



MAPPING: KEY FIGURES

NATIONAL REPORT: FINLAND

ICA-EU PARTNERSHIP



TABLE OF CONTENTS

I. INTRODUCTION AND CONTEXT.....	2
<i>i. Historical background.....</i>	<i>2</i>
<i>ii. Public national statistics.....</i>	<i>4</i>
<i>iii. Research methodology.....</i>	<i>5</i>
II. KEY FIGURES	6
<i>iv. ICA member data</i>	<i>7</i>
<i>v. General overview.....</i>	<i>7</i>
<i>vi. Sector overview</i>	<i>8</i>
III. GRAPHS.....	9
<i>vii. Number of cooperatives by type of cooperative:</i>	<i>9</i>
<i>viii. Number of memberships by type of cooperative:.....</i>	<i>10</i>
<i>ix. Number of employees by type of cooperative:</i>	<i>10</i>
<i>x. Turnover by type of cooperative in EUR:.....</i>	<i>12</i>
IV. ANNEXES	13

I. INTRODUCTION AND CONTEXT

This report is part of a Mapping exercise launched by the International Cooperative Alliance (ICA) 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 Finland.

i. Historical background

Although the cooperative movement in Finland can be said to have been firmly established in 1903 following the passing of the first cooperative law in 1901, Finland's harsh climate and rugged terrain necessitated working together for survival long before this.¹ Prior to this, Finns had already joined up to establish formal rules for purposes such as hunting, harvesting crops and constructing houses. In 1866, the first account of the Rochdale Pioneers was published in Finnish, whilst certain groups of factory workers formed societies during the 1870s and 1880s. The impetus for cooperation was initially stronger in urban settings than rural areas, with the first farmers' trading association not appearing until 1898.

The influence of Hannes and Hedvig Gebhard on the development of the Finnish Cooperative movement was also profound.² Drawing inspiration from other countries, Hannes Gebhard of Helsinki University published his book *Agricultural Co-operation in Other Lands* in 1899. During this period, Finland was part of the Russian Empire and the cooperative movement was connected to the country's struggle for independence. In this book, Gebhard made the claim that “farmers' cooperation is the rock upon which the major social improvements and perhaps in the future nationhood and independence is possible to build up.”³

¹ F. Ray Marshall, 'The Finnish Cooperative Movement', Land Economics Vol. 34, No. 3, (1958), University of Wisconsin Press, pp. 227-228

² Pellervo, 'History of the Cooperative Movement in Finland' (2017), available at: <https://pellervo.fi/english/history-of-the-cooperative-movement-in-finland/>

³ Ibid.

Gebhard would go on to set up the cooperative information office *Pellervo*, which deployed university students to rural areas to promote cooperation⁴. Pellervo became an ICA member organisation in 1902⁵ and quickly grew to become the country's main cooperative federation, with nearly all Finnish agricultural cooperatives being part of Pellervo's network today, and more than half of its membership consisting of cooperative banks.^{6 7}

By the 1950s, Finland had arguably the strongest cooperative movement in the world on a per-head basis.⁸ In 1951, Finnish cooperatives accounted for more than double the percentage of total retail sales in the country compared to neighbouring Sweden and marketed more than 60% of the country's agricultural produce.⁹

The strength of the Finnish cooperative sector has continued to apply in the modern context, with a 2018 article from Pellervo stating that 90% of Finns are a member of a cooperative.¹⁰ Following the decline of Nokia, some ex-employees set up A. Vipunen, an inventor's cooperative with 160 inventor members in the north of the country, which has led to an increase in patents registered in the region. In 2020, there were over 4000 cooperatives in Finland, the most significant in terms of membership are in the retail and banking sectors, whilst mutual insurance is another important sector.

⁴ Op cit, Marshall, p. 228

⁵ Pellervo, '*International Connections*' (2017), available at: <https://pellervo.fi/english/international-connections/>

⁶ Pellervo, '*Organisation of Pellervo Coop Center*' (2017), available at: <https://pellervo.fi/english/organisation-members-board-directors/>

⁷ See also: <https://pellervo.fi/wp-content/uploads/2015/02/pellervo-story.pdf> for a very comprehensive overview of Pellervo's role in the growth of Finnish cooperation.

⁸ Op cit, Marshall, p. 227

⁹ Ibid.

