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Italian Community Co-operatives Responding to Economic Crisis and State Withdrawal

A New Model for Socio-Economic Development

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Abstract

After several years of economic crisis, people are increasingly demanding more socially responsible economic activities rather than speculation, and better distribution of social wealth. This structural crisis is encouraging some groups to use their common resources to self-organise local services in order to mitigate public sector withdrawal and market failures. In Italy, community co-operatives are emerging as bottom-up initiatives for local commons preservation and use, regeneration of community assets, management of quasi-public services, and production of goods for community development projects. Community co-operatives are thus concretising many of the Sustainable Development Goals (SDGs), promoting, for instance, clean energy production and use, opportunities for decent jobs, more equitable forms of economic development, innovative ways to regenerate infrastructures and local assets, and the provision of services for communities in marginal areas or critical situations. This paper presents findings from an ongoing qualitative research project aiming to better understand the territorial and economic development impacts of Italian community co-operatives. It does so by illustrating their main features via data gathered during multiple site visits and interviews of co-operative members conducted throughout 2018. The paper considers three case studies in different sectors and regions of Italy, with an eye toward their efficacy for implementing the SDGs.

Keywords

Co-operative – Community – Local Development

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Introduction

In southern Europe, in particular, several years of economic crisis have re-shaped the role of the public and private sectors for socio-economic development. Austerity policies have decreased government interventions in markets and in public services and infrastructure. Between 2008–2018, Italian governments reduced public debt through spending reviews and cuts, steadily decreasing local infrastructure investments by 4% each year (Visco, 2018). Simultaneously, the national budget for Italy's welfare system suffered a drastic reduction of 13% between 2008–2011 (Fazzi, 2013). Not surprisingly, social disparities remain large and the number of people living in poverty has increased sharply since 2008 (Ranci Ortigosa, 2018). Moreover, while the EU has forced public authorities to stringent budget targets while offering a large share of public assets and real estate holdings to private interests, the strategy of balanced budgets has not lived up to expectations as the deep economic crisis has reduced the private demand for these assets (Micelli & Mangialardo, 2016). The consequences of this depletion of the state sector, as illustrated clearly by the Italian case, has been an increased abandonment of public assets. Together with the shrinking Italian manufacturing sector, the rise in business bankruptcies, and elevated rates of unemployment (Vieta et al., 2017), this dire scenario compounds Italy's deepening social ills and discontent.

Given this, more and more Italians have been demanding socially responsible and just economic activities focused on solving real and local problems rather market speculation, including a more participatory role for residents in the socio-economic life of communities. In order to mitigate public sector withdrawal and market failures, a new wave of active, participatory citizenship is leading communities to use their common resources for self-organising their local assets or services (Borzaga & Zandonai, 2015). Concurrently, trends in new public management are promoting the downloading of state planning to the private or third sectors. While the response by the private sector has been wanting, the third sector and local communities have been energetically leading local socio-economic development by regenerating and re-using public assets (Provasi, 2004; Bartocci & Picciaia, 2013; Fazzi, 2013; Micelli & Mangialardo, 2016;).

These scenarios map out the key factors for the emergence of community co-operatives in recent years, especially in Italy where co-ops have long been used for local territorial development. Community co-operatives are bottom-up initiatives established by a network of stakeholders or citizens using the co-operative organizational form to manage local commons, regenerate community assets, administer quasi-public services, or produce goods in order to support local communities in their own development projects. Tapping into co-operatives' capacity to satisfy members' socio-economic needs (Earle, 1986; Monzon Campos, 1997; Depedri & Turri, 2015), community co-ops explicitly extend into the community to embrace broader needs and usually include different kinds of members and stakeholders in their governance.

