



# Ensure healthy lives and promote well-being for all

Cooperative contributions to SDG 3

This brief is part of the Transforming our world: A cooperative 2030 series produced by the Committee for the Promotion and Advancement of Cooperatives (COPAC). Through a series of 17 briefs, one for each Sustainable Development Goal (SDG), COPAC hopes to raise awareness about the significant contributions of cooperative enterprises towards achieving the 2030 Agenda in a sustainable, inclusive and responsible way, and encourage continued support for their efforts.

This brief focuses on SDG 3 – ensuring healthy lives and promoting well-being for all at all ages.

#### About the Sustainable Development Goals

The 17 Sustainable Development Goals (SDGs) of the 2030 Agenda for Sustainable Development were adopted by world leaders in September 2015 during a historic summit at the United Nations. The SDGs set out a vision for countries to end all forms of poverty, fight inequalities and tackle climate change, while ensuring that no one is left behind.

For more information, visit www.un.org/sustainabledevelopment.

#### About cooperatives

Cooperatives are defined as 'autonomous associations of persons united voluntarily to meet their common economic, social and cultural needs and aspirations through a jointly owned and democratically-controlled enterprise'.

All cooperatives subscribe to a set of values and principles that support the social and people-focused nature of their activities. They are operated democratically by their members. Whether customers of the business, workers or residents, members have an equal say and a share of the profits.

Cooperatives are a powerful economic and social force, present in most countries of the world and in most sectors of the economy. The cooperative movement counts more than a billion members.

<sup>1.</sup> International Co-operative Alliance, Statement on the Co-operative Identity (Manchester, 1995).

Available from https://ica.coop/en/whats-co-op/co-operative-identity-values-principles

#### The cooperative difference

Good health is one of humanity's most valued assets. Healthy people can do the most relevant activities in their lives like growing up, learning, working, raising a family, contributing to the community, etc. At the global level, health is a key issue to strengthen universal peace, eradicate poverty and hunger, achieve gender equality and ensure that no one is left behind. Thus, the Sustainable Development Goal 3 is right at the centre of the 2030 Agenda for Sustainable Development.

SDG 3 focuses on physical and mental health and well-being and to extend life expectancy for all. The aim of SDG 3 is to achieve universal health coverage which includes financial risk protection, access to quality healthcare services and access to affordable medicines and vaccines. The Goal includes the commitment to accelerate the progress made to date in reducing newborn, child and maternal mortality and ending all such preventable deaths before 2030. It highlights the need to ensure universal access to sexual and reproductive healthcare services, including family planning, information and education.

The pace of progress made in fighting malaria, HIV/AIDS, tuberculosis, hepatitis, Ebola and other communicable diseases and epidemics need to be accelerated by addressing growing anti-microbial resistance and the problem of neglected diseases affecting developing countries. The prevention and treatment of non-communicable diseases, and lowering mortality from cardiovascular disease, cancer, diabetes, chronic respiratory disease, are also paramount. Another focus of the goal is on behavioural, developmental and neurological disorders, including the prevention and treatment of substance abuse which constitutes a major challenge for sustainable development.

While the world is in better health than ever, the gap between the current situation and the potential of health care remains wide. Success in achieving Universal Health Coverage is closely related to the efficient implementation of healthcare, this means making good decisions on spending. As healthcare is a labour-intensive industry, workers in health care, such as doctors, nurses or other health workers, can also make a big difference.

Improvements in healthcare provision can be reached if resources are pooled and health professionals enjoy better working conditions. Cooperatives are good at combining workers' skills and financial resources to respond to market failures in serving the interests of workers, producers and users and providing services and products otherwise inaccessible.

Cooperatives exist when groups of individuals come together to achieve an objective that they could not achieve alone. They are a rational alternative to investor-owned companies when the goal is different from maximising return to shareholders. Cooperatives often come about as a response to inefficiencies in serving the interests of people, such as where services and products are unavailable or not accessible. The purpose of the cooperative businesses is different from investor-owned businesses, as they pursue long-term goals and sustainability.

Health cooperatives have been serving their members and their communities over the past two centuries, even in countries with robust universal public health systems. As the potential of cooperatives is still far from being fully harnessed, it is important to better understand their role and their competitive advantages to meeting the health needs of the population.