¹⁰ Pellervo, '*Finnish survey of cooperatives: knowledge and popularity of cooperation increased remarkably*' (2020), available at: <https://pellervo.fi/en/uncategorized-en/2018/01/17/finnish-survey-cooperatives-knowledge-popularity-cooperation-increased-remarkably/>

ii. Public national statistics

For a more comprehensive picture of the cooperative movement in Finland, 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 stems mostly from previous work conducted by Cooperatives Europe, entitled '*The Power of Cooperation: Cooperatives Europe Key Figures 2014-2015*', and Statistics Finland (Tilastokeskus).

NUMBER OF COOPERATIVES:

Data from the Finnish Patent and Registration Office shows there were 4 421 cooperatives¹¹ in Finland in 2018.¹² According to the most recently available data from Statistics Finland, there were a total of 360 818 enterprises in the country in 2018.¹³ This suggests that cooperatives made up over 1.2% of Finnish enterprises in that year. More recent data from the Finnish Patent and Registration Office shows that there are 4 045 cooperatives in Finland as of 2020.¹⁴

EMPLOYMENT:

According to Statistics Finland, there were 2 256 459 people employed in Finland in 2015, the most recent year that employment data for cooperatives was available.¹⁵ Data from Cooperatives Europe for the same year provides a figure of 93 511 people employed by cooperatives,¹⁶ suggesting that at least 4.1% of the employed population are employed by the cooperative sector in Finland.

COOPERATIVE MEMBERSHIP:

According to data from Cooperatives Europe, Finland had 4 663 239 members of cooperative organisations in 2015.¹⁷ From Finland's population of 5 487 308 in the same year, these figures mean over 81% of Finnish people were members of a cooperative in 2015.¹⁸ By 2018, this number rose to 90% according to Pellervo.

PRODUCTION VALUE:

In 2015, the overall GVA of Finland stood at 180.8 billion euros, according to data from Statistics Finland.¹⁹ Figures from Cooperatives Europe in 2015 show cooperatives had an annual turnover of nearly 42.1 billion euros.²⁰ Although these figures are not directly comparable, they

¹¹ This figure includes cooperatives and cooperative banks, there were also 32 mutual insurance companies in 2020 which are excluded from this figure. See footnotes 12 and 14 below.

¹² Finnish Patent and Registration Office, 'Number of businesses in the Trade Register' (2020), available at: <https://www.prh.fi/en/kaupparekisteri/tilastot/lkm.html>

¹³ Tilastokeskus, 'Enterprises 2018' (2020), available at: https://www.stat.fi/tup/suoluk/suoluk_yritykset_en.html#Enterprises%201.%202018

¹⁴ Op. cit, Finnish Patent and Registration Office

¹⁵ Tilastokeskus, 'Statistical Yearbook of Finland 2017' (2017), p. 364

¹⁶ Cooperatives Europe, '*The power of cooperation: Cooperatives Europe Key Figures 2014-2015*' (2015), Report.

¹⁷ Ibid

¹⁸ The average Finnish person is thought to be a member of more than one cooperative.

¹⁹ Op cit, Tilastokeskus, p. 91

²⁰ Op cit, Cooperatives Europe

demonstrate the significant contribution of Finland's cooperative sector to overall economic activity.

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 such as 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.

In Finland the Mapping questionnaire was distributed to and completed by Pellervo, an ICA member organisation in the country. After some additional follow-up and clarifications from the member, the figures provided were compiled to be presented in the next section.

II. KEY FIGURES

This section presents the results of the data collection directed by the ICA members. It is different from the general estimates for the country provided in the introduction – as the coverage represents approximately 5.7% of the total number of cooperatives in the country. This figure is low as many of the smaller cooperatives in Finland are not covered within statistics provided by ICA member organisations.

Finland counts **2** ICA member organisations, Pellervo Coop Center and SOK Corporation.

Pellervo is a full ICA member,²¹ a service organisation for Finnish cooperatives and a forum for cooperative activities. It is an organisation of expertise on cooperative matters and Pellervo provides advice, publications and seminars, among other things, to approximately 300 members.

Its member organisations are active in the following sectors:

- Agriculture
- Banking
- Consumer
- Mutual insurance

SOK Corporation is a full ICA member. SOK Corporation comprises *Suomen Osuuskauppojen Keskuskunta* (SOK) and its subsidiaries. SOK, which is owned by cooperatives, serves as a central company and provides expert and support services – such as chain management, product range, procurement and marketing services – for the cooperatives of S Group.²² SOK itself is also part of the S Group network of cooperatives and is responsible for its strategic guidance and the development of the business chains. SOK's business operations supplement S Group's offering in Finland and the neighbouring regions.

