



2008
Social Annual Report

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Letter from the President

Letter from the President



The presentation of our entity's social balance sheet makes us reflect, year after year, on the profound changes taking place in our increasingly complex and diverse society, a society whose citizens have greater aspirations in terms of solidarity, commitment and participation.

The new social and environmental demands of citizens force us to bring our social actions up to date, to ratify our commitment and our dialogue with the different groups of interest, to contextualise our financial activity, to provide a response to a series of hitherto unforeseen responsibilities. And, consequently, to provide our wholehearted support for local productive systems and the productive economy since these are, after all, what creates jobs, what secures a territory's capital and population and makes it possible to fulfil our aspirations of welfare, in a context of commitment in which we feel we must not pass on net burdens of any kind to future generations: environmental, financial, tax, social, etc.

This is why, at our organisation, we want to make a planning effort that avoids the short-term vision that predominates in our society, at all levels and in all areas of action. We are aware that sustainability involves guaranteeing the future, determining the possible scenarios in which we aim to develop, and establishing long-lasting management criteria that enable us to create a permanent, sound and commonly accepted framework of trust. Business ethics and the commitment to a sustainable development model are the only planning tools that can give us clues as to possible future scenarios, and enable us to interpret this ever-changing world in which we live.

Without a doubt, the social balance sheet is what gives meaning to our financial activity, as declared in our mission statement as a credit entity: *to contribute to the economic and social development of the surroundings in which Cajamar Caja Rural performs its activity by providing financial solutions, emphasising its connections with local productive systems, sustainable development, socio-economic balance and environmental protection as the fundamental values for the achievement of its goals.*

Our ethical system explicitly and bindingly includes the work and efforts we have been putting in for decades now based on the four mainstays that, in our opinion, constitute corporate social responsibility and the ethical aspirations of the entire organisation: good governance, social action, socially responsible investment and a socially responsible management model. And throughout this past year we have continued to work on precisely these four areas, developing a special sensitivity for ascertaining and identifying the new values and new social demands to which we clearly must be responsive.

In this regard, our commitment, responsibly adopted before the United Nations through our adhesion to the Global Compact, compels us to explicitly identify all of our advances as regards social issues, the environment and the fight against corruption. And we endeavour to convey this to society as a whole by means of the consecutive progress and improvement reports that we have been drawing up year after year, subjecting these to public scrutiny and the assessment and judgment of society.

We take care to ensure that all of our economic, financial and commercial efforts are targeted towards this social commitment. And this forces us, year after year, to review our organisational structure so that the inertia of our business does not cause us to lose sight of this reference point.

What we mean to say is that our entity's economic-financial work and its social work are just two sides of the one coin and the pursuit of economic-financial efficiency inevitably depends on good social and environmental management in the development of our activity. Through this premise, we endeavour to render our finances increasingly more social and ethical, increasingly more closely linked to the productive activity of small and medium businesses, more in line with the real needs of families and, above all, much more geared towards solidarity and accessibility. In short, we aim to be an entity that is profitable in business terms and useful in social terms.

In undertaking social actions, for a social economy entity like ours, we have the advantage of our guiding ethical values and our accumulated experience as a cooperative. In fact, on the one hand, we have the support of the entire human team comprising Cajamar Caja Rural, who identify with these values; and on the other hand, we have the social acknowledgement of our financial activity and our resolute commitment to local development and the social economy.

In our opinion, undertaking social actions is more than mere philanthropy. We don't just want to give back to society a part of what we get from it, which is a lot, but rather we also want, by developing our social action and, of course, with the utmost modesty and from our specific area of activity, to generate mechanisms, projects and instruments of social transformation in favour of a more prosperous, more just and fairer world, a world of greater solidarity. Because we believe in a better, more sustainable and more charitable society.

We aim to be an entity that is profitable in business terms and useful in social terms

We are living in times of profound change and we must continue to learn to manage these. We are facing a severe international financial crisis which is having a clear impact on the productive economy in terms of unemployment and a slowdown in the economic activity. It is precisely at times like this when we have to put our corporate social responsibility policies and our ethical and social commitment to the test. It is at times of crisis when companies must be more socially responsible and more engaged. We have no doubt that good social and environmental work brings benefits in economic-financial terms. Herein lies the main asset of a company and the main instrument for managing change.

And, for us, these times of change simply mean that we have to make greater efforts and a greater commitment in order to increase the scope of influence of our social action, consolidate the values that we have long been fighting for, and contribute to providing financial solutions to the economic and social needs that the general public demand from us. To attain this, we can count on the unequivocal backing of our members, clients and employees, whose trust and support merits an express acknowledgement.

This report is the result of this happy union, and it is especially dedicated to each and every one.

Antonio Pérez Lao
President

Report characteristics, objectives and scope

In this report we wish to make a narrative effort to convey our vision of society from the field of financial activity and, more specifically, from our experience as a credit cooperative. Our leadership in the cooperative banking model is for us, undoubtedly, a major challenge and a responsibility, since it obliges us to interpret the different groups of interest and to define, based on active dialogue with these, the value that we can contribute from cooperative financing.

The current climate of crisis in which we are immersed on many levels and in many areas of action, is causing a decline in trust amongst the general public towards large corporations, posing significant challenges to cooperative banking. Conveying to society the values of cooperation forces us to define a model of cooperative social responsibility that permits social economy companies to improve their social and environmental work, emphasising their own genuine model of corporate/cooperative governance.

The financial sector has been the most dynamic and undoubtedly the authentic forerunner in the designing of corporate social responsibility policies, measures and instruments in Spain. Its pronounced institutional character and the importance of its brokering activity for economic and social development place it under public scrutiny.

We are aware that we are close to the boundaries of *trivialising* social responsibility. We cannot use social responsibility to improve our corporate reputation, but rather our corporate reputation must be a natural consequence of our social responsibility policies, measures and instruments. We want to delve more deeply into the values and tools that this management model provides us, and doing this simply means incorporating business ethics and social commitment into the base of our business, into its core.

Specifically in this 2008 annual report, we want to announce our cooperative social responsibility proposal, our management model and, above all, we want to highlight the effort that we are making to structure our social actions around two fundamental mainstays that are inalienable for our organisation, due both to its legal nature and also its history and experience: local development and the unconditional support for social economy through any of its organisational manifestations.

The scope of this report is limited exclusively to Cajamar Caja Rural. Notwithstanding, the entity is establishing mechanisms with which to convey its social responsibility policies, measures and instruments to the Group companies and to society as a whole.

The quantitative information contained in this report has been supplied by the entity's departmental areas and the Documentation Centre. The drawing up of this report has three objectives: 1) an informative objective; 2) a social balance sheet objective; and 3) a *performance* objective. With the first of these we aim to disseminate the mainstays of business ethics and of corporate social responsibility in a cooperative and social economy environment. The second objective aims to weigh up our social work throughout the past year, sharing with our groups of reference the different projects we have implemented and in which we have actively collaborated, both from a financial viewpoint and from an organisational one. And, with the third objective we are aiming for an element of internal transformation; that is to say, through the report we wish to express both what we are and what we want to become.

Furthermore, it is essential to make it clear that, in this report, it has been our intention to give preferential treatment to social action in the cooperative field, many aspects and nuances of which are unknown to much of the general public.

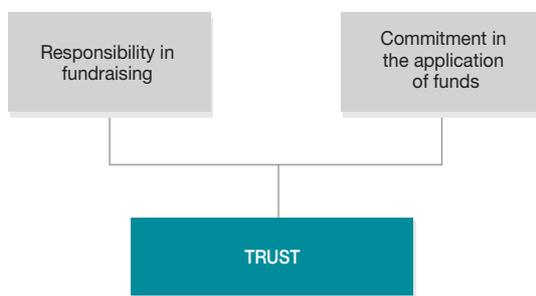
Commitment to a cooperative management model

Commitment to a cooperative management model

CAJAMAR CAJA RURAL: A PEOPLE-BASED COOPERATIVE BANKING MODEL

Cajamar Caja Rural, Sociedad Cooperativa de Crédito is a cooperative financial entity whose purpose is to commercialise financial products and services through retail distribution, in accordance with the values set forth in its mission statement and in its ethical system of conduct. It develops its activity from a position of leadership in the cooperative banking sector in Spain.

Through its organisational structure, and particularly through the management of the entity, Cajamar Caja Rural maintains the concerted effort and challenge of transforming an ethical setting voluntarily defined on the basis of the values and priorities of our company, into a management model that serves as a reference both for creating resources and for applying these to the productive fabric.



In the gathering of the financial resources of savers, fundamentally families, we accept *our responsibility* to cater and respond to the savings needs of our customers, in an environment of financial security. And by applying the resources allocated to bank brokering activities to social investment and social action, we develop our *social commitment*. These two elements, responsibility and commitment, are for us the foundation on which *trust* is built, a concept that is key and inalienable in the area of our corporate activity.



Each one of the mainstays of our ethical system constitutes an essential part of our social commitment and our ethical aspirations and we are aware that corporate governance is the key that enables their implementation.

The trend towards identifying members and customers through an increasingly *cooperativised* activity forces us to acknowledge their needs and propose a joint project; a project that, in all of its extremes, is of a social nature. The contribution of our members and our customers constitutes the financial and commercial support that enables us to obtain sufficient resources to respond to the demands derived from our commitment to support local development and the social economy.



This identification among members and customers, through a greater cooperativism of our activity, is what our corporate/cooperative governance model is based upon. On this basis we define our dialogue with the same stakeholders that recurrently appear in this report. The cooperative philosophy, based on the *'one person one vote'* principle, makes it possible to place people and social capital ahead of financial capital, thereby favouring the dependence of global on local.

