



International
Co-operative
Alliance



Cooperatives
of the Americas
A Region of the International
Cooperative Alliance

MAPPING: KEY FIGURES

NATIONAL REPORT: PANAMÁ

ICA – EU PARTNERSHIP



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I. INTRODUCTION AND CONTEXT

This report is part of a Mapping exercise launched by the International Cooperative Alliance and its regional offices, within the framework of a partnership signed with the European Commission for the period 2016-2020. The programme aims to strengthen the cooperative movement and its capacity to promote international development. Other research projects led within this partnership include a worldwide Legal Frameworks Analysis, and several thematic researches on themes of significance for cooperatives.

Responding to challenges and existing knowledge gaps facing the cooperative movement, this research seeks to provide exhaustive information on cooperatives worldwide. This is achieved through a process jointly conducted by the ICA and its four regional offices – Cooperatives of the Americas, Cooperatives Europe, ICA Africa, and ICA Asia-Pacific – using a common methodology. Each office collected the input of ICA members present in the countries within its geographic area, by using the same questionnaire, and completing it with relevant national statistics, in order to obtain an accurate picture of the national situation.

Mapping out cooperatives in each country provides a more precise picture of the cooperative context at national and regional levels, enhances the movement's visibility, networking, partnerships opportunities, as well as advocacy, and empowers cooperators by providing them tools for positive change.

Within this framework, the present report showcases information about the cooperative landscape in Panamá.

i. Historical background

Between the years 1938 to 1940, the first vestiges of the cooperative movement began in the country. At the University of Panama, courses on cooperativism were given by German professors from the Center for Cooperative Studies of the Institute for Economic Social Studies; But it is in the old Canal Zone, where the first savings and credit cooperative operated in Panama, since in 1937 there was a credit union, “Credit Union”, registered as such in 1934 in the State of Delaware, in the United States¹.

According to IPACOOOP², in Panama, the cooperative school model (youth) was the first to be established thanks to the contribution of Dr. Octavio Méndez Pereira; who, through his diplomatic position held in France, obtained knowledge about the model, organization and operation of school cooperatives.

In 1926, as a deputy of the National Assembly, he proposed and obtained the approval of Law No. 20 by which the organization of school cooperatives was established. In 1950, due to the critical situation in the country, through the mediation of Father Julián, a believer in cooperativism and under the auspices of the “Catholic Congress of Agriculture, Cooperative Promotion and Improvement of Rural Life” held in Panama, they inspired the trial of the cooperative alternative with his parishioners. , the first steps towards the creation of a formal cooperative began.¹

In 1952, the first cooperative was established in the Panamanian territory with headquarters in Bocas del Toro. In July 1980, the Panamanian Autonomous Cooperative Institute (IPACOOOP) was formed, which is in charge of directing, planning and executing the cooperative policy of the Panamanian State, through Law 24. It should be noted that Cooperatives in Panama, for them to be legally functional, they must be authorized by IPACOOOP.³

¹ UCACEP. (2018). Historia del cooperativismo. Certificación en cooperativismo o virtual. Available at: http://ucacep.com/wp-content/uploads/2018/02/modulo_N_1_HISTORIA_DEL_COOPERATIVISMO-UCACEP.pdf

² IPACOOOP. (n.d.). ¿Cómo surge el cooperativismo en Panamá?. Available at: <https://www.ipacoop.gob.pa/index.php/noticias/76-pages/pregunta-y-respuestas/293-preguntas-frecuentes-15>

³ EducaPanamá. (n.d.). Cooperativismo en Panamá. Available at: <http://www.educapanama.edu.pa/?q=informate/cooperativismo-en-panama>

Beginning in 2005, steps have been taken regarding the development and organization of 'Youth Cooperativism' in schools in Panama. Through Law 12 of October 5, 1990, during the government of Guillermo Endara Galimani, the teaching, promotion and development of cooperativism is required, from basic education to higher university education.¹

ii. Public national statistics

For a more comprehensive picture of the cooperative movement in Panamá, the present section provides key data from the country's public registers as a useful background context to the ICA members' data showcased in Section II of the report.