The aim of this paper is to demonstrate how community co-operatives promote the implementation of the SDGs through their deep community entrenchment; they support a people-centred development, considering first and foremost local needs and citizens' interests rather than profits. Moreover, many community co-ops manage local natural commons in order to preserve sensitive ecosystems or promote a sustainable use of local resources and green energy plans. The qualitative research driving this paper relies on findings from site visits to Italian community co-operatives throughout 2018 and semi-structured interviews of their administrators and members in order to understand how their missions support the local deployment of the SDGs. The first section presents the most recent theoretical debates concerning the community co-operative model. The second section explores and discusses three illustrative Italian case studies. The paper concludes by assessing the appropriateness of community co-operatives for the implementation of the SDGs.

Community co-operatives and the Italian context: A new mission for a traditional enterprise

Co-operatives are well positioned to respond to the growing demand for a more sustainable local economy for four main reasons. First, co-operatives are organizations that have historically involved members in the democratic governance of the firm, working primarily for their mutual benefit rather than for private gain (Wilkinson & Quarter, 1996; Borzaga & Santuari, 2001; Zeuli et al., 2004). While traditionally organised to serve members' needs, co-operatives have also provisioned community benefits, although this dimension had been underplayed or remained implicit (MacPherson, 2015). With the addition of "concern for community" to the ICA's Co-operative Principles in 1995, co-ops' deep commitments to communities have now been put into explicit relief.

Second, co-operatives have long been recognised as sites of education and learning (Keen, 1912; MacPherson 2002; Vieta 2014, 2018), constituting the ICA's fifth co-operative principle. As Zeuli et al. (2004) point out, community co-ops do not simply generate resources for local communities, they create a positive influence on members because they need to learn and understand deeply community-focused enterprise management. This educational dimension extends beyond a co-ops' membership and usually involves other residents and local actors in the community development process.

Third, although co-operatives need not be non-profits, they are well-suited to this status; they can operate well in territories and situations that the market has deemed to be unprofitable because co-ops do not primarily operate for short-term earnings or for the quick exploitation of local resources. Rather, co-operatives empower citizens, residents, and other local actors to work collectively to better their socio-economic destinies (Majee & Hoyt, 2011). Thus, the co-operative form fits well with the process of community development because they are organizations that tend not to be organised primarily for or privilege the economic above other social or environmental needs.

Fourth, co-operatives have always offered a radical redefinition of the concepts of ownership and management as they have historically embraced member ownership and self-management. Community co-ops are operated by local people for social purposes. They are not classifiable as charities or strictly grants-based social service organizations because they usually operate within some form of market activity that generates income and employs workers (usually local people) to carry out their mission. Indeed, what distinguishes community co-ops from other social enterprises is that they are mission-driven to steward the provisioning or coordination of a community's goods, services, or assets through the work and governance of local people and a locally based ownership (Somerville & McElwee, 2011).

Community co-operatives have been explicitly formed to maximise what has been called "the co-operative advantage for community development" (Vieta & Lionais, 2015). In this vein, Wilkinson & Quarter (1996) have theorised that co-operatively run community organisations, precursors to today's community co-operative model, are sustained by three elements: community consciousness, empowering activities, and supportive structure. First, networks of social relationships form community consciousness in specific places, fostering an awareness that one is a part of a collective entity. This consciousness favours trust and collaboration. Second, co-operatively run community organisations work for people's empowerment. Community engagement strategies can ensure long-term attachment, a sense of involvement, and a sense of efficacy in locals' collective engagement in common projects, all determinative of residents' participation in community economic activities. Third, supportive structures both internal and external to communities are necessary; local development processes require formal structures that can support permanent activities from within territories and from local, regional, and national actors, policies, financial mechanisms, and so on.

In the Italian context, Mori (2014, 2017) underlines how community co-operatives are the result of a long evolution that has shifted the focus of the co-operative from the mutual interests of specific groups, such as consumers, producers or workers, to the broader interests of society. While co-operatives have proven efficacious at levelling off many social inequalities over the past two centuries, more recently and especially among a growing number of Italian scholars, co-ops are being seen as explicitly having both mutual value for members and strong social

value for communities (Zangheri et al., 1987; Zamagni et al., 2004; Bagnoli, 2011). With increasing frequency across Italy, co-operatives are being taken up by and for communities as the main model for their own locally focused and grassroots-led socio-economic development.

