

What is a co-operative bank ?

What is a co-operative ?



Since December 2016, the co-operative idea is inscribed into Unesco's Intangible Cultural Heritage list. But what is a co-operative and where did it all start?

A co-operative is an association of volunteers that provides services of a social, cultural or economic nature to members of the community to help improve living standards, overcome shared challenges and promote positive change.

Based on the subsidiarity principle that puts personal responsibility above state action, co-operatives allow for community building through shared interests and values creating innovative solutions to societal problems, from generating employment to renewable energy projects. Anyone can participate, with members also able to acquire shares in the association and have a say in its future direction.

Definition by Unesco source: <https://ich.unesco.org/>

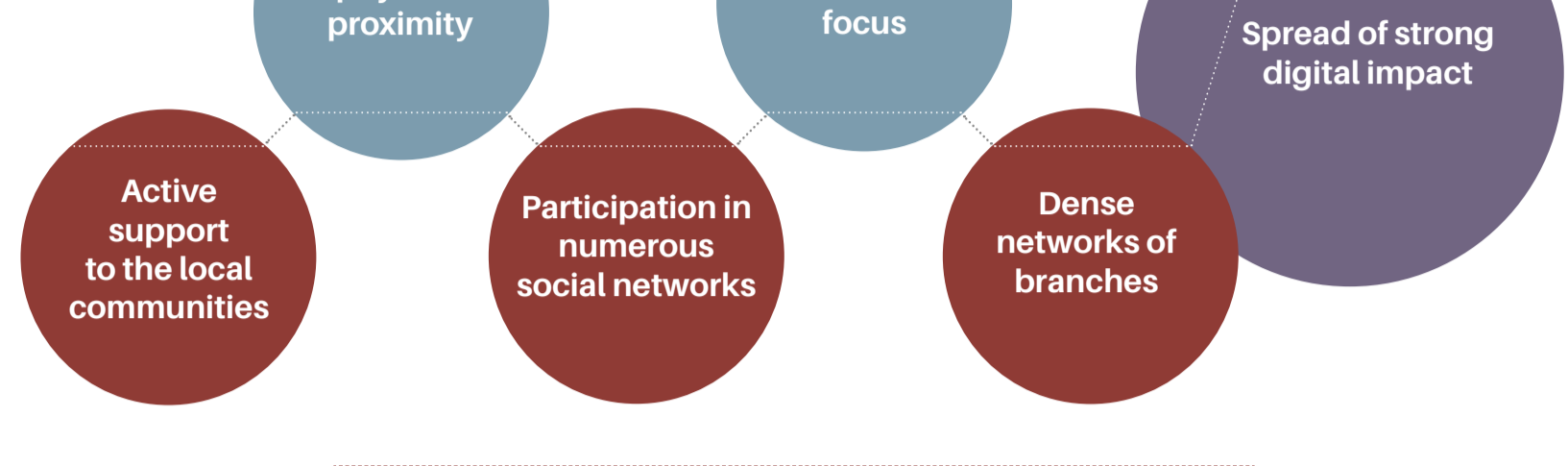
In 2018, we celebrate our roots !
The Raiffeisen Year 2018 is celebrating the 200th birthday of one of the founder of the co-operative idea and the co-operative banking concept.



What is the co-operative bank difference ?

PROXIMITY

Local co-operative banks usually have a good physical proximity, thanks to their dense networks of branches. They are part of the community, understanding their customers. Proximity is further reinforced through the participation in numerous social networks and by actively supporting the local communities.