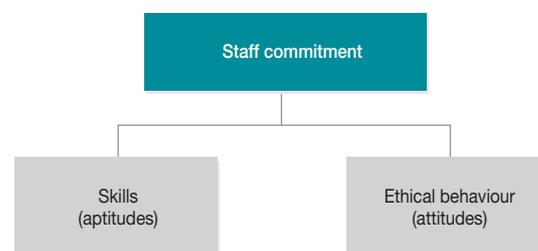


Moreover, the preparation of our entity's social report, year after year, makes us reflect on the profound changes that are taking place in our societies, changes that are evermore complex and diverse and citizens who have increasingly greater aspirations in terms of solidarity, participation and social justice. The persons forming our organisation, the employees, are an authentic two-way driving force for the shared values of our entity and society as a whole. Human capital is the key to the management model –it could be no other way in a cooperative organisation –and it is a fundamental element in our social commitment.

HUMAN CAPITAL

As expressed heretofore, our employees are not just the executors of the entity's management. They are also major conveyors of our social commitment and they act, together with the cooperative members, as the driving force behind the values and ethical principles recognised by the entity. Precisely in staff recruitment processes, professional and personal ethics and the entity's social predilection are the values we put before any other criteria.

Given the importance required in our sector by the honour and trust of the persons who work in it, we are aware that it is precisely in the recruitment process when the strongest emphasis should be made to ensure the capacities of each person joining the entity are compatible with its commitment and ethical posture. These two requirements are fundamental to understanding the process of involvement of the entity's team in its mission and in its social projection.



Principal indicators of social performance in the management chart

Equality indicators	
Percentage of women out of the total staff (%)	40.4
Percentage of women amongst new recruits (%)	59.64
Percentage of women in management posts (%)	22.51
Diversity indicators	
Number of different nationalities	16
Percentage of foreigners out of the total staff (%)	0.76
Reconciliation indicators	
Paid leaves conceded during the year	43
Maternity leaves	30
Voluntary leaves	7
Special leaves	5
Leaves for elected posts	1
Early retirements (accumulated)	128
Employment stability indicators	
Permanent contracts out of the total staff	91.12
Percentage permanent contracts held with men	93.13
Percentage permanent contracts held with women	88.16
Percentage of interns out of the total staff	3.85
Staff turnover (%)	3.18
Social benefit indicators	
Social loans (amount per employee in euros)	73,244
Number of loans per employee	0.46
Study aid per employee (euros)	244.08
Internal communication indicators	
Visits to the Employee Website	204.5
Visits to the Corporate Voluntary Work Website	7,000
Remuneration indicators	
Average salary (euros)	34,493
Times average salary multiples minimum wage	1.72
Percentage of incentives out of gross salary	6.89
Personnel expenses/number of employees (euros)	51,160
Human capital indicators	
Training time per employee (hours)	50.07
Training expenses over profits after tax	1.45
Youth of staff (%)	46.4
Absenteeism and work conflicts	
Overall absenteeism (%)	2.56
Days sick leave per employee	8.55
Number of legal claims	0
Employment health and safety indicators	
Workplace accidents per employee and year	0.71
Days leave per employee	0.37

At 2008 year end, our entity headcount came to 2,501 male employees and 1,702 female employees. Our human team is essentially characterised by its youth, dynamism and social commitment. Motivating all of our employees towards achieving the financial, social and environmental performance goals established, is one of the constant aspirations of the entity's management. Thus it is important to continuously foster the working climate through systematic communication, teamwork and the improvement of the work environment.

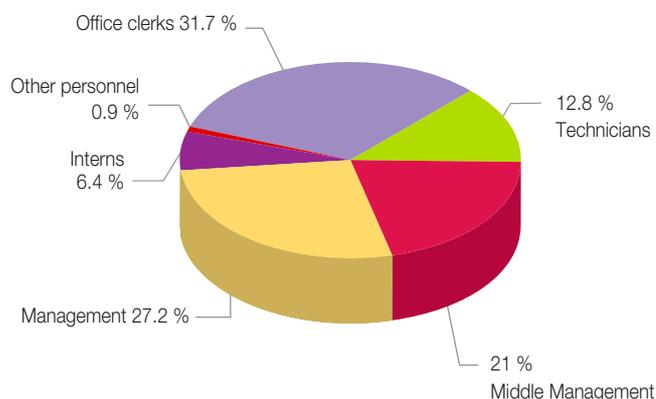
Training

Our entity understands that in a changing world subject to increasing financial, legal and fiscal complexity, it is essential to be able to count on a fully trained human team with up-to-date knowledge relating to the reality of its own setting. In this regard, training is not just a fundamental mainstay for increasing employee skills, but also for strengthening their ethical commitment, whilst ensuring the organisation as a whole of their regulatory compliance. Training is one of our competitive elements and all expenses invested in training activities are paid back in terms of competitiveness, reputation and ethical behaviour.

People get back out of training whatever they put in.

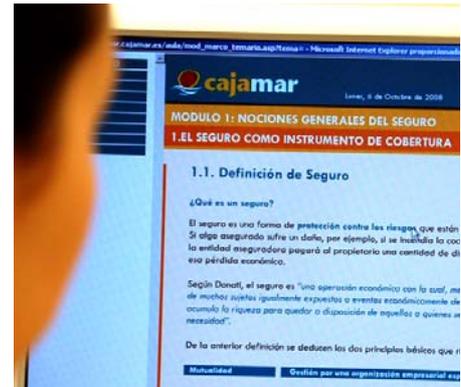
Training Area

Percentage distribution of training time by type of employee



Business ethics and regulatory compliance have been omnipresent in all areas of training: money laundering, data protection, advisory services to our members and customers, etc. In practically all of the training activities, a presentation has been made defining the entity's vocation to develop its activity through a management model based on responsibility and social commitment, in an ethical setting that goes beyond mere legal obligations.

The entity has provided more than 200,000 hours of in-house and external training for its employees. This figure represents an average of 50 hours per employee. In order to promote the reconciliation of the professional and family lives of employees, approximately 20% of this training has been carried out online.



Equal opportunities policies

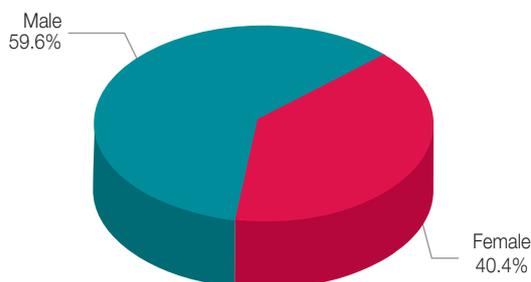
Our entity is conscious that establishing the institutional and organisation channels for the promotion of greater equality of opportunities for all of the members of the organisation is a fundamental requirement for achieving a greater commitment amongst the members towards the entity's mission, and towards the social projection thereof. What is more, the entity is conscious that the effective implementation of policies of equality is also a fundamental requirement for achieving a better working atmosphere and for improving competitiveness in all fields: economic, social and environmental.

Although the entity aims to extend equal opportunities policies to all areas, setting up measures and tools for its effective and objective materialisation, it is especially sensitive to gender equality at the core of our organisation. Furthermore, it is clearly conscious that an effective gender equality policy must establish an active scheme for the reconciliation of professional and family life, encouraging greater professional development of our team members and well as their enhanced personal development as citizens.

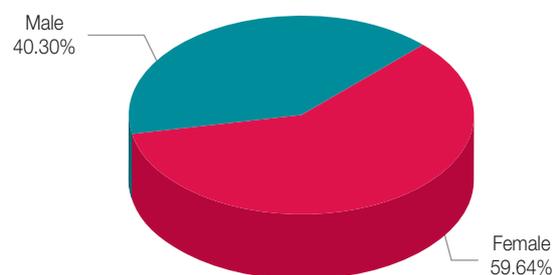
Society's historical delay in the area of equal opportunities is a manifest and objective reality. Business organisations similarly reflect this reality, acknowledging it to be unfair and inefficient. In this regard, it is the responsibility of all companies to correct this dysfunction between our social reality and our business fabric as quickly as possible, just like any other of society's demands.



Cajamar staff distribution by gender



Distribution by gender of new recruits in Cajamar in 2008



In order to respect the dignity of all people and their essential rights, it is crucial to actively render the equal rights and opportunities guarantee compatible with the management of diversity.

Cajamar Caja Rural
Code of Conduct

Our entity has two essential tools for guaranteeing the effective application of gender equality in the organisation: the Permanent Equality Committee and the Committee for Essential Rights.

Our entity is adapting its equality management policies, measures and tools to the framework of the Óptima Programme promoted by the Institute of Women's Affairs and co-funded by the European Social Fund. This pioneering initiative, driven by the trade union organisations CCOO and UGT, permits the establishment of channels to promote more real equality at the core of business organisations. According to this programme, training and raising awareness are two fundamental mainstays for the achievement of the pursued goals.

Óptima is a flexible and adaptable scheme which, through self-critical efforts on the part of the organisation's members, enables the organisation to render its social aspiration of greater equal opportunities for all compatible with the skill curve, the company's dynamism, and historical determining factors and those factors pertaining to the area in which the activity is developed.



Óptima Programme Goals

The programme's flexibility of application is no impediment to the defining of clear goals:

- > To promote a social process that is favourable to equal opportunities for women in the workplace.
- > To facilitate the recruitment, permanency and promotion of women in companies.
- > To incorporate positive actions as corporate strategies.



Process of implementation of the Óptima Programme

The implementation has been arduous, requiring collective involvement in the achievement of a socially crucial value such as equal job and professional development opportunities.

The programme's implementation kicked off in 2006 with our entity's application to take part in the programme, undertaking a solemn commitment to comply with its objectives, implementing the policies, measures and tools necessary for its achievement.

Acknowledging that there is a greater male presence both in our entity overall and in the management posts, was the starting point for establishing permanent policies and corrective measures, which favour effective equality among men and women.

Commitments acquired in virtue of the entity's adhesion to the Óptima Programme

- > To create a work team, the Permanent Equality Committee (CPI), made up of a combination of company and union representatives, and which guarantees the development of the different stages of the process.
- > To inform personal of the goals pursued.
- > To provide the necessary information and documentation on the entity to the technical team.
- > To participate in the training module: *Reconciliation and equality, a reality*.
- > To plan and execute a *Positive Action Plan*.
- > To analyse the impact on the entity after the execution of the *Positive Action Plan*.