One place that Italian community co-operatives are becoming relevant is in the renovation or regeneration of public assets, buildings, and spaces in urban and rural contexts that have been left in abandoned or dilapidated conditions due to austerity-led public sector spending reductions (Micelli & Mangialardo, 2016). These regeneration projects are increasingly seeing collaborations between local residents and public authorities, opening up new local development opportunities centred on the co-operative model. At core, the various stakeholders involved in these regeneration projects, led by the community, have sought for an organizational model able to give equal decision-making power to all key players. What soon emerged was the adequacy of co-operative's democratic governance structures organising the regeneration or stewardship needs of local assets while bringing in all stakeholders to the table as equal partners. Borzaga & Zandonai (2015) point out three main characteristics of Italian community co-operatives:

- (1) The regeneration of a community's material or immaterial assets, including natural, historical or cultural resources via some revenue-generating activity used to maintain these resources and for generating new community projects. Often, these projects work with particular social or eco-friendly concerns.
- (2) The creation of strategic partnerships with local stakeholders, including local, public sector, and private sector actors. These relationships are tasked with sharing in the responsibility and management of existing projects and proposing and developing new projects.
- (3) The co-production (Pestoff, 2012) and delivery of traditional or community-based goods or services together with the direct beneficiaries of these goods or services.

In what follows, we offer three cases of Italian community co-operatives that highlight the various dimensions and characteristics we have been discussing thus far, illustrating their possibilities on the path of fulfilling the SDGs.

Valle dei Cavalieri: The first Italian community co-operative

Italy's Alps and Apennine mountain chains have long suffered a gradual process of depopulation and economic depletion since the end of WWII. As Italy rapidly industrialised after the war, tens of thousands of residents from these regions were motivated to migrate to Italy's major towns and cities in search of stable and better remunerated employment. The steady depopulation of these mountain communities has meant a drastic diminishment in their age-old economic activities, the threat of the extinction of traditional cultures, and sharp reductions in much-needed public services. Succiso Nuova is one such mountain village that by the late 1950s was facing a drastic depletion of local resources and total depopulation. Located in the Emilia-Romagna region, with its world-renown tradition of co-operativism, it is no surprise that a group of residents started a co-operative to save the village in 1991.

Up until the 1950s, the village of Succiso Nuova was a self-sufficient farming community; residents produced their own food and received a substantial portion of their income in an integrative way from the local dairy co-operative. With a population of just over 1,000 people, the availability of resources for self-provision had been fundamental for the village's self-sustenance and development. Until the mid-1950s, the village included a primary school, a handful of grocery stores, and many workshops. This context began to change at beginning of the 1960s when a series of landslides almost destroyed the village. Many residents chose to abandon agricultural life and move to Italy's urban areas, offering more secure jobs, higher wages, and better living conditions.

Succiso Nuova's long abandonment process culminated in the early-1990s when the last grocery store and café in the village closed. Eventually, the depopulation forced public authorities to close the local primary school and terminate bus service to the village. These conflating circumstances caused much material and psychological difficulties for the remaining residents, leaving them a large socio-economic void and "a sense of social death." Despite this increasingly dire situation, a group of friends, all in their 30s and members of Pro

Loco (Italian associations for the promotion of a locality), decided to develop a solution for their village. According to the current president of the community co-operative, three things proved to be fundamental during the start-up phase: the strong bonds of friendship between the founders, their deep attachment to Succiso Nuova and the surrounding territory, and their shared knowledge of the co-operative model. They would soon realise that a co-operative model could allow for involvement of all the people interested in the project. The most immediate aim, for basic social and economic reasons, was the grocery and café re-opening. The venue they chose was the closed primary school, and they eventually obtained an advantageous agreement with the Succiso Nuova municipality for the refurbishment and conversion of this building into the current multi-services centre, the grocery store, café, and small agro-tourism hotel that makes up the hub of today's community co-operative Valle dei Cavalieri.