Co-operative banks, a key actor in the European economy

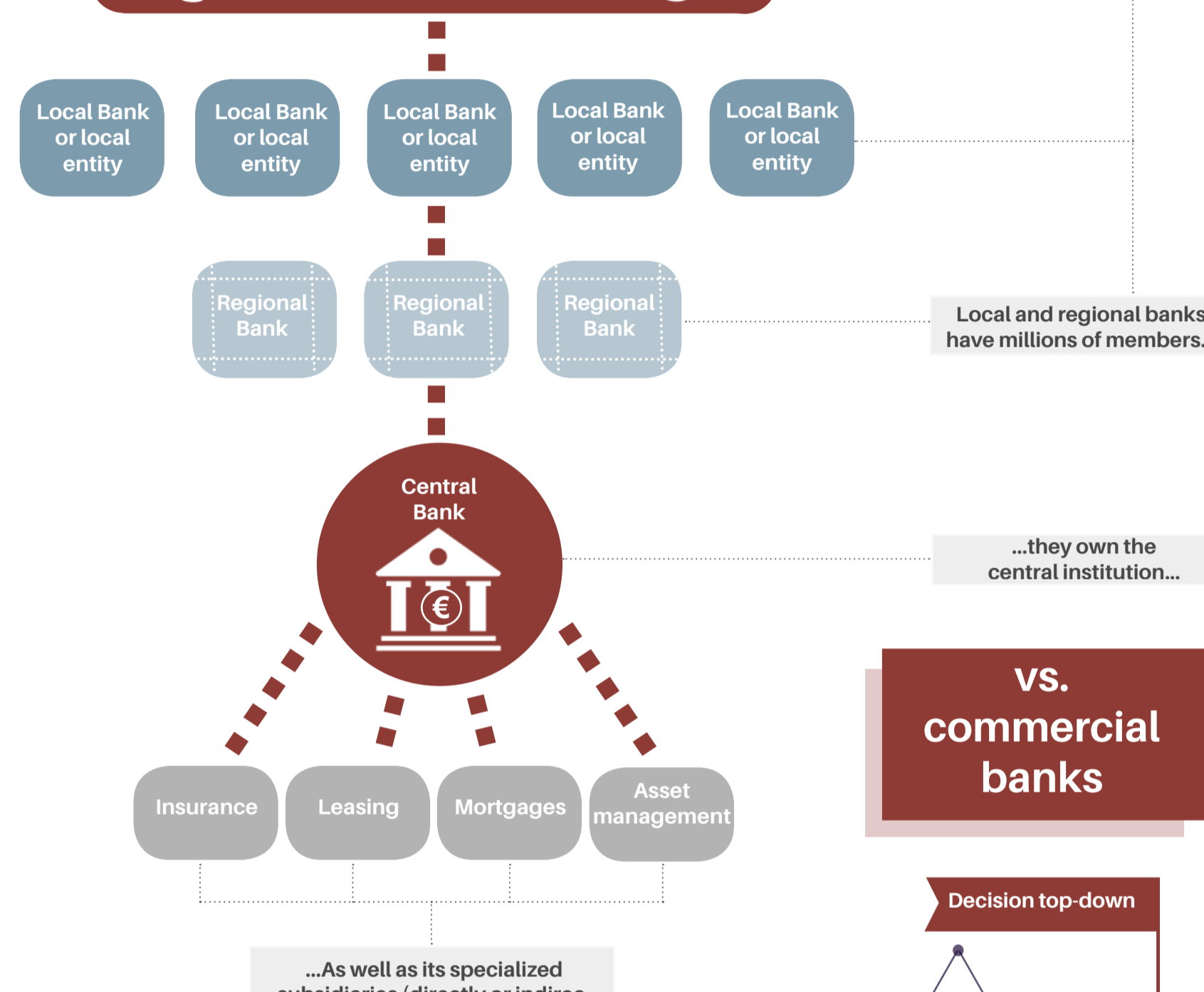
- Access to finance at local level and widespread even in remote areas of the continent
- Close and sustainable relationships with customers
- Tradition of responsibility and social cohesion since their creation in the 19th Century
- Wide-ranging network

DEMOCRATIC STRUCTURE

Members control their bank. Customers and members of co-operative banks are represented in the bank's governance structure.

Members control their bank under the principle «One person, one vote»

Decision bottom-up

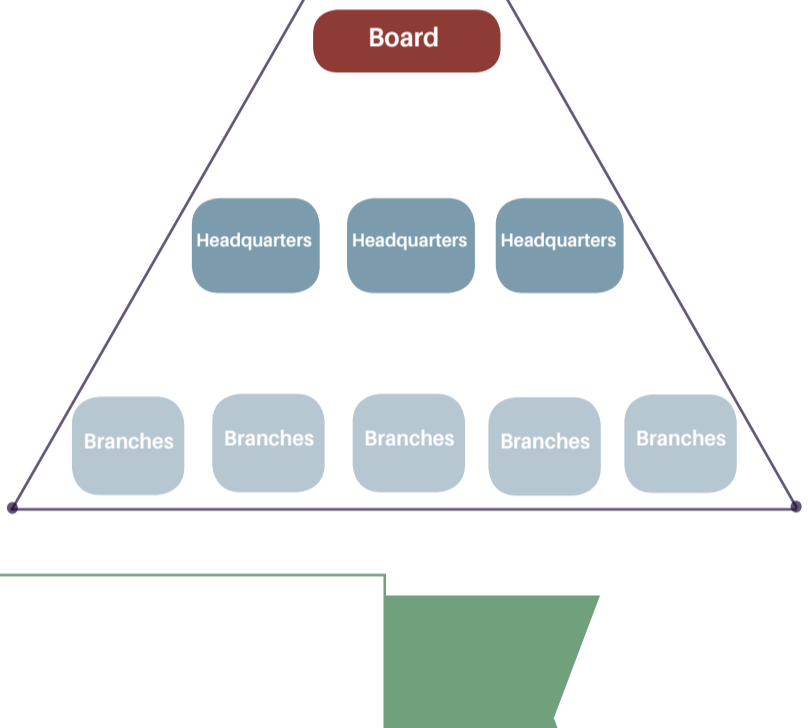


Local and regional banks have millions of members...