Actions undertaken in 2008 as part of the Óptima Programme

Throughout 2008 regular meetings have been held between the Management of the entity, the Permanent Equality Committee and the Workers' Committee in order to undertake a tripartite monitoring of the programme and, specifically, of the *Positive Action Plan*.

In the area of in-house awareness activities, information campaigns have been carried out covering the entire staff and the subsidiaries, with the aim of sharing the entity's policies, measures and tools regarding equal opportunities between men and women.

The Employee Website provides details of all the advances made in terms of equality management and the diversity of the entity. Here access can be gained to the contents of the plan and the measures implemented.

Mention should be given to the efforts made throughout 2008 in the area of integrating the gender perspective with the prevention of risks in the workplace by approving the *Protocol for risk prevention in the event of pregnancy or breastfeeding*. Approval has also been given to the *Protocol for the prevention of sexual or gender-related harassment in the workplace* and a special procedure has been set up for the treatment of any such cases should they arise in order to guarantee the dignity of the affected party. Moreover, in the area of promoting equality between men and women, the *Maternity/paternity protocol* has also been approved.

In order to promote the goals of the equality policies, in 2008 the following practices have also been implemented:

- > Notification to the union representatives and the staff as a whole of all the vacancies existing via internal promotion.
- > Detection of training needs in the area of equal opportunities between men and women and the reconciliation of professional and family life.
- > Start-up of a progressive training plan on equality and harmonising professional and family life, entailing criteria and clear, professional goals defined for the promotion of equality.
- > Prior notification about training courses to be given, to ensure that all announcements become general knowledge among all employees.
- > Regular activities for raising awareness among staff contributing to breaking down gender stereotypes.

In more specific terms, it should be highlighted that in 2008 training activities have been carried out targeted at the Equality Committee and entity management as a whole. And in 2009 new specific training courses and awareness schemes will be held and a specific module dedicated to equal opportunities will be included in training programmes for new recruits.

Reconciliation of professional and family life

Our entity is aware that the reconciliation of professional and family life is an essential requirement if the entity is to render effective its gender equality policies at the core of the organisation. In May 2008 approval was obtained for the *Agreement for equality and the reconciliation of professional and family life* with equal opportunities between men and women. In this regard, the reconciliation measures that have been improved this year include the following:

- > Facilitating participating in training through the entity's online training platform.
- > Persons taking leave of absence for the purposes of infant care shall have their jobs reserved for a guaranteed period of two years.
- > Reduction of working hours is permitted for the purposes of caring for a minor of 10 years or under, or a disabled person.
- > Extension of paternity leave: 4 days more in 2008, 2 additional days in 2009, 3 days in 2010 and 3 days in 2012.
- > Extension of maternity leave: 16 weeks in 2008, 17 weeks in 2009 and 18 weeks in 2010.
- > Accumulation of breastfeeding leave: possibility of accumulating a 4-week breastfeeding period for full-time employees or 8 weeks for part-time employees. In the case of multiple births, the total shall be 5 weeks.
- > Holiday leave: Holidays can be accumulated and added on to maternity leave.
- > Special salary advance: Nine-month salary advance for paternity, maternity, adoption or fostering.
- > Proximity to place of residence: Priority shall be given to proximity to place of residence requested by employees who are caring for dependents, pregnant and breastfeeding women, employees who require family reunification, or employees who themselves or whose spouse, children or parents are suffering from an illness.
- > Time Bank, as a time self-management tool for employees and for the reconciliation of professional and family life.
- > Dissemination of reconciliation measures and agreements.



Notwithstanding, though aware of the importance of reconciling professional and family life, our entity also wishes to extend its reconciliation conditions beyond the realm of family life. For this purpose, the entity avails of several very competitive reconciliation tools pertaining to social matters. These have been listed in previous reports, therefore, here we shall limit ourselves to the improvements made in this area:

- > Flexibility policies: working hours and timetable, partial retirement and possibility of paid leave.
- > Exceptionality policies: remuneration of working hours, leave of absence, maternity leave, days for personal matters, permits and transfers.
- > Services policies: study aids, extralegal benefits, social benefits (pension plan and collective savings insurance, preferential contract conditions), training, flexible remuneration...
- > Professional support policies: preventive medical care services, psychological care, legal aid, human resources...
- > Business culture policies: workers' association (Acremar), corporate voluntary work scheme (Provoca), time self-management and reconciliation (Time Bank), paid leave for solidarity actions, working atmosphere, equality (Óptima Programme), ethical system and corporate social responsibility.

Integrated Professional Development Plan

PIDes+ **Desarrollo Profesional** The Integrated Professional Development Scheme (PIDes+) enables us to dynamically and proactively combine both the interests of the entity's employees and the needs and changes associated to the new demands of the financial market and of banking customers. The employees' acceptance of the commitment to contribute unambiguously to local development and the promotion of the social economy, using the financial tools available in the ethical framework, calls for the establishment of an integrated professional development plan.

When it started up, the first premise of PIDes+ focused on acknowledging that the very positive evolution of our entity in recent years was fundamentally due to the participation, commitment and efforts of all of its employees.

The creation of the Professional Development structure of the entity enabled us to ascertain an in-depth view of the existing posts; i.e. the functions and, more importantly, the characteristics that enable these to be performed optimally. In order to what is done in each post, it was necessary to identify best practices and mark them as goals. From there, the tasks as the catalogue of knowledge have been defined.

Each employee performs a specific type of work. And their functions go beyond the division or scenario in which they perform their professional tasks. Becoming aware of the importance of the "versatility" that is demanded of us, adapting to each scenario, to each branch office, a series of skills were identified which, in different groupings, are essential according to the function being carried out.

There are many skill-based management models on the market, but none of them permit us to manage the particular characteristics of our reality, of our internal organisation. This is why we have created our own model, custom designed for us.

Performance evaluation in 2008

Performance evaluation using the current model began in the last quarter of 2007, with definitive implementation in the first quarter of 2008. And on this first occasion, the process has been carried out in one sole management area, since the evaluators were those individuals with other employees under their responsibility.

The objective of the performance evaluations in 2008 was to identify each employee's strengths in the execution of their functions and those other areas which could be further developed to guarantee suitability; and in this regard the evaluation is a useful instrument. Another tool to help each employee to take decisions regarding their current and future learning.

Development Plans

The entity's growth in recent years, and the increased complexity of human resources management, has permitted the identification of a trend in posts with a higher rate of evolution and staff rotation. On the basis of the data provided by this quantification, development plans have been designed for three scenarios, based on the hierarchical level of the target posts.

The development plans have been designed as a compendium of activities that are being carried out with the goal of creating a favourable atmosphere for experiences, training and monitoring those functions, knowledge and skills that need perfecting. At the end, the participant can take on new responsibilities with confidence and efficiency.

Although specific actions have been designed for each collective, the general contents of the Development Plan can be summarised as follows:

- > Evaluation of potential: This area has consisted of taking part in a day of activities led by external consultants who have helped assess the potential of the tasks to be developed by each of the participants.
- > Performing actions proposed in the Adaptation/Development Guides: These were carried out on an individualised basis over the months between June and September.
- > Rotations: From September staff rotations were carried out in different areas and/or professional aspects relating to future responsibilities.
- > Training: With respect to classroom training activities created specifically for the development plans, three different areas were worked on: financial market current affairs, sales management and people management.

In 2008 a total of 114 employees from the pre-management and management collectives participated in the development plans for the sales network.

Internal communication, mobilisation of talent and knowledge management

Our entity is aware that internal communication is one of the fundamental tools for achieving a favourable working environment that fosters the professional and social development of the individuals working in the entity, as well as a greater thoroughness and flexibility of the commercial proposal with which the entity aims to seek financial solutions for its members and customers.



Internal communication is a fundamental means of promoting the motivation and improvement of productivity, but also of implementing knowledge and participation in decision-making as desired for all of the individuals working in the entity.

If we want to project our values through our internal communication, both through commercial communication and through dialogue with the different stakeholders, we understand that internal communication is a basic requirement for fostering a more transparent, more convincing and more proactive relationship.

An entity that is fully integrated in the society of information and knowledge through the use of new technologies and the training of the individuals who develop their activity therein, cannot fail to ensure an active information and knowledge management: this is a productive demand relating to the pursuit of efficiency, but it is also a social demand linked to the concept of corporate citizenship which is promoted by different areas of the organisation, especially by the Human Resources Department and the Corporate Social Responsibility Department.

This resolute commitment to the management of intangibles allows for a systematic up-dating of the economic and social information pertaining to our environment, contributing to create a much more informed, permeable entity that is much more committed to the different stakeholders, with whom it shares the ethical and social values it has established as the framework of reference for the development of its activity.

Our entity has numerous internal communication tools that enable it to manage, prioritise and give a hierarchical structure to the information in order to secure an appropriately ordered, relevant and opportune access to the same. The *lexicographic* efforts undertaken by the organisation itself to arrange the information, with the support of new information and communication technologies, result in processes that are much more intelligible and deepen the process of information capitalisation, making it more accessible to all and more available for decision-making at all levels.

An entity that has committed itself to developing its activity in an ethical environment, and has submitted itself to a series of inalienable, pressing values, has to count on the active complicity of all of its employees. In this regard, internal communication plays an essential role in the configuration and conveyance of these values among the individuals forming the organisation and society as a whole. The organisation's people are the authentic driving force of our values, and are the true recipients of the new demands of society and of the different stakeholders. It can be pointed out that a series of vertical internal communication tools have been developed, through which the strategies defined by the Governing Board and the Management of the entity are conveyed; as well as horizontal internal communication mechanisms which allow for greater participation at the core of the organisation and which promote teamwork.