Even though there are only 65 permanent residents in the village today, the co-operative has grown over the years and involves some of Succiso Nuova's current residents and an increasing number of former residents and decedents who desire to keep a bond with the village and its traditions. Today, the Valle dei Cavalieri co-operative has 55 members and seven employees. In 1996, the co-operators decided to convert the organisation into a Type-B social co-op, a particular co-op that privileges the training and work integration of people with mental or physical disabilities and that can also be used for social and cultural purposes. This meant that the project to save the village evolved into a form of co-operative social enterprise that was able to target issues once beyond the original scope. Ensuring year-round employment in the village, the co-operative has organised new services in recent years through local collaborations, providing, for instance, for the maintenance of green areas, snow shoveling, and a daily school bus for children, which also doubles as a community transport vehicle that brings in medicine and other supplies for the elderly residents of the village.

Valle dei Cavalieri also houses the regional park's tourist centre, which includes an info-point, local museum, and a hub for activities such as educational programs on Apennine flora and fauna and traditional mountain jobs. Since its founding, Valle dei Cavalieri has promoted a territorial network of hospitality operators partnering with other co-operatives and social businesses to offer an integrated tourist proposal. Valle dei Cavalieri has thus managed to expand its mission beyond its boundaries, spreading co-operative values to other local communities. Indeed, Valle dei Cavalieri is the main promoter of the Italian School for Community Co-operatives, a one-week workshop it facilitates focused on themes related to community development and local co-operation.

Over the years, Valle dei Cavalieri has developed multiple services and collaborations that balance the complexity of local needs and market opportunities, ensuring for the co-op several income sources endogenous and exogenous to the community. Since its founding, the Valle dei Cavalieri co-op has invested more than 1.5m € into the village's infrastructure, while attracting 15,000 tourists a year to its tourism offerings. Left alone to compete in the market, the co-op's businesses would not survive. Working together as the co-op's various market interests within a social business eco-system guarantees enough resources to sustain the more vital community services the co-op provisions. The social business and multi-service co-op eco-system also effectively addresses the absence of private or public sector services, as both market-based and public sector economics deem the area too sparse or costly to be serviced. The co-op's annual income of more than 700.000€ has proven the efficacy of this project.

Co-operative Brigi: Sustainable tourism and youth activism.

The story of Co-operative Brigi, in the village of Mendatica in the Arroscia Valley of the Ligurian Apennines, has affinities with Succiso Nuova. Until the beginning of 20th century, this had been a wealthy village due to its agricultural activity, location as a year-round tourist destination, and reputation as a healthy environment, Mendatica had nine hundred permanent residences. By the 1960s, the installation of ski lift further improved the village's tourist attraction. Despite this, jobs not related to seasonal tourism or agriculture were scarce and, by the end of WWII, an increasing number of residents seeking more regular and lucrative employment decided to move to cities and, as in Succiso Nuova, brought depopulation and economic decline. Since this exodus, Mendatica has remained mainly a tourist destination during the summer and winter holidays, mostly abandoned for the rest of the year. Added to

this, a serious landslide caused by rainstorms occurred in November 2016, damaging houses and public property, collapsing the main road running through the valley, and closing its ski area, with drastic repercussions for Mendatica's local economy and a deep sense of loss for remaining residents.