...they own the central institution...

VS. commercial banks

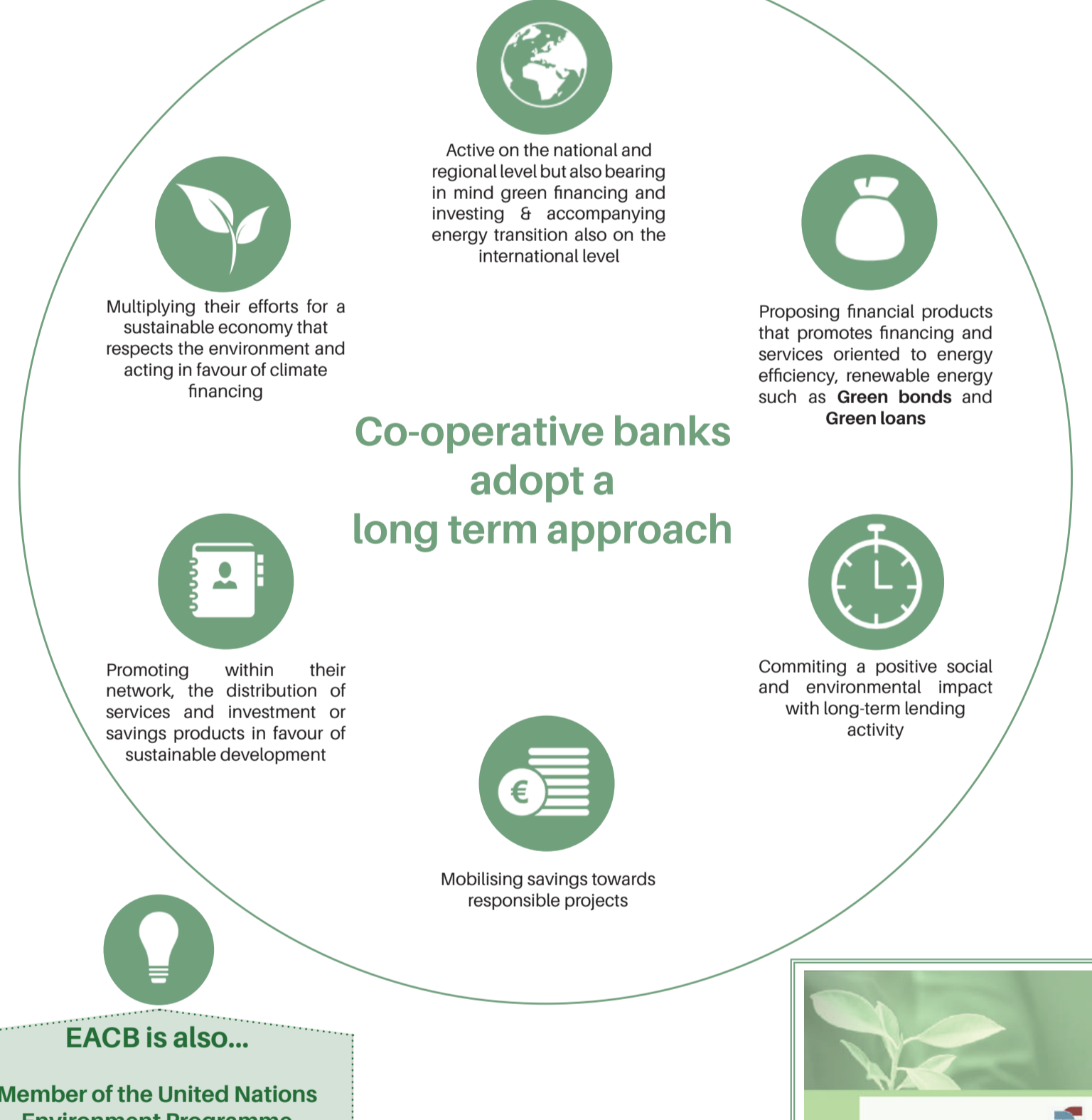
Decision top-down



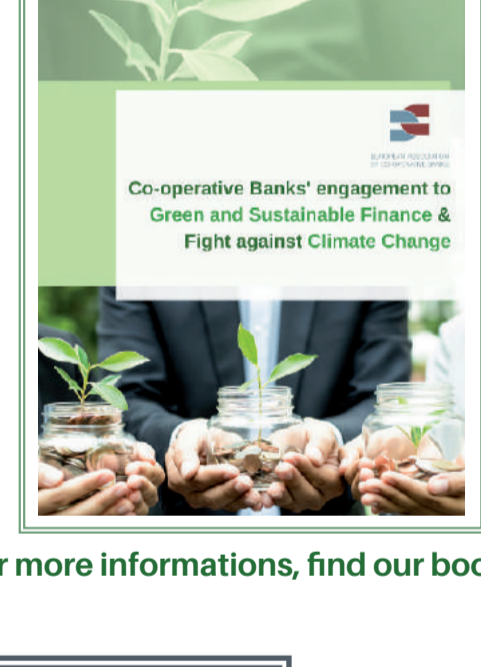
...As well as its specialized subsidiaries (directly or indirectly, in which case local banks/entities own the regional banks, and the regional banks own the central

This distinguishes these groups/networks from non co-operative structures, where a holding company owns all local branches and subsidiaries within the group. Some co-operative groups/networks are organized as a two-tier system (local banks - central bodies), while others as a three-tier system (local banks/entities-regional banks- central bodies). The central institution commonly owned by the local/regional banks is indispensable for the latter. Within the network/group, the role of the central institution is well defined.

SUSTAINABILITY



EACB is also...
Member of the United Nations Environment Programme (UNEP)
Active with his working group on Green and Sustainable Finance & Fight Against Climate Change
Engaged in the ILO Study Cooperatives and the Sustainable Development Goals



For more informations, find our booklet

Did you know ?

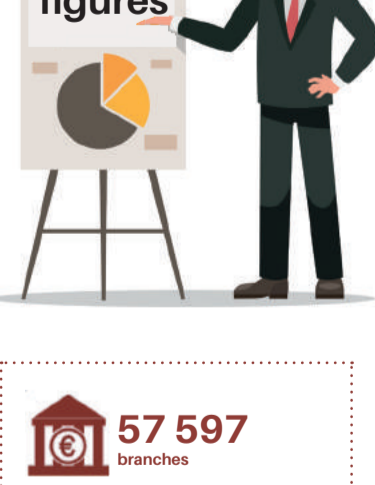
3 facts about co-operative banks

Resilience
Co-operative banks have a lower risk appetite and a long-term orientation. They can also maintain higher capital reserves. Thanks to their local roots, co-operative banks anticipate and adapt to local circumstances. They can adapt to changing circumstances and re-invent themselves more so than other banks.

Trust