Intranet

The Intranet is the entity's most important means of internal communication. It is the channel that structures its information and documentation and gathers many additional resources that contribute to facilitating a more fluid and ordered communication. The rest of the available tools are aligned through the Intranet, also acting as a means of connecting all the employees.

Employee website

This is the reference site for socio-professional information and documentation. It also facilitates other uses and resources geared towards strengthening the professional relationship between the entity and all of the individuals working therein.

In-house communication newsletters

The newsletters entitled *Comunica(t)*, *Conoce+* and *Participa(+)* gather institutional and socio-professional information on the entity and also on the social collectives set up by its employees (*Acremar*, *Provoca* and *Jubimar*).



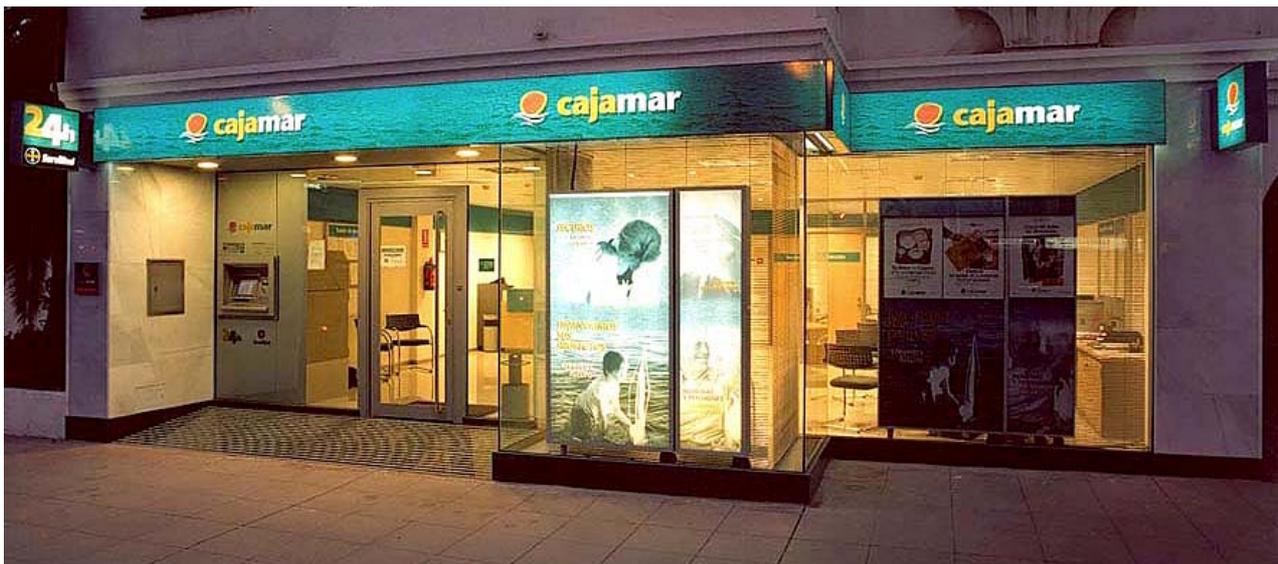
Central Services staff rotation scheme

Our entity understands that the branch network is the fundamental base of our business. Thus, it is important to know and recognise that the majority of the organisation's resources should be oriented towards improving the commercial setting of the branch offices and the persons overseeing them, advising customers on products and financial services.

Central Services are comprised of a general and specialised services unit at the service of the sales network, providing the branch offices with the necessary information and the right technical support. It is important that the staff working at Central Services are familiar with the business reality at the offices. This is the main reason why the Central Services staff rotation scheme was designed for implementation in 2008 and thereafter.

For Central Services personnel, the scheme has been geared towards accomplishing the following goals:

- > To get to know the business reality in the branch offices directly.
- > To get involved in the day-to-day running of the branches, detecting determining commercial and marketing factors in which their banking distribution functions are developed.
- > To obtain a hands-on insight into the problems of branch offices in terms of business, products, work pace and workload, emergencies and priorities in distribution and customer care processes.
- > To get first-hand knowledge of the needs of branches in order to define optimum processes from Central Services.



For the staff of the recipient branch offices, the objectives around which the programme was designed were:

- > To bring Central Services closer, enabling recipient offices to know their facilities.
- > To share experiences and points of view about the entity's commercial processes.

In 2008 a total of 120 workers have participated in this internal staff rotation project, spending over one week at over 30 branch offices. Originally, this scheme was designed for area managers and assistant area managers, staff managers and internal branch managers. In 2009 there are plans to extend the scheme to the rest of the Central Services personnel. All of the participants have described the project's results as very positive.

Manager orientation plan

This is a programme developed by Human Resources Management and targeted at new office managers joining the entity. The main aim is to provide them with an initial contact with the entity, identifying its main principles and ethical values, its history and its mission.

The programme also aims to convey the main lines and strategies set forth in the entity's management and business models. Furthermore, during the programme, new recruits have the opportunity to get to know the management team and become familiar with the entity as a whole.

In 2008 44 new recruits took part in the programme, the vast majority of whom were branch managers and other posts of responsibility in the sales network.

Support for union action

Once again this year, the unions with representation in the entity have availed of a grant facility for projects relating to the promotion of union action. Thus, in 2008 several projects promoted by union organisations have been presented and supported.

Workers' association (ACREMAR)

Cajamar's workers' association, ACREMAR, in which the majority of the entity's are members, is a non-profit organisation whose fundamental objective is to facilitate a greater knowledge amongst employees, promoting leisure and free time, cultural and sporting activities, as well as supporting different social benefits. ACREMAR also participates in the promotion and dissemination of the entity's social action.

Association of retirees and pre-retirees (JUBIMAR)

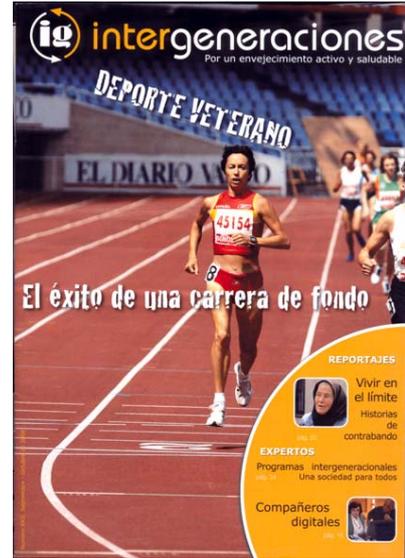
The Cajamar association of retirees and pre-retirees, JUBIMAR, has over 300 members who have transitioned from active employment to retirement. The entity aims to keep ties with this collective of men and women, acknowledging their contribution to its growth and development, and their commitment to cooperative banking.

The entity provides its support, both financially and organisationally, to the projects promoted by JUBIMAR, which focus on activities relating to active ageing, living and personal development.

Many of its members also participate in social and solidarity activities promoted by the entity, such as Provoxa or the Time Box. Furthermore, from several different fields, they collaborate with non-profit organisations in the development of social action.

As a communication and training tool in the area of active ageing, the entity distributes "Intergeneraciones" magazine amongst the retiree and pre-retiree community, providing them with the information necessary to improve their quality of life in all areas: health, welfare, leisure, etc.





OUR SALES ACTIVITY FROM A COOPERATIVE APPROACH

Sales commitment

Socially-oriented products and services

According to the management model, the entity's catalogue of products and services evolves in line with the needs of families and small and medium businesses, based on the evolution of the markets where it has a greater involvement, and with two main goals:

- > To achieve maximum efficiency in the dialogue with the different stakeholders.
- > To support and promote social and economic development in the geographical areas of presence based on economic-financial, social and environmental sustainability.

The year 2008 has been characterised by market fluctuations and rises in interest rates, creating the need for a catalogue of products with a wide-ranging offer of medium and long-term deposits. In a period marked by the crisis of disintermediated instruments and the capital markets, additional efforts have been made in relation to the usual liabilities products, in which, as always with guaranteed capital, saving predominates over the usual indexes of reference.

These initiatives have also considered the need for precautions in certain collectives, such as pensions and the passive classes, as well as persons in active employment who are coming to the end of their working life. For these, savings products have been created that guarantee the investment and are geared towards offering maximum security in a situation of uncertainty and lack of confidence in capital markets.

The overall rise in interest rates has considerably affected families, particularly families with mortgages. This is why the entity has introduced new interest rate hedging structures for asset transactions.

Our entity shows a special awareness for the needs of young people. The actions targeted at this collective have been closely related to their most urgent concerns, such as housing and education.



- > We signed the Basic Emancipation Income Agreement which governs direct aids from the Public Administration to provide economic support for housing rental payments on habitual and permanent residences in order to enable the emancipation of young people.
- > We undertook a campaign to encourage saving to buy a first home, promoting the savings discipline.
- > The commission charged for demand account inactivity has been removed for accountholders under the age of 25.
- > We devised a service package for Erasmus exchange programme students for the academic year 2008-2009, including a Visa Classic card free of charge.
- > An agreement was also signed with the Official Credit Institute in order to assist young people to obtain their driving licence.

Our sales commitment is reflected in the design of specific products and services with which the citizens interact on a multi-directional basis, and facilitating access to quality banking services through several channels. In 2008 we have also created several methods of payment aimed at specific collectives, such as retailers, professional associations/colleges and shopping centres.

In order to specifically support the primary sector, towards the end of the year, a low-cost financing facility was set up with own funds for the recovery of the damages caused by the hailstorms experienced in certain farming areas.

With the responsibility of promoting social development and sustainable economy, our entity has adhered to almost all of the agreements proposed by the different state-wide and regional, public and private institutions and organisations in support of the business fabric and economic promotion, and with the following goals:

- > To support business investment for small and medium business under preferential conditions.
- > To support entrepreneurs by financing new fixed assets in order to facilitate the starting up of new self-employment projects, microbusinesses and small and medium-sized companies.
- > To support investment projects that facilitate the access of small and medium Spanish companies to financing.
- > Financing of agricultural equipment and plots for farmers belonging to irrigation communities involved in irrigation improvement and consolidation processes.
- > Financing for starting up exports, facilitating the trading of Spanish companies abroad and their competitiveness with regard to foreign companies.
- > Financing facilities for companies in mature sectors such as textiles, footwear, furniture, toys, leather goods and wood, in order to introduce innovation into their factory processes and improve their competitive position.
- > Financial support for production investments of Spanish companies abroad, with the acquisition of new productive assets.
- > Financial support for the acquisition of new productive assets in the transport sector.
- > Financial support for the incorporation of new information and communication technologies in microbusinesses and small and medium companies.