What would eventually become Co-operative Brìgì has roots in local community organizing nurtured by a forward-thinking municipality, with an early focus on environmentally sustainable tourism and energy. In the early 2000s, with the impetus of addressing the dual-negative trends of depopulation and economic downturn, the municipality of Mendatica won a public bid for local tourism development. The resources were eventually invested into a adventure park, including hiking paths, a camping area, tennis courts, a football pitch, a café, and a forest zip line. The initiative also financed courses for adventure park training, forming over the years many Pro Loco volunteers. In 2011, the municipality invested resources to convert one of the village's traditional houses into a 40-bed bed and breakfast, further promoting local tourism. Between 2007–2014, the municipality accessed additional EU funds and began green energy production through two hydroelectric turbine, ensuring energy self-sufficiency for Mendatica. Sadly, the 2016 landslide destroyed one of the turbines and saw a reduction in energy revenues for village. While the local authorities planned to give licence rights to the Pro Loco association for managing the touristic assets of the village, it quickly became clear that a different legal structure, with permanent business plan and employees rather than volunteers, was needed. Hopeful of the commitment to the future of Mendatica shown by the young Pro Loco members, local authorities agreed to assign to them the management of the tourist offerings; in 2015 Co-operative Brìgì started its activities.

As in Succiso Nuova, a group of committed and mostly young residents of Mendatica dedicated to the local territory decided not to abandon their ancestral place but, instead, create a community co-operative as the cornerstone of revitalisation and meaningful jobs for its 14 young members. Concentrating on running the village's tourist offerings, promoting a "slow-tourism" with low environmental impact, regenerating public properties, and maintaining local green spaces, Co-operative Brìgì has managed to successfully face several critical moments, including the 2016 landslide. According to Brìgì's president, drawing heavily on the strong social bonds of the territory and a deep sense of belonging to Mendatica have been the main resources driving the project, allowing it to overcome challenges and setbacks. Moreover, the case highlights how the community co-operative model can fuse synergies of sustainability between residents and public authorities.

Melpignano: Public participation in a solar energy co-operative

Growing demand for sustainable energy sources, local control over territorial assets, and community participation in decision-making processes are the three things distinguishing the Melpignano community co-operative, a project developed initially by the municipality and involving a large share of the local population. Between 2008–2009, the project began as a collaborative partnership between Melpignano town hall, the University of Salento Engineering Department, and a local social co-operative to promote and manage the installation of solar panels on the roofs of the town's houses. The process began with all town residents called to participate in the initiative, which included the free-use of their roofs in exchange for discounts on their electricity bills. The necessity to have an enterprise able to install and manage the solar panels led the public authority to consider the co-operative form. Not just a utilitarian endeavour, the project aimed to promote active community participation in local development. In July 2011, the mayor called a public meeting in the main square and invited all residents to participate in project, with 70 families soon becoming founding members of the Melpignano community co-operative.

This co-operative is remarkable not only for its commitment to solar energy but also for the promotion of a very democratic and participative decision-making process focused on the reinvestment of the co-op's revenues into the community. Every year, the members' assembly proposes a new project for the socio-economic development of Melpignano, including the renewal of public assets or introducing new social services or utilities. For instance, the community co-op has also recently developed the "Vivi L'acqua" (Live the Water) project, a

network of public points for water provision with two aims: ensuring an accessible water supply (at a cost of 0.05€ per litre), and the reduction plastic packaging. Melpignano, a town of just over 2,200 residents, now has many “water houses” and over 50 public access all over the Lecce province.

The Melpignano community co-op’s main characteristic is the mix between social entrepreneurialism and membership mutuality (Bartocci & Picciaia, 2013). Residents participate both as co-op members, with an economic interest in the business’s provisioning of green electricity, and as Melpignano citizens guaranteeing local services.