Trust is the key of the relationship between a co-operative bank and its customers. This means that their operations are set to serve the customers' interests. This is possible because profits maximization isn't the primary goal.

Solidarity
Co-operative banks have traditionally promoted entrepreneurship at the individual level, consequently impacting the common good of society. They also play a key role in local and regional development by reinvesting capital at the local level.

Facts & figures



Co-operative Banking in European Union in 2016
Owned by members to finance the local & regional economy

1 out of 6 European citizens is member of co-operative bank

57 597 branches
3 611 185 deposits
7 120 915 assets

80 572 857 members

European Co-operative Banks market share for SMEs financing is way above 30%

Employing approximately 732,000 people in Europe

209 024 394 customers
3 135 banks in the EU

In some countries, co-operative Banks market share for SMEs financing is way above 30%

European Association of Co-operative Banks

Represents Promotes Defends
The values of the co-operative banking model in Europe and on the global stage

The voice of co-operative banks leading trade association for the co-operative banking sector

28 member institutions
• **25** Europeans
• **2** Non-europeans in Canada and Japan

23 countries
Large geographical coverage

CO-OPERATIVE BANKS AT A GLANCE
210 Millions CUSTOMERS
79 Millions MEMBERS
4 050 REGIONAL & LOCAL BANKS
749 Thousands EMPLOYEES
7 Trillions BANKING ASSETS

European Association of Co-operative Banks EACB - AISBL
Secretariat contact
Rue de l'Industrie 26-38
1040 - Brussels
BELGIUM
+32 (0)2 230 11 24
+32 (0)2 230 06 49
secretariat@eacb.coop