- > Financial support for innovation and business development in different territorial areas.
- > Promotion of self-employment.
- > Improvement and modernisation of productive farming structures.

Our entity has financed initiatives for the improvement of energy efficiency, facilitating the use of renewable energies both in the domestic field and in production and business. Moreover, our entity has signed the ICP Plan Vive agreement, the aim of which is to promote the substitution of vehicles with new less polluting models that improve energy efficiency and reduce the road accident rate.

Responsible marketing

Our entity has continued applying the principles of responsible marketing set forth in last year's report, with the purpose of achieving a more rational and responsible use of advertising as a commercial communication tool.

The branch office as the backbone of commercial distribution

The Cajamar Caja Rural management model is the result of the entity's past experience and its future hopes. It comprises a look towards the future from the current market situation and from the experience acquired through the different scenarios in which the entity has developed its activity.

The epicentre of the management model is situated in the branch office, which is the backbone of commercial distribution and the functional organ that enables interactivity with the social setting.

At the end of 2008 the entity's commercial network comprised a total of 924 branches.

The organisational structure of the entity has been structured based on the premise that the branch is the functional element wherein lies the true strength of the entity and where its distinguishing quality is developed and, therefore, the entire business strategy is devoted to providing it with resources and the necessary services for its proper running.

The branch office is the first and most important link in our work chain as banking intermediaries and is therefore responsible for bringing knowledge and contracting of banking products and services to all citizens. This approach forms part of the entity's general strategy, having always understood proximity to be one of the mainstays of its development, materialised through the opening of branch offices in its area of activity.

The development of this proximity-based implementation strategy is the key to our commercial model, making it possible to achieve one of the objectives that have always been a priority for the entity: to convey the concept of proximity to the banking services we offer. This represents the most efficient and most transparent manner of intervening in the financial market.

Another distinguishing element upholding our management model is that we allow the self-management of each functional body, with the guarantee that resources are used coherently and in line with a sustainable development model.

In this regard, this year our entity has set up actions aimed at increasing knowledge and training about the products and services it markets, ensuring that branches provide a highly qualified and highly professional conduct, especially when paying attention to the new investment savings needs arising due to the fluctuations suffered in the market and which have determined the behaviour of the different players involved.

The importance of having commercial action supported by the branch network is emphasised in times of economic crisis, since the undertaking of its functions becomes positively transformed, broadening its mission towards a model of action which incorporates many social connotations. Hence, through their customer relations, branches provide financial, legal and tax advisory services in relation to the banking products and services offered.



The branch office is where the primary and most important interaction mechanism lies. The branch is the ideal place from which to convey the entity's institutional messages, in which to create a relationship based on trust, and in which to deal with the needs and concerns of the different social groups. This allows us to show our commitment with the economic and social environment, as well as providing knowledge to the entity's management chart with assessments that help to establish new strategies based on socio-economic sustainability.

In short, the branch office is a distinguishing element of our organisation. Through it we materialise the corporate commitment that our cooperative and social vocation implies; we act as a driving force behind the economy, promoting the local and rural development of the communities and provinces in which we are present.

Commitment to quality

In 2008 new actions have been undertaken aimed at optimising the monitoring systems for detecting possible internal imbalances or weaknesses and in order to contribute to the ongoing improvement of our products and services. These actions are in line with the business vocation and culture that characterises Cajamar Caja Rural: our quality of care, our manner and our diligent, professional management and clear empathy with the financial and economic interests of our members and customers.

Quality Management

The Customer Relations and Collaboration Unit is attached to the Quality Management Department and deals with the disagreements, concerns and eventualities that can arise in relation to the day-to-day relations of our customers at any branch in our sales network, which are notified to us via post or e-mail, fax, phone or through the entity website.

Moreover, with the purpose of ascertaining a more in-depth knowledge of the real perception that our customers have of the entity's different services, this Unit undertakes quality studies on the procedures and performance of branch, Call Centre and Tele-banking staff, and checks and analyses the reasons leading to claims and complaints being filed.

On the other hand, the Quality Management Department participates and collaborates with Human Resources Management on training sessions for new recruits and on ongoing training programmes, so as to contribute to conveying to all staff the entity's commitment to quality and making them participate therein; and to encouraging them to actively and effectively take part and collaborate, maintaining our spirit of continuous improvement.

In this regard, it should be noted that through the Suggestion Box, last year alone collaborations were received from a total of 593 employees, providing suggestions and innovative ideas for improving products, services, transactions, etc. This is a 91.29% increase on the previous year and proves the increased involvement of the entire organisation in Cajamar Caja Rural's commitment to continuous improvement.

In 2008 the entity has also continued the process of implementing the Environmental Management System in its Central Services and in a pilot branch, in accordance with regulation UNE-EN ISO 14001:2004. Our entity is aware that activities carried out by companies generate a series of impacts on the environment -such as emissions into the atmosphere, dumping of waste water and waste generation-, and that it is essential to identify, evaluate and control these and, as far as possible, to prevent and minimise them. This initiative will allow us to systematise and ensure the compliance of our activities with the environmental standards applicable to our entity, both those legal requirements and those that our entity has chosen to adhere to voluntarily.

Always interested in participating and collaborating in the main forums in which these principles are studied, Cajamar Caja Rural is a member of the Spanish Quality Association. Our Head of Quality currently holds the position of vice president of this association, contributing to promote and incorporate best practices in the different banking entities.

After having obtained certifications from AENOR and the Ministry for Industry, Tourism and Trade for the technological innovation project 'Evolution' and for the research and development projects 'Intensive Farming' and 'Fruit Farming', carried out at the Cajamar Foundation Experimental Station, further work has been carried out on two new technological innovation projects, which have also been presented and are currently in the process of being certified: 'Evolution II' and 'Process Improvement Plan'.

Customer Services

The Customer Services Department at Cajamar Caja Rural is a specialised department which is independent from the entity's commercial and operating areas. It is responsible for dealing with and resolving claims and complaints presented to the entity by customers in relation to their interests and legally recognised rights.

In 2008 the Customer Services Department has opened a total of 606 files originating through claims and complaints from customers. Of these, 86 were initiated but subsequently not admitted. The causes of non-admission were mainly due to omission of data that is essential for processing or due to being issues submitted or already resolved

by legal rulings. Sixty claims were presented to the Bank of Spain, 3 to the Spanish National Securities Market Commission and 1 to the Directorate General for Insurance and Pensions Funds.

Of the complaints and claims filed, 27.56% corresponded to Asset Transactions, 10.23% to Other Banking Products, 17.82% to Liabilities Transactions, 15.68% to Collection and Payment Services, 8.58% to Insurance and Pension Funds, 2.47% to Investment Services and 17.66% to Others. Of all of these above, 24.76% have been resolved in favour of the claimant and 41.91% in favour of the entity, whilst 1.98% were waived, 3.30% did not receive a ruling, 14.19% were not admitted and 13.86% are currently being processed.

Of the claims and complaints processed, at total of 436, rulings have been issued in favour of the claimant in 34.40% of the cases and in favour of the entity in 52.26%. The average resolution term was 41 days, with 86 reports remaining pending resolution at year end, 27 of which correspond to the Bank of Spain Claims Service and 2 to the Investors Department of the Spanish National Securities Market Commission, who initiated the proceedings.

The decision criteria used by the Customer Service Department for the resolution of complaints and claims have been taken, essentially, from the criteria issued by the Department and from the rulings issued on claims filed with financial supervision service organisations, based on banking best practices and uses reports, on the legislation governing the transparency of banking operations and customer protection and any other that has been applied, aimed at obtaining a justifiable and reasoned decision.

Cajamar's Customer Service is attached to Cajamar Gestión, S.G.I.I.C.'s Customer Service, whose function it fully assumes. During 2008, no claims or complains have been presented to Cajamar Gestión, S.G.I.I.C., S.A.

Socially responsible investment and combating financial exclusion

By socially responsible investment (SRI) we understand investment that, in addition to using the economic and financial criteria inherent in any investment and mainly relating to profitability, liquidity and security, also follows ethical, social and/or environmental guidelines. SRIs can be undertaken by both private investors and by institutional investors, and fundamentally by collective investment institutions.

Behind the approach is the consideration that financial brokering is not a harmless, neutral activity from an ethical, social and/or environment standpoint. We openly acknowledge the joint responsibility of financial institutions in the results of financial activities and projects. Specifically, nobody can obviate the role of banking entities in combating corruption and money laundering.



In Spain the impact of ethical investing has had a lesser repercussion than in many other countries in our economic surroundings mainly due to the strong presence of social banking, the category into which Cajamar Caja Rural fits as a social economy entity. Social banking has permitted the integration of economic and social commitment into a management model that has been widely legitimised by our society and our citizens. Furthermore, through our cooperative banking model, we are convinced that socially responsible investment is inseparable from our nature and our approach towards the banking business.

