

Cooperatives – A Key Component of the Social Economy

Larisa ŞAVGA^{1,2}, Maricica STOICA¹, Dimitrie STOICA^{1*}

¹“Dunarea de Jos” University of Galati (Romania)

²The Trade Co-operative University of Moldova (Republic of Moldova)

*Corresponding author: dimitrie.stoica@ugal.ro

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Abstract

Cooperatives are a cornerstone of the social economy, serving as a key driver in advancing societal growth. Rooted in principles, values, and ethics that prioritise social welfare over profit, cooperatives have seen continuous global growth. Today, one in seven people worldwide is a member of at least one cooperative. Despite their strengths, cooperatives face significant barriers in many countries, including the Republic of Moldova. Their nature, role within the social economy, specific characteristics, impact on job creation, social inclusion, and community development remain underappreciated. This article aims to highlight the critical role of cooperatives within the social economy system, underscore their importance in the contemporary socio-economic landscape, identify obstacles to their growth, and propose actions for cooperative governance and public authorities to focus on. These steps aim to ensure their future advancement and enhance their societal contributions.

Keywords: cooperatives, social economy, social impact, sustainable development

Introduction

Cooperatives have emerged as significant players in the contemporary economy owing to their mission, omnipresence, diversity in economic activities, social cohesion, and dual nature. Since the establishment of the first cooperative, the Rochdale Society in 1844, the modern cooperative movement has witnessed substantial growth, driven by its foundational principles and values that prioritise social welfare. Cooperatives have played an important role and have served as models for the development and expansion of the broader concept of the social economy.

Despite the increasing recognition of the role of cooperatives and the social economy at international, regional, and national levels, as reflected in various policy documents supporting these socio-economic domains, ambiguities persist regarding their essence, unique attributes, and operational mechanisms. These misunderstandings often result in the marginalisation of cooperatives in favour of conventional profit-driven enterprises.

Nonetheless, cooperative business models hold significant potential to contribute to economic and social development, emphasising sustainability and human rights.

Cooperatives operate based on principles of solidarity and community concern, promoting economic alternatives that drive growth and sustainability. Frequently seen as an approach to overcoming economic exploitation, the cooperative economy addresses contemporary challenges and shapes a renewed social framework (Gordon-Nembhard, 2014). However, the full economic potential of social economy enterprises, including cooperatives, remains untapped. This underscores the need for further research into their theoretical foundations, regulatory frameworks, and practical applications across diverse traditions and practices worldwide. This is especially relevant for transition economies such as the Republic of Moldova (Chasovschi et al., 2014; Social Economy Europe, 2021). In this context, this paper aims to delve deeper into these aspects while also examining the broader economic and social impact of social enterprises and cooperatives, highlighting their role as drivers of sustainable development and societal transformation.

Materials and methods

The research methodology reflects the study's complexity, employing several scientific research principles and methods, including literature review, conceptualisation, induction and deduction, analysis and synthesis, comparison, systemic approaches, and benchmarking. The study analysed theoretical concepts in the social economy and cooperatives, reviewed regulatory frameworks and policy documents at European and international levels, and applied both quantitative and qualitative empirical research methods. This methodological diversity enabled the development of well-founded recommendations to strengthen and advance the cooperative sector.

Results and discussion

This section explores the role and contributions of cooperatives within the social economy, emphasising their significance as drivers of socioeconomic development. The analysis delves into three interconnected dimensions. First, it examines the role of cooperatives in the broader socio-economic system, highlighting their unique characteristics and impact on societal challenges. Second, it focuses on the values and principles, and their dual nature, which integrate economic and social goals to create a sustainable development framework. Finally, the third dimension outlines actionable guidelines to strengthen cooperatives and enhance their socioeconomic impact, particularly in light of the challenges they face in the Republic of Moldova and beyond.

Cooperatives in the socio-economic system

Humanity faces significant economic, social, demographic, and environmental challenges. While human needs are diversifying, business processes and market trends are increasingly profit-oriented, leading to socio-economic imbalances that affect societal well-being. Existing socio-economic models struggle to address contemporary challenges, resulting in economic and social inequalities and a declining quality of life in many countries, including the Republic of Moldova. In this context, the accelerated development of the socio-economic system, serving as an alternative to traditional profit-oriented business models, becomes imperative. The social economy combines economic activities with social values, serving as

a vital driver of a more responsible development model (Ecovisio, 2022; European Union and the Republic of Moldova, 2023).