The data presented here comes from information provided directly by the Instituto Panameño Autónomo Cooperativo⁴.

NUMBER OF COOPERATIVES:

The Instituto Panameño Autónomo Cooperativo indicates that for the second quarter of 2019 there are 479 active cooperatives.

COOPERATIVE MEMBERSHIP:

The Instituto Panameño Autónomo Cooperativo determines that the number of people associated with Panamanian cooperatives in the second quarter of 2019 was 213 165; of which 47% were men and 53% women.

PRODUCTION VALUE:

Panama does not have exact data on the contribution of cooperatives to the national GDP; However, the Instituto Panameño Autónomo Cooperativo indicates that for the

⁴ IPACOO (2019). Available at: <https://www.ipacoop.gob.pa/index.php/2-uncategorised/280-estadisticas-1>

second quarter of 2019 the cooperatives have a total assets of 595 million United States dollars (USD) (approximately 540 million euros⁵).

iii. Research methodology

The aim of the mapping research is to collect and make publicly available reliable and up-to-date data to understand what the cooperative movement represents in the targeted country. With this view, the data detailed in the present report has been collected using the methodology detailed below.

The methodological tools include a questionnaire used to collect the data, which was distributed online to the members, as well as a methodological note provided for further guidance. They were built jointly with all ICA regional offices with the support of external experts from the European Research Institute on Cooperative and Social Enterprises (Euricse) and are applied in a harmonised way in all the target countries.

The classifications used in the research are consistent with the internal system used within the ICA movement (e.g. on membership status and types of cooperative organisations) and with standards increasingly adopted in recent studies and by international organisations like the ILO – e.g. using international classifications of economic activities such as the International Standard Industrial Classification (ISIC) rev. 4, which ensures the comparability of statistics both nationally and internationally, as well as with statistics on other forms of enterprises.

Regarding the target organisations, considering that a worldwide survey has very challenging goals, and while the value of directly collecting data from non-member cooperatives must be recognised, the present Mapping exercise targets cooperative organisations members of the ICA.

Furthermore, in order to complete the ICA members' data, the decision was taken to also look at external sources, to provide additional and more exhaustive cooperative statistics for the country. As a result, the data is collected following two strategies contemporaneously: 1) collecting statistics already available in the country; 2) carrying out a survey targeting ICA cooperative members.

⁵ InfoEuro exchange rate as of December 2019, 1EUR = 1.1USD

In Panamá, the mapping questionnaire was distributed and completed by 1 ICA member organization. After further follow-up of the surveyed members, the figures provided were compiled to be presented in the next section.

II. KEY FIGURES

This section presents the results of data collection conducted by ICA members.

Panama has 2 ICA member organizations (1 full member and 1 associate member):

- **Cooperativa de Servicios Múltiples Profesionales R.L. (Cooperativa Profesionales R.L.).** Full member.

In 1970 the Cooperativa Profesionales, R. L., was founded with 112 associates, all of them belonging to the Association of Physicians, Dentists and Professionals related to the Social Security Fund (AMOACSS), under the category of multiple services. Sector: Multi-active.

- **Instituto Panameño Autónomo Cooperativo (IPACOOOP).** Associate member.

Founded in 1980 through Law 24 of July 21, better known as IPACOOOP, which is exclusively in charge of the formulation, direction and execution of cooperative policy in Panama. Sector: Promotion entity.

ICA member organizations are directly or indirectly active in the following sectors:

- Banking
- Education
- Agriculture and food industry
- Transportation
- Commerce
- Professional services
- Housing
- Health
- Others

iv. ICA member data

The data collected was provided for the year 2019, in order to present more relevant information.

v. General overview

This section provides an overview of the ICA membership data for Panamá. It is displayed in various categories and supported by tables and graphs, for clarity.

