fostering domestic production independence. This shift aims to create stronger national networks in various regions, coupled with a deliberate emphasis on involving the youth in leadership roles. The collaborative efforts are envisioned to extend into critical sectors such as infrastructure, energy, health, and education projects, fostering unity and shared development goals. Markus Stachel, Head Investor Relations at DZ BANK in Germany, brings up the example of the consequent trend to *“reduce countries' dependence on other international markets, working towards increasing domestic production and decreasing international exchanges of products and goods.”*

In summary, the likely scenarios for the evolution of international cooperation between cooperative banks envision a future where cooperatives play a central role in driving positive change, fostering national networks, and embracing sustainable practices. This transformation underscores a collective commitment to addressing global challenges and building a more inclusive and equitable world.





Conclusion and outlook

Conclusion and outlook

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In traversing the intricate landscape of international cooperation among cooperative banks, it becomes evident that our journey is not just a reflection of the present but a blueprint for an impactful future. As we conclude this report, a strategic roadmap emerges, aimed at not only fortifying collaboration but also propelling CIBP towards a future defined by resilience, innovation, and global influence. It is imperative to distill our insights into actionable strategies, offering a clear path forward.

Our collective exploration has unearthed a treasure trove of wisdom, shared by representatives from diverse cooperative banks across the globe. This wealth of knowledge serves as the cornerstone for strategic implementation. The proposed initiatives, ranging from cross-border learning exchanges to the establishment of a Sustainable Banking Collaborative, are not mere aspirations but actionable steps toward tangible results.

The cooperative banking sector's journey into the future is inseparable from the digital realm. Our understanding of the challenges posed by digitalization underscores the need for seamless integration without compromising core cooperative values.



Conclusion and outlook

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Our exploration underscores the undeniable reality of an interconnected global landscape. Embracing this interconnectedness, we envision cooperative banks harnessing technological advancements and increased mobility to foster cross-border collaboration. Technological advancements, especially through the Global Technology Taskforce, are potent tools for fortifying international cooperation.

It urges to leverage agile methodologies for rapid development and deployment, fostering an ecosystem of innovation within CIBP, encouraging member banks to share and implement tech-driven solutions.

A cornerstone of our strategic outlook involves the adaptive navigation of global regulatory changes. By instilling a proactive regulatory approach and establishing a centralized knowledge pool, cooperative banks can stay ahead of compliance challenges. This not only ensures swift adaptation but also cultivates an environment where members collectively contribute to regulatory intelligence.

The power of collaboration is magnified when member banks actively share client referrals, advice, and explore joint ventures.



Conclusion and outlook

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This interconnected approach expands international market access and enhances the ecosystem's vibrancy. It is vital to establish a comprehensive online platform that goes beyond conventional networking and integrate features for collaborative project development, joint service offerings, and a mechanism for sharing successful business strategies.

Strategic expansion into foreign markets demands a nuanced understanding of diverse cultures. Cultural intelligence becomes a linchpin for success, guiding cooperative banks to navigate challenges unique to each market. The establishment of a collaborative learning environment further facilitates the exchange of experiences and insights, fostering a comprehensive approach to global market dynamics.

The likely scenarios presented offer a glimpse into the evolving landscape of international cooperation. Recognizing the potential shift towards national networks, the cooperative banking sector must proactively adapt to remain relevant and influential.

It is fundamental to establish a foresight and adaptability taskforce within CIBP, regularly reassessing and updating strategies based on emerging trends and geopolitical developments.