The social economy encompasses economic activities aimed at achieving social goals. Although various definitions exist, the most widely accepted comes from the Social Economy Charter (1980), which defines it as “*the set of organisations that do not belong to the public sector, operate democratically with the members having equal rights and duties and practise a particular regime of ownership and distribution of profits, employing the surpluses to expand the organisation and improve its members and to society*” (European Economic and Social Committee, 2016, p.9).

The social and solidarity economy, as it is now commonly referred to within the United Nations (UN) system, comprises enterprises and organisations that explicitly pursue economic, social, and often environmental goals. These entities, called Social Economy Organisations (SEO), are characterised by varying degrees and forms of cooperation, association, and solidarity among workers, producers, and consumers, while also promoting workplace democracy and self-management practices. The primary goals of SEO encompass both the provision of goods and services (including employment opportunities) to their members and the pursuit of community interest goals (i.e., activities that benefit society as a whole, such as the provision of services of general interest).

It would be misleading to presume that enterprises in the social economy sector operate solely for or with the poor or the most vulnerable social groups. Their *social character* is reflected in their provision of a wide range of services of general interest to the community. From a European perspective, a *social enterprise* is defined as “an operator in the social economy whose main objective is to have a social impact rather than make a profit for their owners or shareholders. It operates by providing goods and services for the market in an entrepreneurial and innovative fashion and uses its profits primarily to achieve social objectives. It is managed openly and responsibly and, in particular, involves employees, consumers and stakeholders affected by its commercial activities” (European Commission, 2011). The fundamental principles of these organisations include prioritising social and general interests over profit, a bottom-up approach to initiatives, and the “one member – one vote” principle.

The social economy sector was initially represented by its traditional forms – cooperatives, mutual societies, associations, and foundations (Figure 1). Over time, however, new organisational entities in this field have emerged and developed, such as social enterprises, work integration social enterprises, community organisations, social cooperatives, credit unions, various socially focused non-governmental organisations, and others. Cooperatives have maintained their *leadership position and remain one of the key players in the social economy*, both in terms of their numbers and the diversity of activities they promote, the volume of operations, territorial presence, the involvement of a significant number of individuals, democratic governance, and their commitment to community well-being.

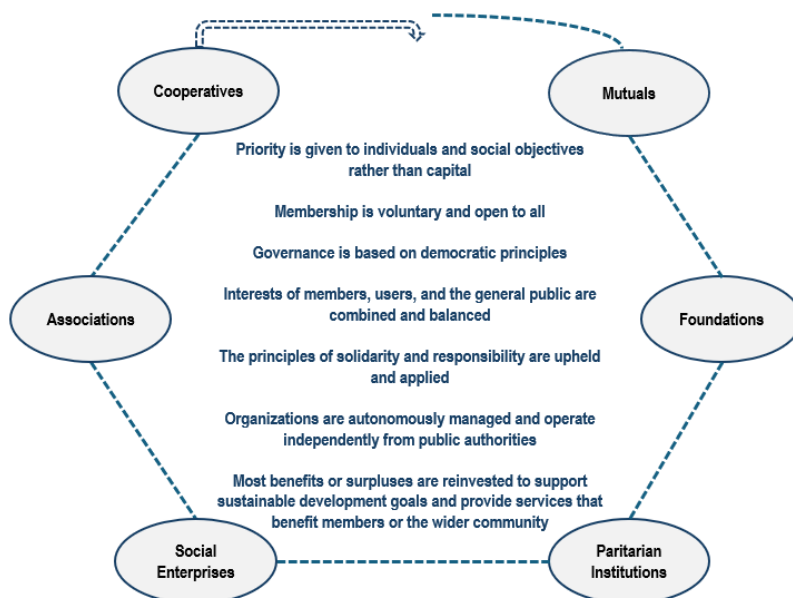


Figure 1. The principles, values, and typology of organisations within the social economy

Source: adapted from <https://www.socialeconomy.eu.org/the-social-economy/>

SEO effectively promote entrepreneurship and business creation in diverse ways, contributing to community development, improving quality of life, and enhancing population well-being. These approaches include:

- Originating within local communities and addressing their specific needs;
- Bringing economic activity to areas often overlooked by traditional entrepreneurs due to low profitability;
- Focusing on both the needs of local communities and the social requirements of the population, especially vulnerable groups;
- Introducing entrepreneurial culture into sectors traditionally perceived as outside the scope of entrepreneurial behaviour;
- Encouraging member participation in business management based on principles of equity and cooperation;
- Establishing a new model that connects work with intrinsic motivation;
- Offering more effective responses to societal challenges;
- Prioritising social objectives over financial profitability;
- Building collaborative relationships with other organisations in the social economy sector (ANOFM, 2025).

