## **Social Business Wales**

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# The Co-operative Principles

Co-operatives are businesses which are jointly owned and democratically controlled by their workers or members. Co-operative businesses should operate within seven internationally recognised Co-operative Principles:

### 1. Voluntary & Open Membership

Co-operatives are open-membership non-discriminatory organisations.

#### 2. Democratic Control

Co-operatives are democratic organisations controlled by their members, who actively participate in their decision-making processes. Representatives are elected and accountable to the membership.

#### 3. Member Economic Participation

Members contribute equitably to, and democratically control, the capital of their co-operative.

#### 4. Autonomy & Independence

Co-operatives are autonomous, self-help organisations controlled by their members. If they enter into agreements with other organisations, or raise capital from external sources, they do so on terms that ensure democratic control by their members and maintain their co-operative autonomy.

#### 5. Education, Training & Information

Co-operatives provide education and training for their members, their elected representatives, managers and employees so that they can contribute effectively to the development of their co-operatives. They inform the general public – particularly young people and opinion leaders – about the nature and benefits of co-operation.

#### 6. Co-operating With Other Co-operatives

Co-operatives serve their members most effectively and strengthen the co-operative movement by working together through local, national, regional and international structures. Learning together is one way of making positive links between organisations, which can be built upon.

#### 7. Concern for the Community

Co-operatives work for the sustainable development of their communities through policies approved by their members.