Discussion and Conclusions

The three illustrative cases of community co-operatives put into relief some of the key characteristics of the burgeoning Italian community co-operative sector, providing valuable examples of how co-operatives can ground community development work and the SDGs. While the case study approach illustrates unique features of the phenomenon, responding to the different demands of three different regions – Emilia-Romagna (Centre), Liguria (North), and Puglia (South) – it also pinpoints commonalities in this relatively new Italian community development sector, including: addressing economic needs, engaging with social issues, and embracing and fostering strong local networks. These projects could emerge thanks to shared visions of a community’s present and future socio-economic needs and direction, a common commitment to local environmental sustainability, a key sense of territorial belonging, and an already established, but also expanding, social network among stakeholders. These elements can be considered the *social capital* that has allowed community co-operatives the incentives for start-up and implementation, moving from a bonding social capital with strong connections between people with related social identities, interests, and visions, to a bridging social capital, including more heterogeneous stakeholders in the social network as the projects unfold (Putnam, 2000).

The deep sense of belonging to and concern for the territory are perhaps the most common elements in all three cases. In Succiso Nuova and Mendatica, the actual state of community abandonment and depletion brought stakeholders together with the common desire to not want to see the village, local life, and long-held traditions die. In Melpignano, residents demanded for major involvement in energy provisioning out of a deep commitment toward their town; for them, participation is not only a matter of citizenship rights but also a way to empower their community and concretise their attachment to their territory. In all cases, local networks have played key roles in founding the co-ops, catalysing them via the shared identity of members linked to the community, the necessity to face local problems collectively, and a pre-existing and developing social capital engrained in local networks which support and foster a collaborative spirit toward common causes and issues. Moreover, the cases show how community co-operatives can be adopted to different issues and approaches, taking advantage of local assets or market opportunities in order to create or steward economic activities which provision residents with resources for their own socio-economic development.

These community co-operative projects organisationally concretise different aspects of the SDGs. For instance, they help structure the production, management, and use of clean energy from sustainable sources (SDG n°7), while affording direct member participation in guiding and investing revenues into the local community, as the Melpignano and Brigi experiences demonstrate, both at the crux of the co-management of clean energy and economic activity between a co-op and a progressive public authority. As the three case studies highlighted, community co-ops, being non-profits, create new opportunities in activities otherwise unattractive to for-profit interests. Supporting communities in marginal situations, these co-operative social enterprises are thus well positioned to improve employment in rural areas while providing marginal communities with essential services for their survival and reducing poverty levels (Zeuli et al., 2004; Peredo & Chrisman, 2006; Vieta, 2010) (SDGs n°8, 9, and 12). In areas such as Italy’s mountain valleys (Succiso Nuova & Mendatica) or Southern Italy (Melpignano), historically suffering high unemployment rates, co-operatives can ensure decent wages, good jobs, and reduced exploitation via workers’ self-management (SDG n°8). The marginality of these communities, a reality in many Italian mountain villages, is a key problem for development and liveability. Community co-operatives have been particularly designed to

directly address the revitalisation of marginal, depleted, or depopulating communities (Bianchi, 2016), supporting their sustainable regeneration by promoting new economic activity and even repopulation (SDGs n°11). And community co-operatives can also function to manage the distribution of key community resources, such as Melpignano's clean and affordable water system (SDG n°6), and Succiso Nuova's and Mendatica's regeneration of their key community assets, which has included new soil management and the recycling of construction waste (SDG n°12).

Notwithstanding community co-operatives' adequacy for the SDGs, there are potential challenges to the model on four interlocking fronts. First, as Tortia (2009) points out, referring to social enterprises, a close cousin of community co-ops, a community focus can be in conflict with the necessity to fund the enterprise via market activity. In Italy, funding is complicated by co-operative legislation rendering "prevalently mutual" co-operatives as non-profits (Fici, 2013), while the quasi-public nature of their services is not adequately compensated (if at all) with public investments, a situation made more acute given neoliberal austerity and new public managements' adoption of cost-efficiency. There has thus been, to date, a stark under investment in community co-operatives from state funders, reducing their capacity or long-term viability as these community initiatives are forced to rely on market activity or the pursuit of hard-to-come-by grants. This lack of state support is out of proportion to their vital contributions to the survival of community initiatives or even entire territories. To overcome this deficiency, governments have to consider much larger investments in this sector, in particular for those community co-operatives that must primarily rely on market niches.