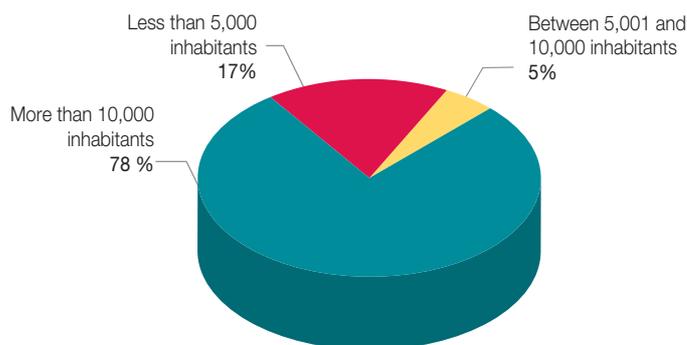
Specifically, our retail approach to financial activity, wherein the capital markets are exclusively considered to be an instrument of support and financing for the productive economy, enables us to have a twofold approach to socially responsible investment. On the one hand, to palliate the effects of financial exclusion on certain collectives of our society, such as rural communities and persons who, with a viable self-employment project do not have the capital resources and financing because they belong to groups at risk of social exclusion. On the other hand, special mention should be given to the inclusion of sustainability parameters in our risk analysis processes.

Small rural communities

The complexity of the retail banking market, which nurtures strong competition between the different banking entities, and the increased regulation of the sector at all levels, has forced us to reinvent the banking office, gearing it towards financial advisory services for our customers, towards simplifying administrative processes and towards a product and services offer that is in line with their economic, financial and tax needs.

But our branches are not just a sales distribution outlets and our employees are not just a sales force. On the contrary, our entity conceives these as instruments and agents for local development, whose work can permit synergies to be generated with the social and productive surroundings and contribute to creating wealth and employment, and to securing the population in a territory. This nuance reminds us again and again of our origins and our nature as a cooperative credit entity.

Distribution of Cajamar branch network by size of town



In recent years, Cajamar Caja Rural has tackled a wide-reaching process of territorial expansion and sectorial diversification. This proves the entity's solvency and provides a response to the ever-changing and more bank-oriented setting, without restricting the commitment to our provinces of origin and the need to contribute to avoiding financial exclusion in rural communities, communities with difficult access and communities undergoing depopulation.

Our entity continues to remain present in small municipalities with low density of population, enabling their inhabitants to have access to banking products and services and the latest technology. It is part of our entity's social commitment to maintain its roots connected to the rural environment, contributing to a fairer world, richer in solidarity.

Although in Spain the bankarisation rate is much higher than in the surrounding countries, there is a portion of the population that is at risk of financial exclusion in relative terms. In this regard, our presence in municipalities with less than ten thousand inhabitants, with 23% of our branch office network we cater to almost 600,000 people who are confronted with significant impediments when accessing banking products or services due not only to geographical reasons, but also on cultural and educational grounds. Our proximity branch model applied in rural environments makes efficiency and economic-financial profitability compatible with our commitment to assist rural communities, securing the population in the territory, creating employment and promoting local development.

Microcredit programme

The microcredit is a type of loan of small quantity, up to 15,000 euros in our entity, which has in recent years received the backing of the United Nations and the majority of development organisations due to its undoubted social benefits and inclusion, since it promotes the innovative ideas of disadvantaged collectives. Created initially by Mohamed Yunus, winner of the 2006 Nobel Peace Prize, microcredits are aimed at, amongst other collectives, immigrants, unemployed women, long-term unemployed, young entrepreneurs, etc., who have a viable business venture and sufficient knowledge and skill to implement it. Moreover, microcredits are the a means for these people to fulfil their social and economic citizenship wholly.

Cajamar Caja Rural promotes the granting of microcredits as micro-financing tools to support self-employment projects promoted by entrepreneurs who form part of the collectives at risk of financial exclusion. This social financing facility, which is geared towards individuals with very limited resources, is granted by our entity in collaboration with non-profit organisations and public institutions who take responsibility for training, advising and providing the technical resources and business skills necessary to the applicants.

In the last two years, our entity has agreed to grant 135 microcredits to entrepreneurs from several different social collectives. The business projects financed by Cajamar Caja Rural have helped create 300 new jobs, mainly in the hotel and catering trade and in retailing, which have been sufficient to overcome the initial obstacles faced by entrepreneurs when starting up a business. The accumulated grant total awarded to applicants came to over Euros 1.7 million, almost Euros 13,000 per entrepreneur. The average applicant profile was that of a 35-year-old Spanish woman, with projects focused on specialised retailing or restaurantering.



Furthermore, thanks to reduced interest rates or interest-free periods, our entity's microcredits have enabled other entrepreneurs to materialise business ideas in the areas of care services for disabled children, health therapies, legal advisory services for immigrants and archaeological research. Thus the entity has helped create self-employment, fostering the business ideas of immigrants, of many young entrepreneurs between the ages of 18 and 30, and even benefiting reformed ex-inmates and women who were the victims of abuse.

Main business ideas promoted by immigrants with the aid of microcredits

Our entity has granted microcredits to immigrants from over fifteen countries residing in Spain: Europeans from Romania, Germany, Bulgaria, United Kingdom, Poland, France or Russia; Latin-Americans from Colombia, Argentina, Venezuela and Uruguay; and Africans from Algeria, Morocco or Ghana, as well as one application from a native of Armenia.

The business ideas promoted by the immigrants whose applications have been financed by our microcredits include the following activities:

- > Internet cafés
- > Ready-cooked meals
- > Coffee shops
- > Bricklaying
- > Advertising services and public relations
- > Painting and decorating of homes and premises
- > Car washing
- > Roast chicken and sandwich bar
- > Auto spare parts supplier
- > Perfumery
- > Tour guides
- > Multi-service companies
- > Legal advice to immigrants
- > Theme bars
- > Fritter stalls
- > Kiddie parks
- > Youth hostel
- > Distribution of medical-healthcare materials
- > Psychologist's practice
- > Ice-cream shop
- > Beauty salon
- > Car hand-washing service
- > Solar power installations
- > Yoga classes
- > Newspaper editing
- > Frozen goods shop

Main business ideas promoted by women with the aid of microcredits

Women entrepreneurs approaching our entity to request microcredits represent 60% of the microcredit portfolio. These are vocational entrepreneurs seeking self-employment through an innovative idea based in the restaurant trade or retailing. The average age of these women is 35 years, with others who are immigrants, under-35s or long-term unemployed. In general, the microbusinesses they promote are specialised in:

- > Clothes and accessories retail
- > Sales of used goods
- > Wholesaling of crafts
- > Restaurants and bars
- > Fruit shops

- > Ice-cream shops
- > Working with disabled children
- > Bakeries
- > Multilingual children's play centres
- > Psychologist's practice
- > Health therapies
- > Children's shoe shops
- > Car window repair shop
- > Retailing of shoes and leather goods
- > Butcher's
- > Photography studio
- > Cosmetics
- > Retailing of mattresses and children's furniture

Microcredits and the long-term unemployed

The long-term unemployed is one of the social collectives at which microcredits are essentially targeted. The average profile of the applicants approaching our entity is that of a man over 41 years of age, committed to a self-employment business idea. 25% of microcredit applications came from the long-term unemployed. The preferred activities include restaurant and retailing businesses, as well as businesses relating to the production of events or the transporting of goods by road.

Main business ideas promoted by the under-30s with the aid of microcredits

One of the social principles of the microcredit is to promote the growth of 'business seeds' planted by the under-30s. In this regard, our entity has approved requests presented by entrepreneurs as young as 18. The business proposals of a further fifteen under-25s are also currently underway or being processed.

Some of the applications presented relate to highly specialised business lines:

- > Land shifts
- > Garden maintenance
- > Retailing of specialised foods for sportspersons
- > Retailing of cosmetics and toiletries
- > Internet and telephone exchanges
- > Motorcycle driving lessons and tours
- > Street selling of crafts
- > Wholesaling of footwear
- > Butcher's
- > Electrical installations

BETINA ENRÍQUEZ,
ARGENTINA,
33 YEARS

Betina received a microcredit of Euros 15,000, processed in Malaga. She is very grateful to the people of Malaga for their reception of her business project and also to the branch of Cajamar that processed her business proposal: "I have been very well looked after and the people at the branch were very nice to us".



BEATRIZ RUIZ SÁEZ,
CARBONERAS,
ALMERÍA

Beatriz has set up her own gift shop with the Euros 9,000 microcredit granted by our entity: "I had zero euros but I got the kick-start I needed thanks to the Cajamar microcredit".

JAVIER GARCÍA NIÑO,
CÁDIZ,
19 YEARS

Javier bought a truck with a Euros 15,000 microcredit from Cajamar and is now self-employed in the transport sector: "At Cajamar they made everything easy for me".

JAVIER SÁNCHEZ,
ALMERÍA,
28 YEARS

Javier Sánchez, a 28-year-old from Almería, who was long-term unemployed, set up a retail outlet selling shoes and accessories with a microcredit of Euros 12,000: "Who wouldn't be happy with a product like that?"



ANA IORDACHE,
ROMANIA,
21 YEARS

Ana Iordache, a 21-year-old Romanian residing in Motril (Granada), invested her Euros 15,000 microcredit to set up a retail outlet selling imported clothes: "I am delighted with Cajamar because they believe in me and they have advised me and treated me very well".

DESLAV YOTOV,
BULGARIA,
29 YEARS

Desislav Hristov Yotov, a 29-year-old Bulgarian, known in Sanlúcar de Barrameda (Cádiz) as "Pepe", has used his Euros 15,000 microcredit to set himself up as a painter: "I am very grateful to Cajamar. They have made everything easy for me."

VLADIMIR JESCHT,
GERMANY

Vladimir Jescht is German, he speaks four languages and offers an original tourist transport system in Malaga, using aerodynamic chauffer-driven tricycles. Vladimir received a microcredit of Euros 15,000: "I was treated very well at Cajamar. I thought that because I was a foreigner I would run into more problems".



Environmental risk analysis tools

Environmental legislation is experiencing a very positive evolution in our country, reflecting the sensitivity and environmental commitment of the general public who are becoming increasingly involved in responsible consumption and in recognising civic-environmental values. Furthermore, citizens are becoming more and more demanding with the public administrations, calling for public policies for the preservation of our natural environment. The global change has given rise to new alarms regarding the sustainability of our economic activity, and it is the responsibility of all the economic and social players, including companies, to promote measures that permit a productive activity that is guided by standards and parameters of sustainability.