SEO provide an innovative approach to *enhancing the mix of well-being* and enriching the provision of social services. This is achieved by prioritising the social impact of their activities over profit generation, while their governance structures are founded on participatory and democratic principles (European Commission, 2021). For these reasons, the social economy is experiencing continuous growth across Europe. In the EU, there are 2.8 million SEO, representing 10% of all businesses. These enterprises employ approximately 13.6 million people, which accounts for 6.2% of the EU's workforce. Additionally, the social economy accounts for 8% of the EU's GDP. Beyond its paid

workforce, the social economy also relies on volunteers, whose contributions are equivalent to 5.5 million full-time workers (Social Economy Europe, 2025).

- SEO can make significant contributions to addressing societal challenges, as they operate across nearly all economic sectors. Social economy entities in Europe provide concrete and innovative solutions to key global issues. It has been observed that they actively contribute to achieving all 17 Sustainable Development Goals (SDGs), with a particular focus on goals related to decent work, responsible production and consumption, and sustainable finance. Therefore, the social economy can play a key role in implementing the principles of the *European Pillar of Social Rights* and achieving the targets set for the period up to 2030. SEO contributes to job creation and fosters the social and labor market inclusion of disadvantaged groups. Moreover, the social economy plays an important role in revitalizing rural and depopulated areas while ensuring the well-being of the population. Many SEO have become innovators, providing new solutions to economic, social, and environmental challenges. This is attributed to their deep roots in local contexts, the diversity of their organizational and financial models, and the flexibility with which their principles can be applied across various sectors (European Commission, 2025a; European Economic and Social Committee, 2020).
- From this perspective, the social economy has been recognized at both *European and international levels as a field that can significantly contribute to improving people's well-being and addressing pressing societal challenges*. Various policy documents, initiatives, and recommendations have been adopted to support this recognition. The promotion of the social economy concept began in 1989 when the European Commission published the Communication “Business in the ‘Économie Sociale’ sector Europe's frontier-free market”. Later, in 2015, the Council of the European Union adopted a Resolution on “The promotion of the social economy as a key driver of economic and social development in Europe”. Despite the initiatives undertaken to develop the social economy, the economic potential of this sector has remained underutilized. In response, the European Commission adopted in 2021 the Communication “Building an economy that works for people: an action plan for the social economy” (European Union, 2021). This action plan outlines several measures focused on three key pillars: (1) establishing a framework for the social economy to flourish: this includes developing legal and policy frameworks, providing state aid for the social economy, improving market access through socially responsible public procurement, and promoting the social economy at regional, local, and international levels; (2) creating development opportunities for social economy entities: this involves supporting businesses and enhancing their capacities, improving access to finance, maximizing the sector's contribution to the green and digital transitions, and fostering social innovation; (3) enhancing the

recognition of the social economy and its potential: actions are designed to improve awareness and understanding of the social economy's value and its contribution to economic and social development.

- Cooperatives play an important role in the growth of the social economy and the implementation of its principles and values. The Resolution adopted by the UN General Assembly, titled “Cooperatives in Social Development” (United Nations, 2023), represents global recognition of the role and importance of cooperatives within the social economy ecosystem. The resolution emphasizes that cooperatives promote full participation in the economic and social development of local communities and all individuals; often address the needs of socially excluded and vulnerable groups that are typically overlooked by traditional businesses; promote sustainable and successful business practices that directly contribute to decent employment, poverty and hunger reduction, education, and social protection; and can play a significant role in advancing a just transition while contributing to climate change adaptation and mitigation efforts. The UN has also called on governments to support cooperatives, strengthen the capacity of all their forms, and design programs focused on strengthening the capacity and capabilities of cooperatives, among other measures.

The nature, values, and impact of cooperatives on sustainable socio-economic development

Cooperatives play an important role in contemporary society owing to their impact on socioeconomic development in any country. They are recognized as key actors in the social economy (European Economic and Social Committee, 2012), as well as in employment and inclusion policies, and they play a significant role in the development of localities and communities. According to the International Cooperative Alliance, “*a cooperative is an autonomous association of persons united to meet common economic, social, and cultural goals. They achieve their objectives through a jointly-owned and democratically-controlled enterprise*” (International Co-operative Alliance, 2025). As part of the global movement, cooperatives operate and develop according to international principles based on the cooperative values embraced by these organizations throughout their existence (Figure 2). Social values take precedence in the activities of cooperatives. As a result, cooperatives have not only an economic impact but also a significant social impact on society. The principles and values that guide the functioning of cooperative entities, the way they interact with the economic system and society at large, and the socio-economic impact of their activities constitute the *philosophy of cooperative business*. Cooperation and mutual support are essential for the functioning and development of cooperatives and their entire ecosystem.

