

International Day of Cooperatives 2026, Theme, History, Significance

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International Day of Cooperatives 2026

Why in News?: The International Day of Cooperatives was recently celebrated on 4 July 2026, drawing global attention to the important role of cooperatives in promoting inclusive development, social justice, sustainable livelihoods and peaceful societies.

About International Day of Cooperatives

The **International Day of Cooperatives** is **celebrated every year on the first Saturday of July** to recognise the contribution of cooperative enterprises towards economic development, social inclusion and sustainable development.

- It was **first celebrated by the international cooperative movement in 1923**.
- It has been **officially recognised by the United Nations since 1995**.
- 2026 marks the **104th International Cooperative Day** and the **32nd UN International Day of Cooperatives**.
- The **theme** of International Day of Cooperatives 2026 is **“Cooperatives for a Peaceful World.”**

- The theme recognises that peace is not only the absence of conflict but also the presence of justice, equality, trust and social inclusion. Cooperatives contribute to peace by bringing people together, creating economic opportunities and strengthening community resilience.
- The annual **theme is jointly decided by the International Cooperative Alliance (ICA) and the Committee for the Promotion and Advancement of Cooperatives (COPAC).**
- The day spreads awareness about the contribution of cooperatives to economic growth, social justice, peace and sustainable development.
- It promotes cooperation between governments, the United Nations and cooperative institutions across the world.

What are Cooperatives?

A cooperative is a **voluntary association of people who come together to meet their common economic, social and cultural needs** through a jointly owned and democratically managed enterprise.

Unlike private companies that primarily focus on profits, cooperatives place people and communities at the centre of development.

Cooperative Principles

The cooperative movement follows internationally accepted principles that ensure democratic functioning and sustainable development. **Seven Cooperative Principles include:**

- Voluntary and open membership encourages equal participation.
- Democratic member control ensures every member has an equal voice.
- Member economic participation promotes equitable sharing of benefits.
- Autonomy and independence protect cooperatives from external control.
- Education and training improve members' knowledge and leadership.
- Cooperation among cooperatives strengthens the entire cooperative movement.
- Concern for the community promotes sustainable and inclusive development.

About International Cooperative Alliance (ICA)

The International Cooperative Alliance (ICA) is the global organisation representing cooperatives across the world. It promotes cooperative values, protects the interests of cooperatives and works closely with international organisations.

- **Established** in 1895.
- **Headquarters** are located in Brussels, Belgium.
- It is the apex global organisation representing cooperatives.
- It represents more than three million cooperatives worldwide.
- It works closely with the United Nations and other international organisations.
- It coordinates the global celebration of the International Day of Cooperatives.

Committee for the Promotion and Advancement of Cooperatives (COPAC)

COPAC is a global partnership that promotes cooperatives as an important tool for achieving sustainable development. It brings together major international organisations working on cooperative development.

Members include:

- **United Nations Department of Economic and Social Affairs (UNDESA)**
- **International Labour Organization (ILO)**
- **Food and Agriculture Organization (FAO)**
- International Trade Centre (ITC)
- United Nations Research Institute for Social Development (UNRISD)
- **International Cooperative Alliance (ICA)**

Significance of Cooperatives

Cooperatives play a vital role in promoting inclusive economic growth, social justice, and sustainable development by empowering people through collective ownership, democratic participation, and shared prosperity.

- **Economic Empowerment:** Cooperatives improve incomes by providing affordable credit, fair prices, and better market access to farmers, artisans, workers, and small entrepreneurs.
 - **Example:** Indian Farmers Fertiliser Cooperative Limited provides quality fertilizers and services to millions of farmers.
- **Agricultural Development:** Cooperatives strengthen agriculture through collective procurement, storage, processing, value addition, and marketing of agricultural produce.
- **Financial Inclusion:** Cooperative banks and credit societies provide affordable financial services to rural households, small businesses, and underserved communities.
- **Employment Generation:** Cooperatives create sustainable employment in agriculture, dairy, fisheries, handlooms, handicrafts, and rural industries.
- **Poverty Reduction:** Cooperatives reduce poverty by improving access to finance, technology, markets, and income-generating opportunities, particularly for small producers and vulnerable groups.
- **Women Empowerment:** Women-led cooperatives enhance financial independence, entrepreneurship, leadership, and decision-making among women.
- **Community Development:** Cooperatives reinvest their surplus into education, healthcare, skill development, and local infrastructure, thereby improving the overall quality of life in communities.
- **Environmental Sustainability:** Cooperatives promote sustainable farming, organic agriculture, renewable energy, water conservation, and climate-resilient livelihoods.
- **Contribution to Sustainable Development Goals (SDGs):** Cooperatives contribute directly to SDG 1 (No Poverty), SDG 2 (Zero Hunger), SDG 5 (Gender Equality), SDG 8 (Decent Work), SDG 10 (Reduced Inequalities), SDG 11 (Sustainable Cities and Communities), and SDG 16 (Peace, Justice and Strong Institutions).