## How cooperatives contribute to health and well-being

The Cooperative Health Report is a research study published in 2018 by the International Health Cooperative Organisations (IHCO) a sectorial organisations of the International Co-operative Alliance (ICA) and EURICSE to assess the worldwide contribution of cooperatives to healthcare. It confirms that health cooperatives have grown in importance over the past 20-30 years in all studied countries. Their growth has been a reaction to the increase in the demand for health services and the growing difficulties faced by public authorities to manage rising health care expenditures.

<sup>2.</sup> IHCO, ICA and Euricse, Cooperative Health Report (2018). Available from https://ihco.coop/2018/03/20/cooperative-health-report-2018-published/

Want to see more examples of how cooperatives contribute to SDG 3? Visit the Coops for 2030 campaign at www.coopsfor2030.coop

Independent of the health system's characteristics where they operate, cooperatives efficiently manage to adapt and reinvent themselves over time. They evolve in relation to their membership, governing bodies and service delivery to fulfil unmet needs better. Health cooperatives also help overcome coordination failures that arise from asymmetric information that typically characterises health care services. Moreover, rather than competing with public providers, health cooperatives tend to fill gaps complementing the products and resources provided by other actors.

Cooperatives prioritise addressing the needs of specific stakeholder groups, or the community at large toward improving the accessibility of health services for population groups who would otherwise be excluded. Health cooperatives can adjust to changing economic, social and political conditions more readily than conventional organizations and enterprises. They can assume various forms aligned with their surrounding cultural and socioeconomic environment.

Cooperative members may include users or patients, doctors, nurses, health professionals, retailers or customers of medicines, or a combination of these stakeholders. The choice of one cooperative type over another depends upon the problem they seek to address. This may include the inability of users to pay for services, which is typically not a problem solved by conventional, for-profit firms. Other objectives may be improving the working conditions of doctors, nursing staff and paramedics; meeting the different needs of users; and striking a balance between the advantages provided by advanced technologies and the need to provide personalised services.

Worker cooperatives are present in the health sector of many countries. In Brazil, for example, the practitioner cooperative model is widespread. The cooperative system Unimed do Brasil brings together 114,000 cooperative doctors, generates 96,000 jobs and provides health services to 18 million people. Similarly, Argentina is a good example of the general expansion of health workers cooperatives, most of them developed after the 2001 financial crisis.

In other countries, like Australia, worker cooperatives are oriented towards the management of medical centres. The National Health Co-op (NHC) is a not-for-profit, member-owned cooperative that provides affordable medical and healthcare services to the communities where it operates. Its overarching goals are to provide access to affordable healthcare to Australians, reduce cases of preventable diseases and lessen the personal and societal impact of chronic conditions. It is the largest provider of primary health care services in the Canberra region, providing services to over 43,000 patients

In Lesotho, the Village Health Workers Cooperative Society <sup>3</sup> aims to enhance and sustain village health by delivering basic primary health care services to all individuals within their designated villages through a savings and credit scheme.



ILO, The cooperative model for the delivery of home based care services for people living with HIV (2011). Available from: https://www.ilo.org/ public/english/employment/ent/coop/africa/download/wp19\_cooperaticemodel.pdf

Another type of worker cooperatives in the health sector is that of ambulance cooperatives. A notable example is La Coopérative des techniciens ambulanciers du Québec, Canada. Established in Québec in the 1980s when several organizations transformed their corporations into cooperatives following the desire of workers to undertake more responsibility and acquire greater control in the workplace. Ambulance cooperatives generally follow the worker model, where members are both owners and employees who control the cooperatives' operations.

Pharmaceutical cooperatives are another type of producer cooperative that is quite common in Belgium, Spain and Italy. The Office des Pharmacies Coopératives de Belgique, OPHACO, a professional association, federates 616 cooperative pharmacies which represent 20 per cent of the non-hospital pharmaceutical market in Belgium and 12 per cent of the country's pharmacies. They generate an annual turnover of about 600 million Euros and meet the needs for medicines and medical devices of 2.2 million people. They directly or indirectly provide a job to 3,500 people, including 1,000 pharmacists.