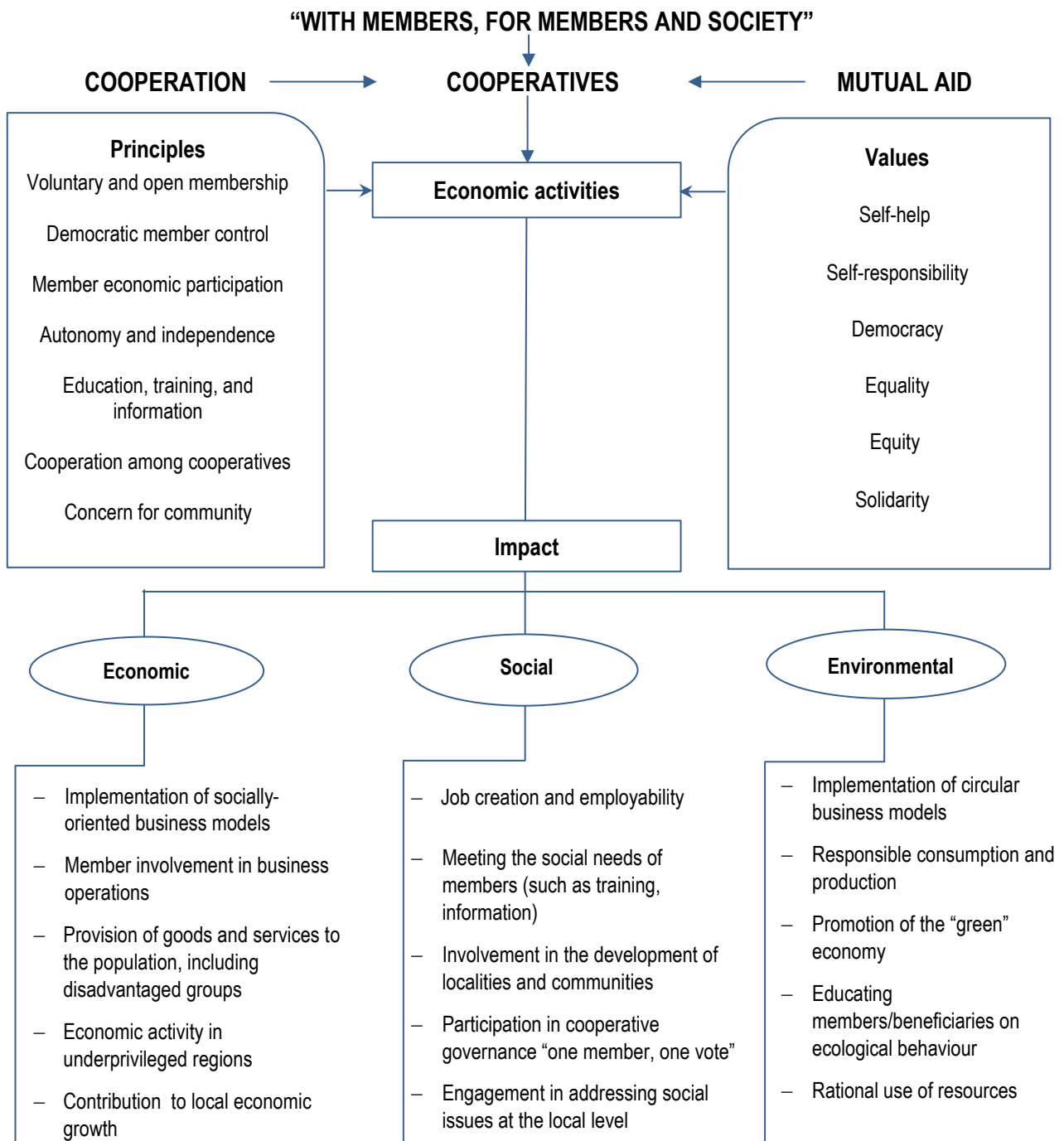


Figure 2. The principles, values, and impact of cooperatives on sustainable socioeconomic development and addressing societal challenges