At our entity we believe that sustainability means not passing on net intergenerational burdens to our children. This means burdens of any kind: financial, tax-related, social, cultural and, obviously, environmental. Specifically in relation to our most direct business, when designing the timeline of products and services we have attempted to establish an ethical timeline for financing products –maximum of 40 years– in order to modestly contribute to avoiding the passing on of financial burdens to future generations.

More specifically, and mainly affecting environmental sustainability, in 2008 our entity has finished creating a tool for analysing the financial exposure to the environmental risk of credit operations with companies. This is aimed at the active management of global risk, which is inherent in our business and in our methodology in relation to the new Basel Capital Accord (Basel II).



Using this tool, which has called for considerable technical and methodological development, we have designed the entity's environmental risk map with an acceptable trust interval which will be improved with the incorporation of new credit transactions to this analysis method. One of the key goals of implementing this tool is to generate a historical series that will permit us to act rigorously in the face of present and future environmental risk, recognising its implications on financial risk and in the area of banking intermediation. Moreover, with this tool we will be in a position to develop and establish policies and objectives aimed at mitigating direct or indirect environmental risk. In 2008 the environmental risk assessment on our corporate credit portfolio was 146. This is a low risk rate on the scale which goes from 0 to 1,000.

At Cajamar Caja Rural we are aware of the importance of this first gesture in the area of sustainability, but we are also conscious of the benefits that this brings to us as a financial entity in terms of risk diversification. By knowing our environmental risk map, we can take on new policies that complement the traditional policies in place, but we are also sure that any company we finance, if it is environmentally efficient, it is more likely to also be efficient in economic-financial terms.

Although as yet no accounting entries, methodologies or environmental measurement tools have been finalised, we want to learn and identify environmental risk in the same way as we have parameterised economic, financial and actuarial risk.

The next step will be to create a historical series that will enable the projection of future scenarios. Once these processes are completed, the entity will be in a position to establish thorough policies of evaluation and diversification of environmental risk.

Anti-crisis measures and socially responsible investment

It is our aim to define a sound management model that will really be a distinguishing element of our entity. But we also want to take joint responsibility with our economic and social environment and contribute to palliating the effects of the international crisis on the business fabric of the economic area in which our entity operates. Our clear vocation for local development forces us to cushion these effects on small and medium business and families, and on local productive systems.



To do this we are aware that we have to adopt a series of immediate measures that will enable our customers to face the challenges of the international financial crisis and their effects on market liquidity, and with the new situation of economic solvency in local companies. In this regard, independently to the specific product and service proposal that enables us to meet this objective, we are developing a series of banking practices that will contribute to seeking financial solutions for our productive fabric.

Specifically, we have adapted our product and services pricing regime to the best market conditions, striving to ensure that the financial burden is not a pressing problem for our companies, particularly in an economic climate of reduced activity and income. Similarly, we have provided debt refinancing to several struggling small and medium businesses, in order to enable them to adapt the terms and quantities owing to the new solvency and liquidity situation; we have extended repayment limits; we have introduced new interest-free systems, and we have designed a system for lending properties in order to tackle this critical juncture.

Similarly, we have adapted our asset rates to the new interest rates situation; and we are managing the liquidity needs of companies so that they can adapt to the new situation. In this way, we contribute to reducing the leveraging of companies and their financial burden and provide our specific support to companies in the residential sector so that they can rise to the challenges of the current climate.

Solidarity and staff involvement in social initiatives

Solidarity and staff involvement in social initiatives

Our entity has promoted social action in the core of the organisation and has obtained a response of great solidarity from its staff. The employees are the foundations of the business, but they also act as an authentic driving force for the entity's social action.

The three mainstays of solidarity at Cajamar Caja Rural correspond to the creation of three communities linked to the following initiatives:

- > The Cajamar Corporate Voluntary Work Scheme, created in 2006.
- > The Cajamar Solidarity Team (a teaming initiative), created in 2007.
- > The Time Box, created in 2008.

THE CAJAMAR CORPORATE VOLUNTARY WORK SCHEME (PROVOCA)



Through its Corporate Social Responsibility Department and with the support and solidarity of many of its employees, our entity has joined in on the initiative taken by many business organisations to convert one-off voluntary actions into authentic schemes targeted at social action and benefits for the community.

We are convinced that corporate voluntary work is a fundamental instrument for the diffusion of social responsibility initiatives amongst the employees, in order to mobilise the talent and skills of all those forming this cooperative organisation, and to promote and strengthen the ties of solidarity and self-help that must form the backbone of our societies at all times, but especially at times of crisis and profound social transformation.

When structuring an integrated corporate voluntary work scheme, this should be arranged as a continuous scheme that is coherent with the social action of our entity overall, thereby permitting an even deeper rooting of the concepts of sustainability, solidarity and corporate social responsibility amongst the employees and the communities in which we interact, who are stakeholders in the structuring of our social action and commitment: citizens, companies, cooperatives, non-profit organisations, etc. Through this conception, entities that have developed corporate voluntary work policies find it much easier to develop their business functions in an ethical and socially responsible environment.

These in-house voluntary work schemes promote a sense of belonging and impregnate the commercial activity with a more social and committed depth, promoting financial solutions that are oriented towards the economic and social development of the local communities in which we are present.

Empirical studies show that in companies in which voluntary work schemes amongst the corporate citizens are more developed, productivity is higher, as is efficiency, creativity, commitment to the entity's mission, and a better use of resources and an enhanced corporate reputation.

The Cajamar Corporate Voluntary Work Scheme (PROVOCA) strives to be a meeting point for all employees interested in promoting a more caring and just world from the entity by devoting part of their time to social, care-related and environmental initiatives.

Description of the scheme

PROVOCA is one of the main communities promoted by our entity in the area of solidarity. It was set up in 2006 as an integrated initiative for the mobilisation of employees' talent and solidarity in favour of the development of local communities, disadvantaged individuals, and society as a whole. In 2008 this initiative, now two years old, has shown very positive results. The entity has managed to mobilise its staff, getting them involved in its social action and contributing value to the organisation's resources of solidarity.

From the start, this scheme has outlined the inclusion of all areas of voluntary work: environmental, cultural, care-related, social and international cooperation. According to their preferences and skills, and the free time available to them, each volunteer helps defenceless and disadvantaged groups in an effective and completely unselfish fashion, enabling them to improve their living conditions and relieving, in many cases, their situations of abandonment. Many of the entity's volunteers give up their days of leave to help others, sharing their time with the more needy and contributing to the preservation of our natural environment. In this regards, outside the boundaries of the collective worker's agreements and as one of many measures of conciliation between professional and personal lives, the entity agreed to grant one day's paid leave to all employees who undertake at least seven days of voluntary work per year.

The activities carried out in collaboration with NGOs and other voluntary work organisations include the following:



Training

- > Cooperation in development and international projects, local development, microfinancing, fair trade, social action, voluntary work, etc.
- > Training in voluntary work activities in its different areas.
- > Debates and conferences.
- > Voluntary work guide.
- > Basic voluntary work course.
- > Ethical financing courses.

Active voluntary work

- > Solidarity holidays: environmental volunteer work holidays, social work holidays (refugee camps, social tourism).
- > Opportunities and announcements for active and virtual voluntary work.
- > Work visits at rural banks and savings banks in developing countries.
- > Microfinancing training (microcredits, microinsurance policies...).
- > Development of the 'Time Box' project at Cajamar, the first corporate time bank in Spain.

Raising awareness

- > News service related to cooperation and voluntary work.
- > Creation of a bibliography for sharing information resources.

Description of the members of PROVOCA

As of December 2008, PROVOCA had 304 members, some 7% of the entity's staff, split 59% to 41% between female and male members, respectively. Overall, 10% of the entity's women have joined the scheme, compared to 6% of the men.

The interest shown amongst staff for carrying out voluntary work is described as follows:

- > Solidarity holidays: 63%
- > Social / care-related voluntary work: 51%
- > Community development: 41%
- > Cultural voluntary work: 61%
- > International cooperation: 65%
- > Environmental voluntary work: 62%

Activities carried out

The voluntary work and training activities that have incited the most interest amongst the members of the scheme are:

Active voluntary work activities

Care for the homeless
Home socio-educational care for boys and girls with long-term illnesses
Assistant for horse therapies
Field work in the Sierra Nevada National Park
Different opportunities for hosting foreign children for education
Holiday coach for mentally handicapped people
Holiday coach for mentally handicapped children
International Voluntary Work Scheme 'Solidarity Free Time' in Morocco
Ski outings in the Catalan Pyrenees with physical-sensorial disabled people
Solidarity holidays in Morocco
Environmental voluntary work in Fuerteventura, Canary Islands (bird ringing)
Solidarity holidays in Peru, Togo and Nicaragua
Work camp in Hoces on the Riaza river
Environmental voluntary work in natural parks (Arribes del Duero, Fuentes de Nava, Cabañeros, Picos de Europa, Lago de Sanabria, Villarino de los Aires, Tablas de Daimiel and Monfragüe) carrying out activities for signposting, mammal tracking, forest maintenance, etc.
Voluntary work with children in situations of risk and at youth centres
Voluntary work in new technology training for handicapped people
Voluntary work in reforestation
Voluntary work for school and free time support
Voluntary work to give computer and Spanish classes to immigrants
Staff exchange with Cajamarca (Peru)
Supporting the Cajamar microcredit programme

Virtual Voluntary Work:

Make your voice heard! Fair trade
Encourage Mexican congress members to protect their forests
Cyberaction – more ecological packaging
Against the capture of the Franska bear
Darfur: enough excuses
From Live Earth to a world-wide movement. Stop climate change
Freedom for Zmitser Dashkevich
Ask the government to support the Renewable Revolution
Sign for the release of Egyptian bloggers!
We only have 10 days to stop Sina Paymard from being executed in Iran

Training activities

Conflict Analysis in organisations course
9 metaphors for conflict resolution course
Fair Trade course
Marine Ecology course
Social Mediation course
Ethical Financing course
Financing and Sustainable Development course
Social Skills for Volunteers course
Leadership and Volunteer Work course
Social Marketing course
Mediator in Exclusion and Social Integration course
Poverty, Development and Cooperation course
'Social Responsible Investments' conference
International Cooperation Training Course
Local Development Course

Continuous communication and accessibility to the scheme

From the beginning of the scheme, on the Intranet, a specialised webpage was set up for all staff dealing with voluntary work matters. Through this website, staff can ascertain details regarding the activities of PROVOCA, download the registration form, access voluntary work and training opportunities, as well as the cooperation news service. The webpage also provides access to the bibliography where information resources can be shared amongst all members of the scheme.