²¹ This category covers members with voting rights – as opposed to associate members (which can include for instance governmental agencies).

²² S Group is a customer-owned Finnish network of companies in the retail and service sectors. S Group consists of 19 independent regional cooperatives and SOK, which is owned by the cooperatives. See <https://s-ryhma.fi/en/about-us/s-group-in-brief>

iv. ICA member data

The data collected was provided by Pellervo for the year **2017**. While a significant portion of the questionnaire was completed, data could not be provided for the following variables:

- Youth and Gender
- Sectoral data

v. General overview

The present section provides an overview of the ICA membership data for Finland. It is displayed in several categories and with the support of graphs, for clarity purposes.

Category	Total
Number of cooperatives	288
Number of memberships	6 362 053
Number of employees	88 482

The numbers above include all data collected by Pellervo. As Pellervo collects data beyond its existing membership base, the following figures within the membership base are also provided below. Pellervo represents **220** cooperatives in the country, with a total number of memberships²³ of **4 762 472**, and a total number of **86 936** employees.²⁴ While no economic data was available for all member organisations at the national level, some data on types of cooperatives represented could be provided and is broken down below.

Alongside this data, recent data from the ICA's member survey of 2020 demonstrates that Finland had **7 311 512** cooperative memberships in the year 2018. According to this same survey, Pellervo represented approximately **3 900 000** individual members in 2020.

²³ Defined in the Mapping methodology as: the number of persons who initially signed the application for registration and those admitted in accordance with the cooperatives' bylaws and who currently participate in the organization in accordance with the cooperatives' bylaws.

²⁴ Defined as: all those workers who hold the type of job defined as paid employment jobs.

vi. Typology overview

The typologies used below correspond to the categories identified by the International Labour Office Department of Statistics' *'Guidelines concerning statistics of cooperatives'*.²⁵ With regard to the turnover, the amount is provided in Euro (EUR)²⁶. Mutuals are included below as this constitutes an active sector for contributing member organisations in Finland.

A general overview is provided in the chart below:

	Number of cooperatives and/or mutuals	Number of memberships	Number of employees	Turnover in million EUR
Consumer/user cooperatives	220	4 276 218	52 392	14 507
Producer cooperatives	29	124 594	26 135	11 281
Worker cooperatives	1	400	400	3
Mutuals	20	1 600 000	3 404	2 191
Other²⁷	18	360 841	6 151	1 064
Total	288	6 362 053	88 482	29 046