Source: own creation

Cooperatives distinguish themselves from entities within the traditional economy by prioritizing a business model that transcends considerations such as size, sector of activity, or geographic location. Instead, their focus lies on adhering to shared values, including the primacy of democracy, the individual, and social objectives over capital; the alignment of member-user interests with the general interest; and the application of the principle of responsibility (The Official Journal of the European Union, 2010). Cooperatives are enterprises designed to meet the needs of their members, who contribute to their capital. While they engage in business activities, these differ fundamentally from traditional businesses, and they are not charitable organizations. Cooperatives harmoniously integrate social and economic interests, representing, as noted in the specialized literature, a dual model based on a social and an economic component. The social component, driven by shared social needs, requires cooperatives to establish an organization to achieve common, specific objectives. Meanwhile, the economic component necessitates that the enterprise undertake all actions necessary to realize those shared goals. Cooperatives are simultaneously too economically focused to fit within the non-profit sector and too socially oriented to be classified as traditional for-profit economic organizations. *The interaction between these two components constitutes the essence of the cooperative phenomenon and the source of its uniqueness* (Mazzarol et al., 2018; Şavga, 2018).

Thus, the activities of cooperatives are characterized by a balance between economic, social, and cultural endeavors. For this reason, it is equally important to highlight the social and cultural role that cooperatives play in the development of localities and communities. These activities represent the fundamental distinction between cooperatives and other types of organizations. Cooperatives differentiate themselves from other economic agents through a set of specific features, as outlined in our previous studies (Şavga, 2018a). Because of the role that cooperatives play in society and the benefits they provide to members, employees, and the community, they have experienced consistent growth worldwide. This growth has involved an increasing number of members and stakeholders, including authorities responsible for developing policy frameworks.

The cooperative system can rightfully be considered one of the largest and most organized socio-economic systems in the world. Cooperatives are present in the majority of countries and across all sectors of the economy. According to ICA data, there are 3 million cooperatives globally, bringing together over 1 billion members (International Co-operative Alliance, 2025). Approximately 12% of the world's population are members of one type of cooperative or another. Cooperatives provide jobs or work opportunities to 280 million people worldwide, representing 10% of the employed population. The top 300 cooperatives worldwide generate a total turnover of \$2.409 trillion USD. The dominant share operates in the sectors of agriculture and food processing (35%), insurance (32%), wholesale and retail trade (19%), and banking and financial services (9%), while cooperatives in health, education, and social assistance account for only 1%. Among these top 300 cooperatives, production cooperatives hold the largest share (43%), followed by mutual cooperatives (26.7%), consumer/user cooperatives (23.7%), and worker cooperatives (1.7%) (World Cooperative Monitor, 2023). The top 10 positions in the ranking are held by cooperative organizations from France, Germany, the Republic of Korea, and Japan.

Cooperatives represent a significant driver of economic growth and social cohesion in Europe. There are approximately 180,000 cooperative enterprises in the region, owned by 140 million members, and providing jobs for 4.7 million people (Cooperatives Europe, 2025). On average, cooperatives contribute around 5% to the GDP of each EU member state.

Cooperatives hold prominent positions across various sectors, with substantial market shares in agriculture (83% in the Netherlands, 79% in Finland, 55% in Italy, and 50% in France), forestry (60% in Sweden and 31% in Finland), banking (50% in France, 37% in Cyprus, 35% in Finland, 31% in Austria, and 21% in Germany), retail (36% in Finland and 20% in Sweden), and pharmaceutical and health care (21% in Spain and 18% in Belgium) (European Commission, 2025).

The decades-long experience of cooperatives and studies in the specialized literature have demonstrated that, during periods of global economic crisis, cooperatives are among the most stable and viable systems. They have shown the ability to withstand crises, respond effectively to their challenges, adapt to unfavorable conditions, and successfully overcome the effects of such crises (Birchall & Ketilson, 2009). The European Parliament Resolution on the contribution of cooperatives to overcoming the crisis (European Parliament, 2013) highlights that cooperatives have proven to be even more resilient during times of crisis than many traditional enterprises, both in terms of employment rates and business continuity. Despite the crisis, cooperatives have been established in new and innovative sectors. As a model, the development of cooperatives has demonstrated their ability to address emerging needs and stimulate job creation more effectively than other models, thanks to their significant capacity to adapt to change, maintain operations in times of risk, and continue fulfilling their mission. This resilience of cooperatives is largely attributed to: their cooperative governance model, based on shared ownership, democratic principles of control, and economic participation; the organization and management of cooperatives by their members and their commitment to the community; their specific method of capital accumulation, which balances social and economic objectives; their long-term approach and strong roots in the local economy.