Category	Total
Number of cooperatives	2
Number of memberships	10 436 ⁶
Number of employees	270 ⁶

Overall, ICA members represent 2 cooperatives in the country, with a total number of memberships of 10 436 and a total number of 270 employees. User cooperatives, producer cooperatives, work cooperatives, and multiple cooperatives are present in Panama.

vi. Sectoral overview

The sectors used below correspond to the categories used in ISIC rev. 4 to classify the economic activities carried out by cooperative organizations present in Panama, which surpass those associated with the ICA.

⁶ Datos no incluyen información del IPACOOOP.

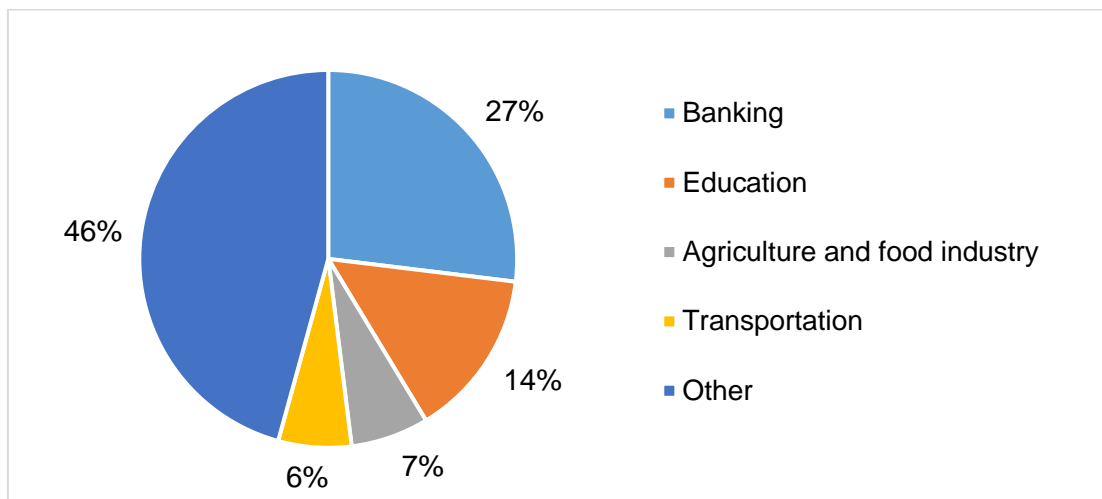
The following table provides an overview of the 2019 data:

Sector	Cooperatives	Membership	Assets ⁷
Banking	129	82 857	744 932 368
Education	69	2 590	310 432
Agriculture and food industry	32	1 352	13 722 569
Transportation	30	2 371	17 325 227
Commerce	9	620	966 982
Professional services	9	227	2 015 645
Housing	5	518	2 770 571
Health	1	30	832 341
Others	195	122 600	1 533 443 268
Total	479	213 165	2 316 319 403

III. GRAPHS

Specific variables are also detailed in the charts below.

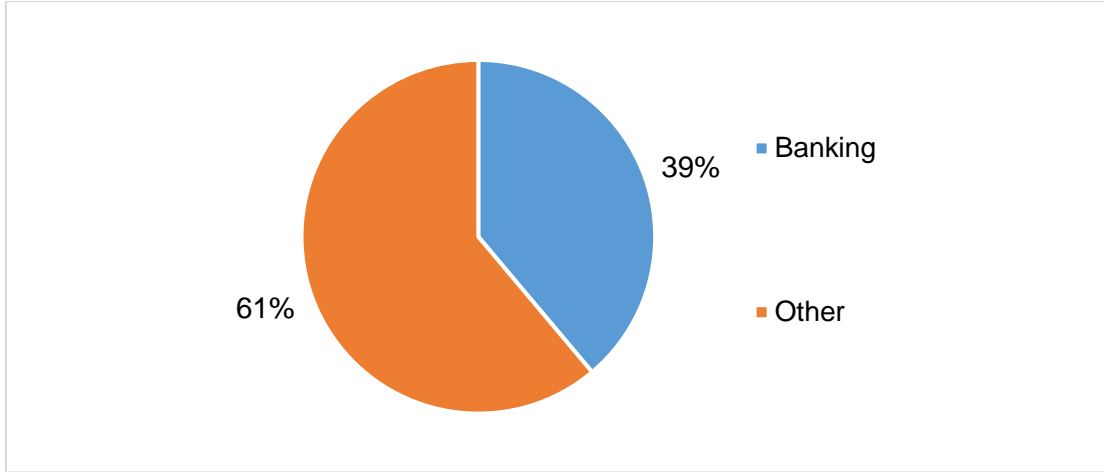
vii. Percentage of total cooperatives by sector



