



# CARRY ON THE FLAME

funded by the  
Erasmus+ Programme  
of the European Union



## What is a cooperative?

Cooperatives are a special form of civic engagement - in Germany alone, cooperatives today have around 21 million members. The "Idea and Practice of Organizing Common Interests in Cooperatives" was included in 2016 as Germany's first UNESCO nomination in the list of the immaterial cultural heritage of mankind.

The cultural form of cooperatives did not originate entirely in Germany, but has predecessors in Great Britain, France and Eastern Europe. Hermann Schulze-Delitzsch and Friedrich Wilhelm Raiffeisen, however, laid decisive foundations in Germany in the middle of the 19th century, which still have an impact worldwide today.

The registered cooperative (eG) is one of the legal forms. The legal form is what determines the legal framework of a business enterprise. It is a successful business model that has been in existence for more than 160 years and is typical for Germany. Therefore, it is also very widespread in this country. More than every fifth citizen of our country is a member of such a cooperative. There are about 5,500 of them. An important feature for the eG is that its membership can be terminated by the member at any time.

Cooperatives often present themselves in trade (e.g. Edeka), in agriculture (Baywa, Raiffeisen), at banks (Volksbank) or in the health sector. It is a process in which at least three small or medium-sized enterprises are brought together. The advantage of this cooperation is that each of the participants benefits from it. Its members are both individuals and entire companies belonging to a particular profession or line of business.

These members of the cooperative join together with people who pursue the same goal in order to achieve it more easily and quickly. This goal includes one of the following areas: Economic, cultural or social.

### **Example:**

Suppose a farmer needs a tractor. He can only use it for a certain period of time because of the harvest. Other farmers are in the same situation. That's why they form a cooperative. Everyone pays a certain amount so that each of them can use this tractor and it is worth it in terms of money, for example.

1 Raiffeisenmarket



2 People's Bank



3 Edeka-Supermarket



Sevcan Güler

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