The benefits that cooperatives bring to society have been recognized by governments and appreciated at international, European, national, and regional levels. International organizations have adopted several documents supporting the development of cooperatives, such as the 2009 UN Report “Social Development” (United Nations, 2009), the 2019 International Labour Organization (ILO) note “Cooperatives & Social Solidarity Economy - Responses to key issues in the report of the Global Commission on the Future of Work” (International Labour Organization, 2019), and the 2014 plan “Cooperatives and the Sustainable Development Goals. A Contribution to the Post-2015 Development Debate” (International Labour Organization, 2014). Other notable documents include the 2021 UN Resolution “Cooperatives in Social Development – 2021 Report” (United Nations, 2021), the 2023 UN Resolution “Promoting the Social and Solidarity Economy for Sustainable Development” (United Nations, 2023a), and the 2022 EC & OECD document “Policy Brief on Making the Most of the Social Economy’s Contribution to the Circular Economy” (European Commission & OECD, 2022). These documents highlight key policies and actions that can help cooperatives reach their full potential and contribute to achieving the SDGs, particularly through the provision of decent jobs, poverty reduction, and the promotion of sustainability. They *call on governments* to: adopt laws or regulations that create a favorable environment for the development of cooperatives while respecting their identity rooted in values; support cooperatives and other social economy entities, especially by encouraging innovation; improve access to financing; promote collaboration between cooperatives, public actors, and “traditional” businesses; support the professional upskilling of employees, among other measures. These initiatives emphasize the importance of fostering cooperative growth and recognizing their role in sustainable development.

The cooperative business model significantly contributes to the implementation of the priorities outlined in the EU Strategy “Towards a Sustainable Europe by 2030” (European Commission, 2019), which includes concrete actions to engage the European community in achieving the SDGs. The contribution of cooperatives to several of these goals can be particularly valuable and even essential. Examples include efforts to eradicate poverty, improve nutrition, and promote well-being; ensure inclusive, equitable, and quality education; foster sustained, inclusive, and sustainable economic growth; encourage innovation; develop inclusive, resilient, and sustainable communities; establish sustainable consumption and production models; and promote actions to combat climate change and mitigate its effects.

Cooperatives are constantly seeking opportunities and innovative solutions to maintain a balance between functionality and values. This focus is also reflected in their development strategies. The priorities and development objectives of cooperatives at the global level, outlined in the first “*Blueprint for a Co-operative Decade: 2020 Vision*” (adopted in 2013), are also embedded in the second strategic plan, “*A People-Centred Path for a Second Cooperative Decade: The 2020-2030 Strategic Plan*” (adopted in 2020) (International Co-operative Alliance, 2020). The target goals established aim for the cooperative business model to become: (1) the acknowledged leader in economic, social, and environmental sustainability; (2) the model preferred by people; (3) the fastest-growing form of enterprise. Numerous initiatives and actions have been undertaken and continue to be implemented, reinforcing the position of cooperatives as key actors in advancing economic, social, and environmental sustainability. These progressions are significant and are documented in the World Co-operative Monitor.

In addition to the strategic objectives adopted at the global level, Cooperatives Europe identified in 2024 a series of additional priorities from the perspective of European development, as reflected in the Cooperative Manifesto. These priorities include: decent work and citizen empowerment, competitiveness and resilience, the European Pillar of Social Rights, youth entrepreneurship, investments in the twin transition, democracy and sustainable development within the European Neighbourhood Policy, and the cooperative network in the European Parliament. The proposed actions are aimed at strengthening Europe's economy and society while providing solutions to contemporary societal challenges.

Recognizing the global importance and role of cooperatives in socio-economic development, the UN declared 2012 as the International Year of Cooperatives, which was marked by various actions at global, regional, national, and local levels. These initiatives demonstrated to humanity the contributions cooperatives make to economic development, financial stability, improving members' well-being, community development, and promoting universal values such as solidarity and equality. Considering the successes and impact of the first International Year of Cooperatives, the United Nations General Assembly, through the resolution “Cooperatives in Social Development”, proclaimed 2025 as the International Year of Cooperatives (the second International Year) (United Nations, 2024).