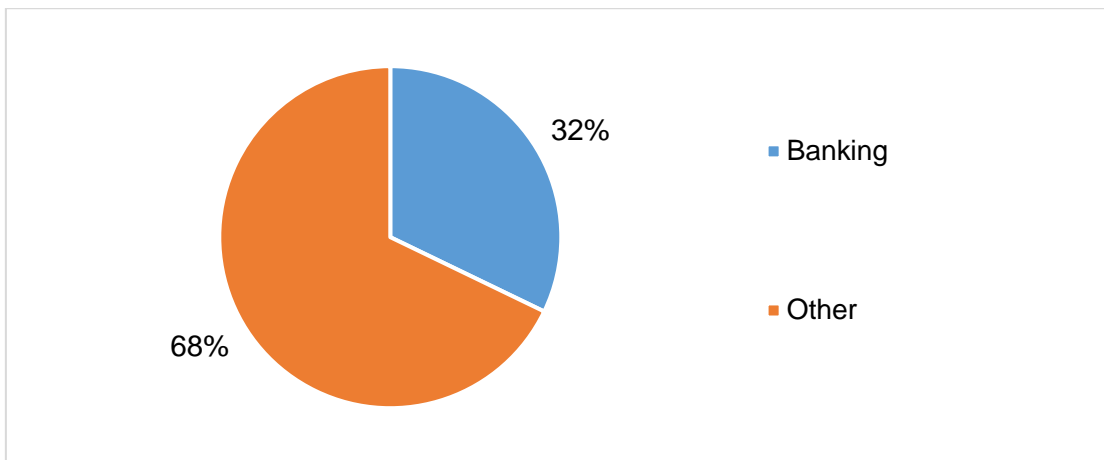
⁷ Data in US dollars.

InfoEuro exchange rate as of December 2019, 1EUR = 1.1USD

viii. Percentage of total memberships by sector



ix. Percentage of assets by sector



IV. ANNEXES

Sources:

UCACEP. (2018). Historia del cooperativismo. Certificación en cooperativismo o virtual. Available at: http://ucacep.com/wp-content/uploads/2018/02/modulo_N_1_HISTORIA_DEL_COOPERATIVISMO-UCACEP.pdf

IPACOOOP. (s.f.). ¿Cómo surge el cooperativismo en Panamá?. Available at: <https://www.ipacoop.gob.pa/index.php/noticias/76-pages/pregunta-y-respuestas/293-preguntas-frecuentes-15>

EducaPanamá. (s.f.). Cooperativismo en Panamá. Available at: <http://www.educapanama.edu.pa/?q=informate/cooperativismo-en-panama>

IPACOOOP (2019). Available at: <https://www.ipacoop.gob.pa/index.php/2-uncategorised/280-estadisticas-1>

Contacts

Further details on the Mapping research and other country reports are available on www.coops4dev.coop

The production of this report was overseen by staff from Cooperatives of the Americas and the International Cooperative Alliance. For any further information or clarification, please contact mappingresearch@ica.coop or with the Research Officer for Cooperatives of the Americas carlos.gonzalez@aciamericas.coop

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