- **Building Peace and Social Cohesion:** Cooperatives foster trust, solidarity, dialogue, and mutual support among communities, strengthening social harmony and resilience.
 - **Example:** The 2026 International Day of Cooperatives recognises their role in building peaceful and inclusive societies.

Role of Cooperatives in Building Peace

Cooperatives play an important role in building peaceful, inclusive, and resilient societies.

- They strengthen local economies, expand access to essential services, and create opportunities for people from all sections of society.
- Through democratic participation and shared ownership, cooperatives promote trust, inclusion, and solidarity within communities.
- They also act as bridge-builders by bringing people together, encouraging dialogue, and rebuilding social connections in an increasingly fragmented world.
- At a time when many societies face conflict, rising inequalities, economic insecurity, and declining trust, cooperatives help strengthen social cohesion and lay the foundations of positive peace based on justice, inclusion, and mutual trust, rather than merely the absence of conflict.

Cooperatives in India

India has one of the largest cooperative movements in the world and cooperatives have played an important role in agriculture, dairy, banking and rural development. They have significantly contributed to financial inclusion, food security and farmers' welfare. **Major examples include:**

- **Amul** transformed India's dairy sector through the White Revolution.
- **IFFCO** became one of the world's largest fertilizer cooperatives.
- **KRIBHCO** supports farmers through fertilizer production and distribution.
- **Primary Agricultural Credit Societies (PACS)** provide rural credit.
- **Dairy cooperatives** generate employment and empower rural women.
- **Cooperative banks** strengthen financial inclusion in rural India.
- **Housing and consumer cooperatives** provide affordable services.
- **Fisheries and handloom cooperatives** support traditional livelihoods.

Constitutional Provisions

Recognising the important role of cooperatives in promoting inclusive growth, rural development and participatory democracy, the **97th Constitutional Amendment Act, 2011** granted constitutional status to cooperative societies.

- **Article 19(1)(c):** Grants citizens the Fundamental Right to form cooperative societies.
- **Article 43B (Directive Principles):** Directs the State to promote voluntary formation, autonomous functioning, democratic control and professional management of cooperative societies.

- **Part IXB (Articles 243ZH-243ZT):** Lays down provisions relating to the incorporation, election, management and functioning of cooperative societies.

Government Initiatives

The Government of India has introduced several reforms to modernise and strengthen the cooperative sector.

Major Initiatives include:

- Establishment of the **Ministry of Cooperation in 2021**.
- Vision of **“Sahkar Se Samridhi”** to achieve prosperity through cooperation.
- **National Cooperative Policy, 2025** to create a modern, transparent, technology-driven, and globally competitive cooperative sector while promoting inclusive and sustainable growth.
- Computerisation of Primary Agricultural Credit Societies (PACS).
- Strengthening Multi-State Cooperative Societies.
- Digitalisation of cooperative governance.
- Capacity-building and professional training for cooperative institutions.
- Promotion of cooperative-led rural development.

Challenges

Despite their success, cooperatives continue to face several institutional and governance challenges.

- Political interference weakens democratic functioning.
- Poor professional management affects efficiency.
- Limited access to finance restricts expansion.
- Weak governance sometimes leads to corruption.
- Low adoption of technology reduces competitiveness.
- Lack of awareness discourages youth participation.
- Regional imbalance limits cooperative growth.
- Increasing market competition from private enterprises.

Way Forward

The cooperative movement can become a major pillar of inclusive and sustainable development if governance, professionalism and innovation are strengthened.

- Strengthen democratic governance within cooperatives.
- Improve transparency through digital technologies and regular audits.
- Encourage greater participation of women and youth.
- Expand access to affordable finance.
- Promote professional management and leadership training.
- Encourage innovation and digital transformation.
- Strengthen partnerships among cooperatives.
- Integrate cooperatives with national development programmes.

- Align cooperative activities with the Sustainable Development Goals.
- Promote awareness about the cooperative model among citizens.

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