Although the role of cooperatives as significant economic and social actors is increasingly recognized, they continue to face *numerous challenges* that hinder the full realization of their potential. The UN Secretary-General's Report “Cooperatives in Social Development” (United Nations, 2023) highlights that, despite member states acknowledging cooperatives as key partners in sustainable development, “they continue to play a relatively small part in

overall economic and social policies and practice, compared with their huge potential contribution”. The cooperative business model remains insufficiently understood within the broader business environment, leading to a general preference for traditional entrepreneurship models. In many countries, there are deficiencies in the regulatory frameworks governing the establishment and functioning of cooperatives. Additionally, cooperatives face limited access to financial resources compared to other economic entities, such as small and medium enterprises (SMEs). Educational programs focused on cooperatives are also constrained, among other issues. In this context, it is important to develop analytical frameworks capable of addressing these diverse challenges and fostering an enabling environment for the progress and success of cooperatives. This calls for new approaches to cooperative development, rooted in systemic, complex, and innovative strategies and based on a paradigm of cooperation that shifts attitudes toward cooperatives. One potential solution is the application of the entrepreneurial ecosystem concept to the operations and relational framework of cooperatives.

Guidelines for strengthening cooperatives and enhancing their socio-economic impact

Although the role, importance, and contribution of cooperatives to societal development are recognized at the international level, in certain countries, such as Republic of Moldova, this sector often receives little attention or, at times, is disregarded by authorities (legislators, public policy makers, financiers, etc.). However, these authorities are important partners in fulfilling the mission of cooperatives, particularly in the context of their contribution to state objectives. Such contributions include ensuring the supply of goods to remote or sparsely populated regions (which are often neglected by traditional businesses due to limited profitability), providing services tailored to local needs, promoting balanced pricing policies, and supporting the development of communities and localities, among other initiatives. In this context, complex and systemic actions are required to fully harness the potential of cooperatives and stimulate their development. Identifying and defining these actions must consider all elements that constitute the cooperative system. In our view, the most relevant elements and specific target objectives (associated with them) are as follows:

- *Members* – engagement, contribution, and motivation;
- *Principles, values, and ethics* – broad recognition and acknowledgment;
- *Internal organizational and governance structure* – optimal organization, democratic, and efficient governance;
- *Economic activities* – focused on meeting members’ needs in the best possible way and addressing societal challenges, including the dual transition – green and digital – while promoting sustainable practices;
- *Partnerships and networks* – effective collaboration with stakeholders, particularly public institutions and non-governmental organizations, to enhance the recognition of cooperatives, benefit from supportive policies and access to financing, expand their influence, and open up new market opportunities;
- *Education and research* – increasing the skill levels of members and the professionalization of employees; adapting quickly to changes; fostering innovation in processes and technologies.

These directions align with the Guidelines for Improving the Cooperative System at Local and European Levels, established within the framework of the COOPilot project, co-

financed by the DG Internal Market, Industry, Entrepreneurship and SMEs of the European Commission. The project outlines measures aimed at the policies and actions of the European Commission, as well as national governments and interested organizations, to enhance the potential of cooperatives. These guidelines focus on: (1) entrepreneurial education; (2) financing; (3) development of specific business support services for cooperatives (COOPilot, 2018). Strengthening the internal potential of cooperatives is a major factor in ensuring the progress of this business model. However, without effective support from stakeholders – primarily public authorities responsible for creating a legislative and policy framework to sustain cooperatives – their development and full potential will remain limited. In recent years, increasing attention has been given to applying the entrepreneurial ecosystem concept in designing policies and approaches towards this key actor in the social economy. The relevance of implementing the entrepreneurial ecosystem concept is also highlighted in the 2023 UN Secretary-General's Report on Cooperatives in Social Development (United Nations, 2023).

Given the points outlined above, the key priority actions for the development of cooperatives, particularly in the Republic of Moldova, should focus on the following:

- Improvement and development of the legislative and policy framework for cooperatives – aligning with the EU *acquis*, which is particularly important in the context of Republic of Moldova obtaining candidate status for EU accession (2022) and the opening of accession negotiations (2023). This involves necessary reforms to national cooperative legislation and related laws;
- Alignment with international, particularly European, policy priorities for cooperatives – translating these into national development strategies and programs. Currently, almost no national or regional policy document in Republic of Moldova includes objectives or support measures for cooperatives, nor provisions for their inclusion in rural regeneration scenarios;
- Promoting recognition of the unique nature of cooperatives, as outlined in the ICA Declaration on Cooperative Identity (1995) – this includes regulating the distinctive nature of the cooperative business model, increasing its recognition, and defending its identity. Currently, there is a lack of trust in cooperatives, as they are often associated with pre-transition systems. Improving their public image is essential;
- Strengthening and expanding the cooperative membership community – implementing policies to attract and integrate young people into the cooperative movement, actively involving members in cooperative businesses, using effective support mechanisms, and encouraging the creation of new cooperatives;
- Raising public awareness about the importance of cooperatives – highlighting the benefits they provide to members and the advantages of the cooperative business model. This involves educating stakeholders – legislators, central and local authorities, the general public (youth, media) – that cooperatives are not just a form of entrepreneurship but a dual business model with both economic and social dimensions. Awareness campaigns, including advertising initiatives, are necessary to showcase the opportunities and advantages of joining cooperatives;