Second, as Hart & Moore (1996) analyse, multistakeholder co-operatives such as community co-ops suffer a participation paradox; their inclusive nature also means that they are inherently fragile as an organization due to the heterogeneity of membership. The democratic "one member, one vote" system which characterises co-operative firms may result in the victory of the median or majority member's opinion, thus the final decisions will tend not to diverge from those of median members and thus risk a "tyranny of the majority". This is in conflict with the necessity of community co-operatives to involve and consider all of the voices of a local population, creating potential conflicts between the majority view and alternate proposals or the needs of marginalised community members.

Third, as Ward (1958) theorised, older people in community might not invest in the future of the co-operative or its projects if "returns on investment" (primarily measured in community co-ops not in financial returns but in successful completion of goals or projects) occur after the older members have left. In capitalist firms, for instance, the average shareholder can sell the shares short-term and may see more immediate earnings. This is not possible in most co-ops, and especially restricted in Italy due to its co-operative legislations' strict limits on speculation, asset locks, and indivisible reserves. While these issues could compromise the long-term participation of members, and even cause generational turnover issues, the early evidence with community co-ops suggests that the bonds of solidarity, common purpose, and strong territorial identity of members (i.e., bonding social capital) help overcome these issues.

A fourth and broader issue is one of inclusivity: what is the "community" and, thus, who is entitled to be part of community co-ops? These are not merely philosophical questions since they allude to membership inclusion (who is allowed to be a part of the project?) and control (who makes the decisions?). While, for Peredo & Chrisman (2006), since community is endogenous to community-based enterprises, simple geographical belonging is not sufficient to resolve the problem, ownership and management are the key points. Somerville & McElwee (2011) contest Peredo & Chrisman by arguing they offer too-broad a definition of community while stating that the communities they researched (Indigenous Andean organizations) already possess an unusual level of social participation, networking, and strong cultural endowment. Thus, albeit controversially, Somerville & McElwee consider community control less important than its overall socially focused purposes and functions, since the strict selection of members based on community affiliation can promote particular or parochial views rather than taking into account the broader interests of all of a community's participants. Contrarily, Zeuli & Radel (2005) see community control for local development as the best solution since it guarantees protection against negative external influence. To mitigate these issues, UK legislation covering the Community Interest Company (CIC) could provide useful direction for Italian and other

community co-ops; the UK's Company Act (2004) requires a Community Interest Test to prove the actual impact of a CIC in the context where it operates.

Despite these possible challenges, the three case studies highlight how community co-operatives can still achieve bottom-up community development objectives while keeping challenges in check through the strong local social networks they rely on and the participative and multistakeholder governance strategies that guide them. They are thus sound organisational models for fulfilling the SDGs at the local level. Community co-operatives are organisations that care for their communities, committing their activities to a more sustainable and locally focused economy. Further, community co-operatives foster a sense of democratic participation because they involve different stakeholders in the decision-making process and extend membership to a large share of the local population. Community co-operatives also redefine the central feature of co-operatives – member mutuality – to now entrench this deeply in the community (Bianchi, 2019). From only member-based or economic interests, community co-ops now centrally position members' stakes in the community via, for instance, the co-development and co-stewardship of local assets, services, or commons between citizens/residents and local authorities, enlarging, in essence, the co-operatives' area of action. In so doing, community co-operatives could perhaps be the organisation par excellence for nurturing the SDGs at the grassroots, territorial level.

National or regional governments can recognise the value of community co-operatives through adequate legislation that support their activities; first, they have to clearly indicate the co-operative nature and their community mission, furthermore, a proper legislation should point the social value of these organizations and improve resources for community co-operatives development such as easier asset transfer. Moreover, the legislator can facilitate their work incentivising public-private partnership in local development planning and budgeting funds for improving community co-operatives activities.

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