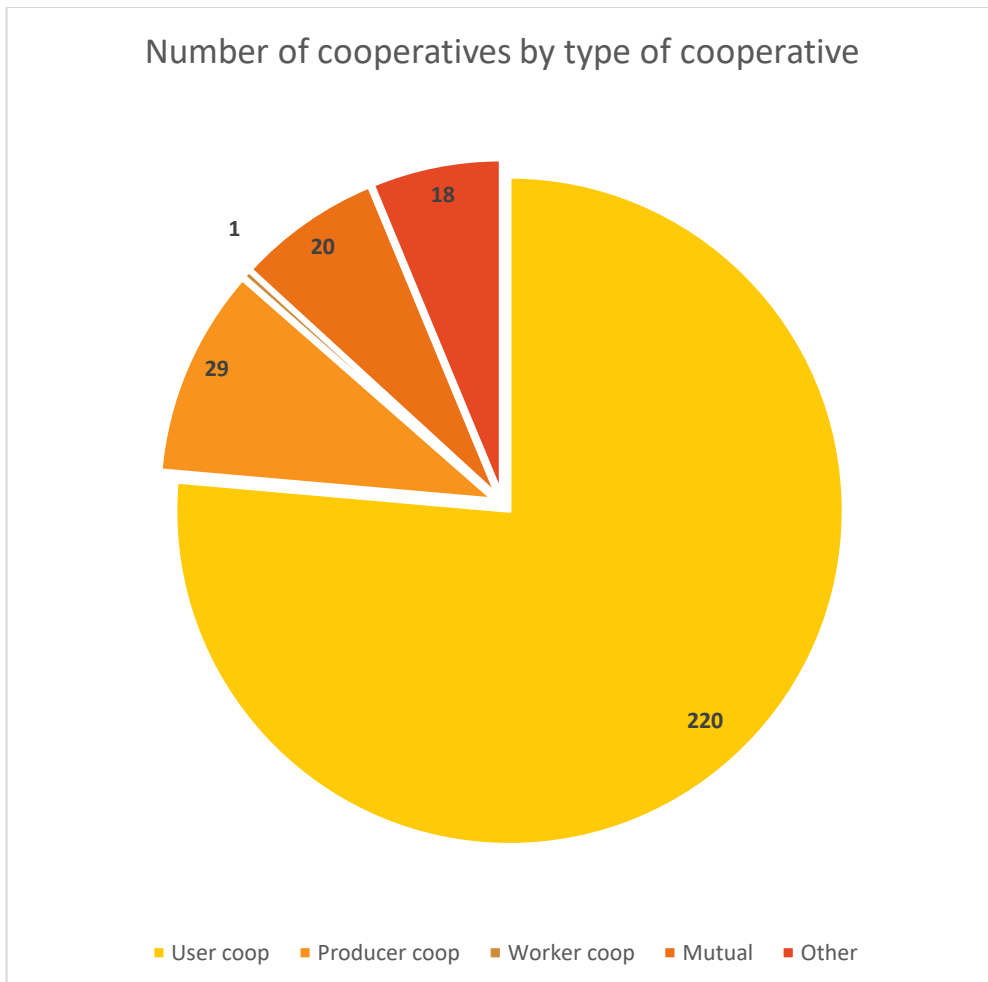
²⁵ International Labour Office, Department of Statistics, *'Guidelines concerning statistics of cooperatives'*, 20th International Conference of Labour Statisticians Geneva, 10-19 October 2018, ICLS/20/2018/Guidelines, p. 3-4.

²⁷ Includes associations of cooperatives and cooperative members and/or investment cooperatives