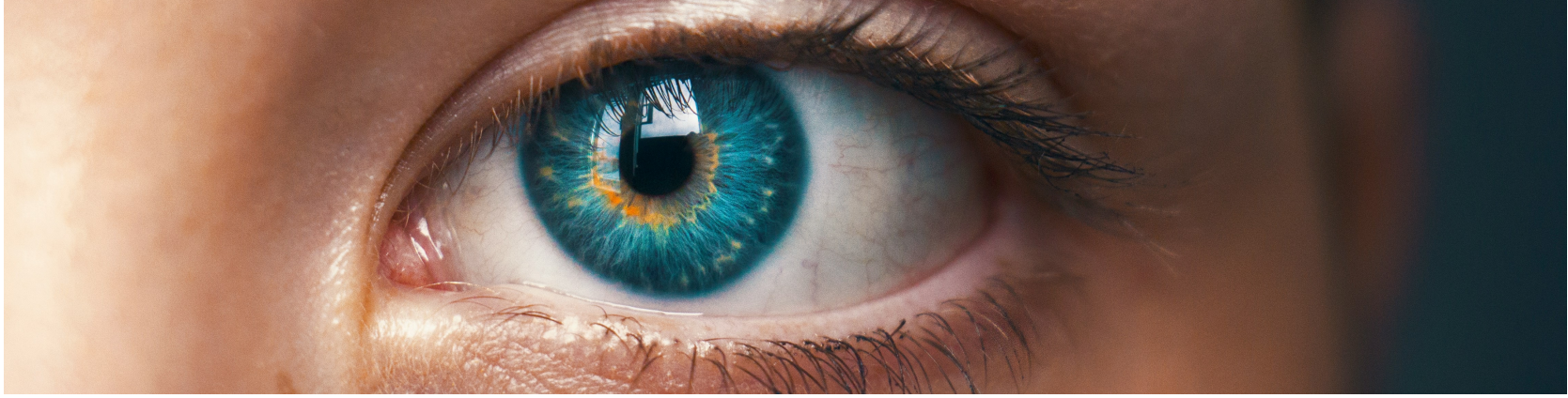
Conclusion and outlook

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In summary, we extend a resounding invitation to cooperative banks worldwide. Let us seize the opportunity to transcend individual interests and forge a united front in the spirit of true cooperation. By collaborating not only within the banking sector but also across diverse cooperative domains, we have the power to foster community development, create positive societal impacts, and lay the groundwork for a more equitable world. This call to action is not merely for the benefit of the cooperative banking ecosystem but for the entire cooperative movement.

As we embark on this transformative journey, the key lies in translating insights into impactful actions. The roadmap outlined in this report is a guide, and its success hinges on the commitment, collaboration, and proactive engagement of every member.

The cooperative identity, rooted in solidarity and inclusivity, is not just a guiding beacon; it is the compass that directs us toward a future where cooperative banks are not only financial entities but architects of sustainable, equitable, and resilient global communities. As we look ahead, let us do so with unwavering resolve, knowing that our actions today will shape the cooperative banking landscape and the global cooperative movement for generations to come. Together, we can forge a path to sustainable impact and a future where the cooperative movement stands tall as a catalyst for positive change and a better world.



Annex I – A Benchmark Approach

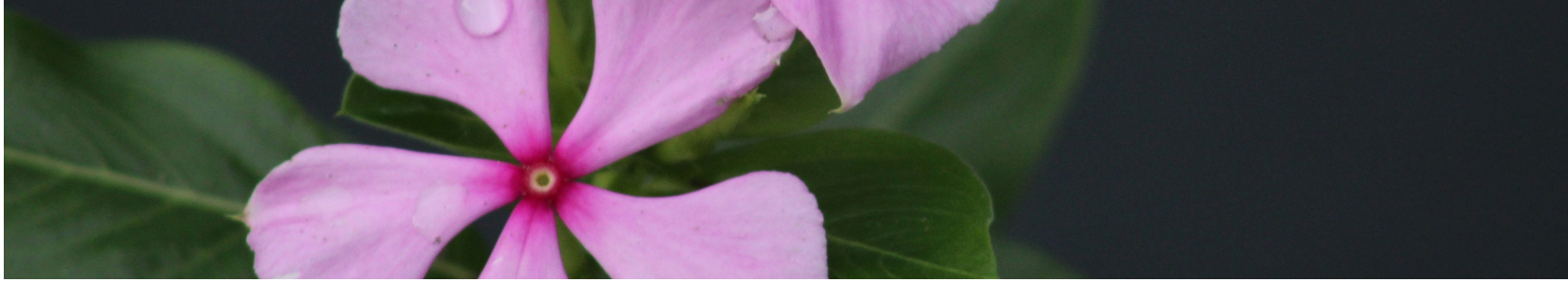
International Initiatives and Programs in Cooperative Banking