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- Promoting the identity and values of the cooperative movement in educational programs – including cooperative business models at all levels of education (general and professional) to inform students about the nature and specificities of cooperatives, how they differ from traditional entrepreneurship, and motivating them to engage with cooperatives. Encouraging the creation of youth start-up cooperatives within educational institutions and providing guidance for their progress. Developing entrepreneurial mindsets and including cooperatives in entrepreneurial education as part of the national curriculum;
 - Improving the efficiency of cooperative systems – digitalizing business processes, regional integration of cooperative entities, and managerial reengineering;
 - Enhancing the economic potential of cooperatives – diversifying products and services, bringing them closer to members and other beneficiaries, optimizing resource consumption, implementing circular economy methods, promoting behavioral economics, and integrating into efficient value chains;
 - Increasing innovation capacity – developing innovative products, services, business processes, and management systems within cooperatives, improving competitiveness and economic efficiency;
 - Strengthening investment potential – attracting external financial resources, including European funds, facilitating the participation of non-user financing members in cooperative activities;
 - Diversifying funding mechanisms – creating non-banking financial institutions, utilizing alternative forms of financing such as crowdfunding, establishing specific capital funds to provide financing (following examples from Italy and France), and creating microfinance and credit structures within the cooperative system;
 - Strengthening cooperation between cooperatives at local, regional, national, and international levels – fostering collaboration between cooperatives and governments, central and local authorities to support cooperative activities. Developing strategic partnerships with professional business organizations (e.g., Chambers of Commerce and Industry) to promote the cooperative movement and encourage various partners to engage with cooperatives;
 - Promoting and supporting the cooperative business model – raising societal awareness about the impact of cooperatives and expanding the adoption of this business model to reflect its unique characteristics;
 - Developing cooperative and entrepreneurial culture – addressing the urgent need to build attitudes, skills, and knowledge about cooperatives and their entrepreneurial ecosystems;
 - Creating inter-cooperative business networks, modeled after existing SMEs networks in Europe, supported by national, European, and international authorities and organizations.

The above-mentioned actions could serve as a starting point for developing an agenda to proactively support cooperatives in the Republic of Moldova and other countries. Such an agenda would strengthen the social economy system and contribute to improving overall well-being. By focusing on initiatives such as improving and aligning legislative and policy frameworks with the EU acquis, promoting recognition of cooperatives' unique identity,

expanding cooperative membership, and increasing public awareness, this agenda aims to unlock the full potential of cooperatives. Additionally, integrating cooperative business models into educational programs, enhancing economic and innovation capacities, and fostering strategic partnerships and inter-cooperative networks could further solidify cooperatives' role as key drivers of sustainable economic and social development.

Conclusions

Cooperatives are a key actor in the social economy and play a significant role in job creation, promoting economic development, and improving well-being. Although their importance is increasingly recognized, their potential remains underutilized. Cooperatives are still not receiving sufficient attention from authorities, other stakeholders, or development policies. Their image in society does not reflect the values they promote or the benefits they offer. The causes of this situation are varied and stem from both internal and external factors.

At the same time, business models within the social economy, including cooperatives, primarily bring value to local economies and societies by promoting inclusion, resilience, and sustainability. Cooperatives and other types of social enterprises contribute to stimulating local economic development, particularly in sectors of special interest, such as rural areas, where economic activities are often overlooked by traditional businesses due to their lack of profitability. Additionally, cooperatives support local producers, ecological foods, and circular economic models, promote short-value chains, enhance community resilience, and offer pricing advantages to their members. Furthermore, being locally anchored, cooperatives prioritize serving their communities, helping retain population, economic activities, and income at the local level. They also play a pivotal role in providing goods and social services in rural and remote regions, meeting the consumption needs of local populations.

However, cooperatives face numerous internal and external challenges that often become barriers to their development. In such a context, synergistic and well-founded actions are needed to strengthen cooperatives, leading to their recognition and increasing interest in integrating into this system of values and economic activity. Building on this need, this paper outlines key actions that have the potential to stimulate the development of cooperatives, transform societal and governmental attitudes towards them, increase interest in the cooperative business model, and actively engage young people in the cooperative movement. These proposed actions could serve as a foundation for an agenda in the Republic of Moldova to “bring cooperatives into the spotlight” and accelerate their growth, unlocking the many benefits they offer.

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