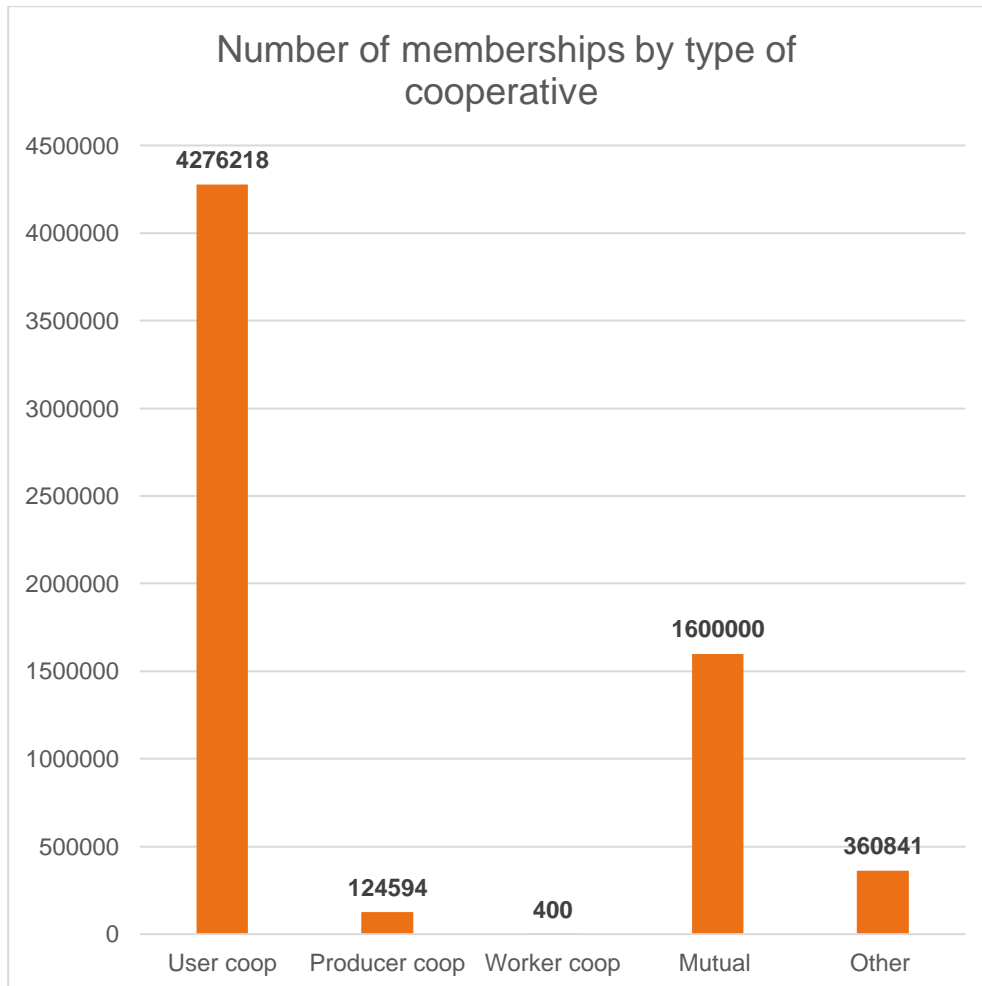
III. GRAPHS

Specific variables are also detailed in the graphs below, where data was available.

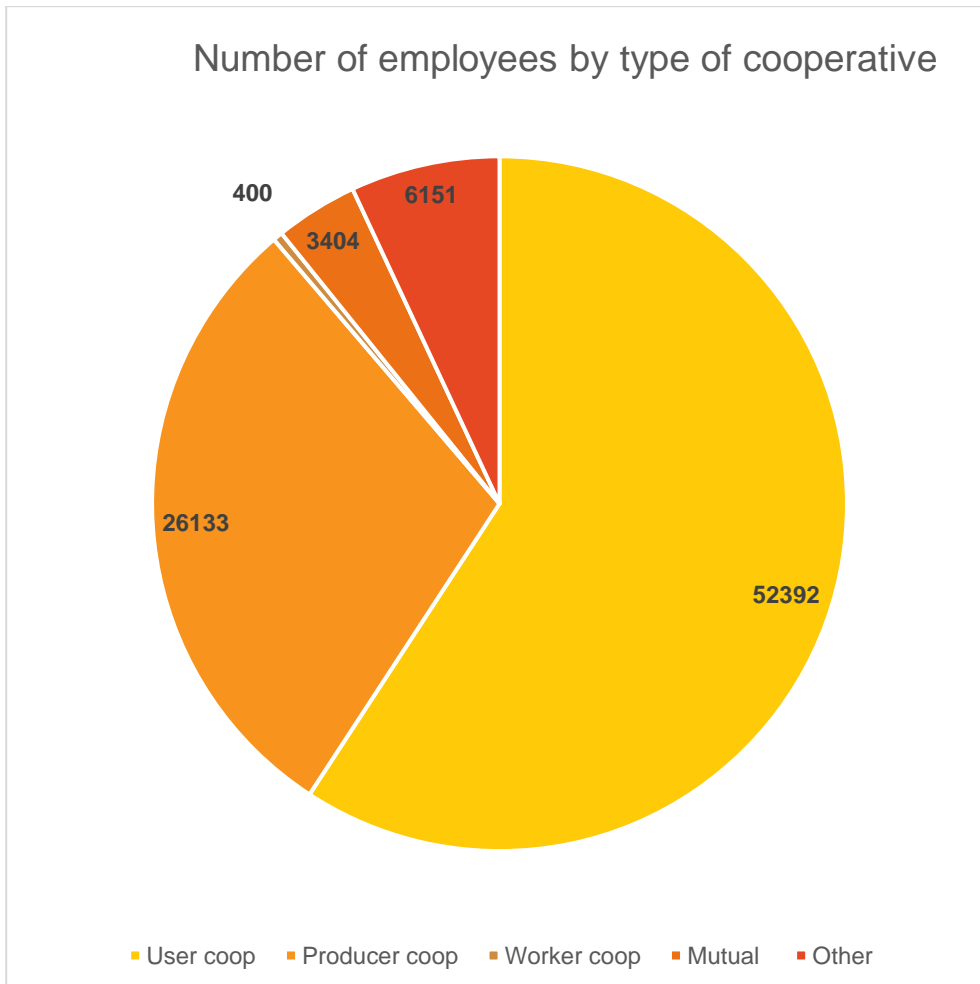
vii. Number of cooperatives by type of cooperative:



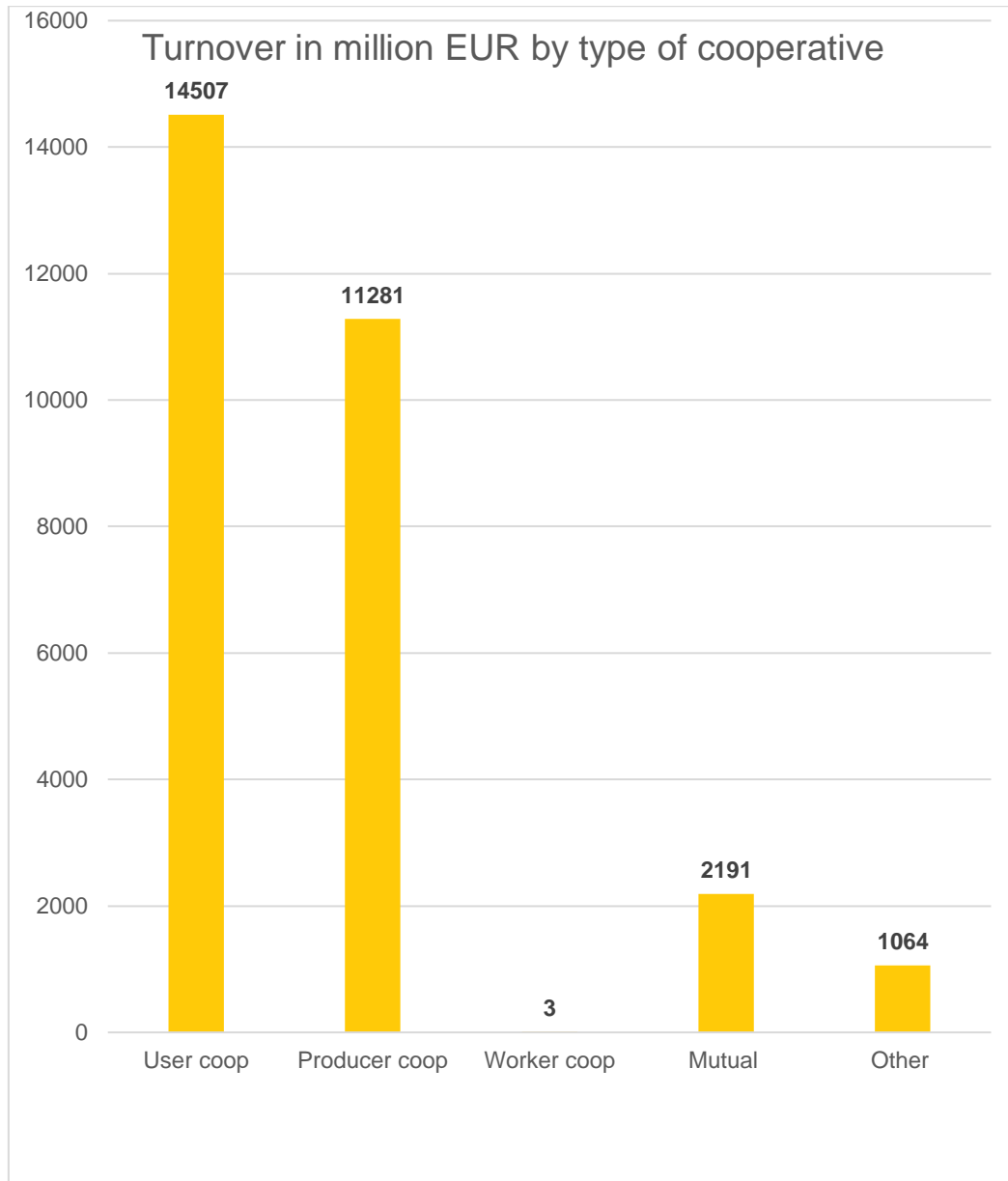
viii. Number of memberships by type of cooperative:



ix. Number of employees by type of cooperative:



x. Turnover by type of cooperative in EUR:



IV. ANNEXES

Sources and contacts are listed below.

Sources

Publications by statistical bodies

- Cooperatives Europe (2015) 'The power of cooperation: Cooperatives Europe Key Figures 2014-2015', Report.
- Finnish Patent and Registration Office, '*Number of businesses in the Trade Register*' (2020)
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- Sammallahhti, L, '4 Facts About the Amazing Finnish Cooperative Sector', Coop Exchange (2019)
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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 Europe and the International Cooperative Alliance. For any further information or clarification, please contact mappingresearch@ica.coop

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