Concrete examples shared by cooperative bank members shed light on international cooperative programs and organizations, best practices and benchmark initiatives, offering insights into addressing contemporary challenges.

Benchmark Initiatives

- ❖ **Coopeuch's Payment Methods Projects (2016):** Coopeuch's initiative with COOPENAE in developing payment methods projects serves as a benchmark, reinforcing the importance of establishing and revitalizing alliances to address mutual challenges.
- ❖ **Banco Credicoop and Coomeva Group Link:** The long-standing link between Banco Credicoop and Coomeva Group is a testimony to successful international collaboration, showcasing effective strategic partnerships.





- ❖ **Sicoob and Credicoop Knowledge Exchange:** Sicoob and Credicoop actively exchange experiences and knowledge, demonstrating how cooperative banks can learn from each other to enhance their operations.
- ❖ **Cabals Card Internationalization:** The internationalization of the Cabal Card exemplifies how cooperative banks expand their services globally, adapting to diverse markets.
- ❖ **Youth-Led Cooperative Research and Toolkit:** Initiatives like the youth-led cooperative research and toolkit developed by cooperative banks demonstrate a commitment to education and support for young people, particularly in a digital world.
- ❖ **CIBP LINq international training programme:** An international training programme focused on training for cooperative and popular bank's executive managers, contributing to talent retention and skill development, by enhancing future leaders' management skills and leadership abilities in a diversified and complex environment guided by our cooperative values, exchanging best practices and developing business cooperation opportunities within the CIBP network. <https://www.cibp.coop/cibp-link/>
- ❖ **CIBP Global Network:** This program is targeted for CIBP's members employees of all hierarchical levels and focused on the possibility of building a network and exchange by practicing language skills, focused on language development and on fostering a sense of global community and understanding within the cooperative banking sector, emphasizing the value of cross-cultural communication and collaboration among employees from different parts of the world. [CIBP Global Network Program | CIBP](#)





- ❖ **WOCCU Exchange Programs:** World Council of Credit Unions organizes international exchange programs within key topics where cooperative bank professionals visit and collaborate with counterparts in different regions. This initiative enhances understanding of foreign markets and facilitates knowledge-sharing on digitalization strategies. [Global Programs | World Council of Credit Unions](#)
- ❖ **International Cooperative Entrepreneurship Think Tank (ICETT):** a strategic hub for the cooperative movement, providing valuable information to strengthen cooperatives' competitive advantage, which allows to improve the positioning of the cooperative movement as a key actor in the implementation of the Sustainable Development Goals, fostering cooperation among large cooperatives and cooperative groups and create a platform for peer-to-peer learning. <https://www.ica.coop/en/icett>
- ❖ **Global Youth Forum:** The Global Youth Forum, supported by cooperative banks, addresses the challenges of new co-operators by providing a platform for youth-led initiatives and fostering future leaders.

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CIBP Members

Banco Cooperativo Coopcentral

Banco Credicoop Cooperativo Limitado

Banque CPH

BCP - Banque Populaire du Maroc

BPCE - Banque Populaire and Caisse d'Epargne

BVR - Bundesverband der Deutschen Volksbanken und Raiffeisenbanken

Coopeuch

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FNBP - Fédération Nationale des Banques Populaires

ÖGV - Österreichischer Genossenschaftsverband

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