Health user cooperatives aim to fill gaps in health service delivery, including developing prevention services and improving wellbeing. They often ensure access to treatment and provide services tailored to at-risk user groups, for example in marginal and sparsely populated areas where access to public health services is problematic. In Canada, for instance, clinics following the consumer model type have developed special health services for seniors, indigenous peoples and people with chronic illnesses.

Another example is in Japan, where consumer cooperatives have been providing health services to their members since 1947. HeW Coop, Japan's federation of health cooperatives, is made of 111 health and welfare member-owned organizations which bring together 2.92 million members. Federation's cooperatives manage 75 hospitals, 337 primary health care centres, 70 dentistry offices, 28 nursing care homes and 210 helper stations, generating 37,437 jobs. They also target the needs of elderly populations and have helped innovate medical practices in rural areas.

The main feature of multi-stakeholder cooperatives is the participation of different groups of interest (medical doctors, nurses, other health professionals, patients, local governments, etc.) who share a general-interest goal in their membership or in their governing bodies. This joint endeavour strengthens the links that cooperatives have with the local community and their ability to meet its needs.

In Singapore, health community cooperatives manage centres that guarantee health and elderly care and provide an integrated suite of services.

Also noteworthy are Italian health cooperatives, which tend to involve a plurality of stakeholders, including volunteers, in their governing bodies and are, hence, distinguished by a strong local anchorage, while at the same time are well integrated into the Italian healthcare system. Confcooperative Sanità represents 11,000 cooperatives active in the healthcare sector in Italy, with a turnover of approximately 15.3 billion Euros and providing direct employment to 368,000 people, mainly long-term workers, most of whom are women.

Established in 2012, Tubusezere Cooperative provides care and treatment for women living with HIV and AIDS in Rwanda. What makes this cooperative unique is that services are provided for former sex workers and by former sex workers. The women's cooperative emerged from a group of former sex workers seeking information on group support for social and health treatment for HIV and AIDS, and reaching out to Community- Based Organizations (CBOs) and Non-Governmental Organizations (NGOs) for resources, support and organizational know-how. One NGO in particular, the Society for Family Health, provided women with skills and knowledge on HIV and AIDS treatment and prevention, and encouraged them to establish a cooperative. The partner NGO provided care and cooperative management training throughout the process of cooperative incubation and start-up. One year after its 2012 inception, the cooperative reached a membership of over 40 women.<sup>4</sup>

<sup>4.</sup> ILO, Providing Care through Cooperatives: Literature Review and Case Studies (2017). Available from: https://www.ilo.org/wcmsp5/groups/public/--ed\_emp/--emp\_ent/--coop/documents/publication/wcms\_546178.pdf

In Spain, the Espriu Foundation is the outcome of a strategic alliance of professionals and users' cooperatives and mutuals, which runs hospitals, insurance companies and a network of complementary enterprises covering the health needs of 2.23 million people. As a non-profit organization, the benefits generated by the Espriu network on a yearly basis are reinvested in quality improvement and technological innovation, thus ensuring the companies' sustainability. Company governance and decision-making is shared by all stakeholders, which facilitates and reconciles the mismatches between healthcare supply and demand, as well as between a responsible cost-management and a high-quality provision of health services.

Many experiences worldwide demonstrate that cooperatives have some competitive advantages in the health domain compared with other forms of organization. They are linked to health cooperatives' ability to respond to new needs that emerge in society and to attract resources that otherwise would not be dedicated to health and well-being. Furthermore, their flexibility encourages innovation in design and experimentation with new organizational structures, while making them particularly resilient to the economic and social crisis. Moreover, health cooperatives are usually the consequence of the joint commitment of all those involved in healthcare services, which builds a relationship of trust between them that helps to improve the accessibility and the quality of services. All these features position health cooperatives as a great contributor in achieving the Sustainable Development Goal 3.









International Labour Organization





### **About COPAC**

COPAC is a multi-stakeholder partnership of global public and private institutions that promotes and advances people-centered, self-sustaining cooperative enterprises, guided by the principles of sustainable development – economic, social and environmental - in all aspects of its work. The Committee's current members are the UN Department of Economic and Social Affairs (DESA), the International Labour Organization (ILO), the Food and Agriculture Organization of the United Nations (FAO), the International Co-operative Alliance and the World Farmers' Organisation.

For more information, please visit www.copac.coop.