Every week, volunteers receive a newsletter listing the opportunities and news highlights on active voluntary work, volunteer training, cooperation and humanitarian aid, and cyber-volunteer work.

Moreover, PROVOCA has placed at the disposal of its members a specialised portal whose main aim is to be a meeting point for all employees interested in promoting a more caring and just world from the entity, by devoting part of their time to social, care-related and environmental initiatives.

With this platform, created in collaboration with the Chandra Foundation, aims to make the scheme much more participatory and interactive, enabling Cajamar Caja Rural's over 4,000 employees to gain a more in-depth knowledge of the projects developed by the different non-profit organisations with which we collaborate on a regular basis.



The results to date show a high degree of participation and involvement by our entity's volunteers, with almost 20,000 hits on the portal webpages, over 7,000 information requests regarding active volunteering opportunities, and 626 contacts have been made with the different organisations. Furthermore, a total of 359 employees have registered for some type of virtual volunteer work.

Economic assistance from PROVOCA to its members

PROVOCA offers economic assistance to defray travel costs for all members who want to do an activity that is part of the scheme outside of where they live. Also, in order to encourage and facilitate volunteer participation, it can cover up to 100% of fees for course registration and training opportunities offered in in-house newsletters. The plan is for the volunteer to collaborate economically with part of the costs, since this has been proven to greatly enhance participation.



Highlighted activities

International cooperation agreement with Cajamarca (Peru)

Through the international cooperation agreement held with the Peruvian rural savings bank, Cajamarca, staff exchanges have been carried out between both entities. Furthermore, this year we have received a visit from the members of the management board of the Peruvian credit institution, with whom we have had the opportunity to share experiences and knowledge regarding our lending activity and our social action.

Solidarity holidays in the area of international cooperation

This type of holiday is very special. The individuals taking part use their holiday leave to go to different depressed regions around the world and participate altruistically in development projects and humanitarian actions with Spanish non-profit organisations and their counterparties in developing countries.

Six volunteers from the entity participated in summer work camps organised by counterparties of the non-profit organisation SETEM in India, Peru, Ecuador and Togo.

30 DAY EXPERIENCE IN A WORK CAMP IN PERU

The work that myself and my wife did in Huachipa (Peru) during the month of July consisted of collaborating in and supporting the activities being carried out in the communities of Paraíso and Nievería, where the NGO Adevi is undertaking projects to eradicate child labour, education support activities, cultural activities, theatre, games, readings, etc., and also the development of microcredits in both communities, although the camp is currently being expanded to cover other new and more remote areas in its field of action.

These are very poor areas, severely contaminated by the smoke from the brick factories which are very common in the area, continuously spitting out their smoke into the sky. The homes have no running water and the little water to be found is quite polluted: not to mention the fact that they have never heard of hot running water. In the community there are no paths to walk on, no tarmac; all the roads are dirt tracks and due to the characteristics of the earth, these are clayey and there is a lot of dust. When we walked, we had to wear headscarves or hats and use handkerchiefs to cover our mouths and nose; breathing was sometimes difficult.

Our work there consisted of filling out letters of exchange; reviewing microcredit applications; visiting borrowers who had gotten behind in their repayments; visiting microcredit borrowers to ensure that the money requested was really being allocated to the purpose needed, and collaborating in raffle and prize draw activities to attract small resources with which to reward the people for having carried out community activities disinterestedly.

The results of these microcredits are very evident in the community, since before the NGO arrived in the area there were no businesses, whereas after its establishment there businesses have begun to proliferate: small food stores, telephone and internet exchanges, pharmacies, several “restaurants” and “moto-taxis”. The promotion of microcredits has brought very significant development to the region.

I value the experience as a constructive and gratifying one, although physically it was very tough.



María Bernal López
Branch Office 0812. Alhaurín El Grande

30 DAY EXPERIENCE IN A WORK CAMP IN PERU

I was in the Paraíso-Huachipa Community (approximately 50 minutes by car from Lima, Peru) from 4 August to 1 September (it was summer there), participating in an educational support project for schoolchildren in the community. Many of these children help their families in the brick factory and so, after getting up early and going to work, when they arrive at school they have no energy or desire to study (not to mention the very poor level of education). Our work consisted of providing school back-up to children after school hours in order to prevent them from spending even more hours working, to keep them off the streets, to show them some affection, and give them a hot meal every day.



My days there were tough, in this place called Paraíso ("Paradise") –now you tell me what kind of paradise is that, where you can never see the sun, or the moon, all you see is earth and dust... But everything has a good side and this did too: the people, especially the children, are amazing. Here, everyone is affectionate and friendly, they treated us so well. And them seem sad to us.

We are used to listening to news about countries where children have to work alongside their families to earn enough to eat, but one thing is to hear it... another is to see it. This is a more rural and depressed area, because although everything in this country is poor, there are places where this poverty goes beyond the bounds of excess. Here, all the children are dirty, but these particular children exceeded the imaginable, and the classrooms, the children everything smelled. I've come back filled with more sadness than

ever before, feeling even more impotent... and more guilty than I have ever felt. Why should I deny that it has not been a bed of roses, but I will say that my days there were filled with great affection. I will sorely miss those children, their families, the neighbours... and all the smiles they have gifted me with. For all the moments experienced there, and the love received, I am really quite sad to go back home. And I shall always carry them with me.

This experience has recharged my batteries, it has given me a little more strength to fight for a better world for everyone, because it is not fair that we have so much and they have so little, because the change depends on us. Their situation is ugly, but being there and helping in some way makes a difference, it leaves something behind. I hope you can understand my words.

María José Gutiérrez Pastor
Human Resources

Solidarity Holidays in Morocco

The realisation of work camps represents an alternative that is different than traditional tourism, letting us learn about the socio-economic, cultural and environmental reality of the site visited, to thus understand through first-hand experience, the causes and consequences of the principal problems that southern countries face, especially those that share borders.

Due to this, and in order to offer the volunteers the chance to experience a social stay in a developing country, this year for the second time, solidarity holidays have been held in Xauen, located in the Rif Mountains of Morocco. A second experience which has meant that continuity has been given to the projects set up on the first stint.

The visit included two types of activities. Firstly, the execution of social works benefiting the local population, which consisted of assessing the tourist resources of the city of Xauen through the conditioning and improvement of a pedestrian route. Secondly, the carrying out of activities that contribute to getting closer to the culture and the environment, such as workshops, outings and trips.

Thirty individuals have participated in this initiative, which was done by following the solidarity holiday scheme, meaning that all participants set aside their holidays for this activity. All of the participants have concurred that the experience was very special and interesting, fulfilling their expectations and offering them new knowledge on the situation of developing countries.

CAJAMAR SOLIDARITY TEAM, A TEAMING INITIATIVE



The Cajamar Solidarity Team is an initiative which is based on the international philosophy movement of *teaming*, whose fundamental objective is to foster solidarity without intermediaries, with total transparency and a sense of participation.

With a small contribution of 1 euro, retained directly from their monthly paycheque, Cajamar employees become social micro-donors, contributing to improving the lives of the most underprivileged. All the employee has to do is fill in the corresponding form indicating their agreement with the micro-donation. With the resources obtained, through a democratic and transparent process, the decision is made regarding which project is to be supported each semester.

At the end of each calendar semester, each member of the team is asked to propose a cause, an NGO and/or foundation to support with the accumulated funds raised each semester, to which the contribution made by the entity itself is added, equalling the funds raised by the members. Each applicant must provide the necessary information relevant to his/her proposal and state the amount requested. After this period, all members are notified of the proposals presented and voting commences. All notifications and votes are send via e-mail to the inbox: rsc@cajamar.com.



In the event that more than ten proposals are presented, the Social Fund Committee and two scrutineers from the Team make the selection. And if no proposals are made by the members, the Committee itself poses five possible alternatives. The amount of the funds raised during the semester is designated to the proposal with the most votes. In the event that funds remain unallocated, these are given to the second most voted proposal, and so on. The interpretations regarding the functioning of this process correspond to the Social Fund Committee and to the scrutineers and, once completed, the Corporate Social Responsibility Department informs all the members of the allocation to be made with the funds raised.

In the first semester 488 employees signed up for this initiative and 17 very diverse project proposals were received:

- > Project 1: P. Javier Aniz de Lambayeque Community Kitchen. Misema Lambayeque Organisation.
- > Project 2: Castro Centre (Smara). Catalan Friends of the Saharais Association.
- > Project 3: Tarbia Organisation. Catalan Friends of the Saharais Association.
- > Project 4: Outpatients Clinic. Catalan Friends of the Saharais Association.
- > Project 5: Asa Branca Cooperative. Building and training. "Transformación do umbu (fruto autóctono) a agro-ecológico-sustentable". "Mandacaru Dignidade e resistencia no Sertao" Organisation.
- > Project 6: Integrated Rehabilitation Centre. Valdemoro Multiple Sclerosis Association (ADEMV).
- > Project 7: Aid for Diana Isabel Gutiérrez Carriles. Propionic Acidemia Sufferer.
- > Project 8: Aid for Juanma. ALACO Solidarity Route. The Help Juanma Association (Alexander Syndrome Sufferer).
- > Project 9: Child survival programme in Niger. UNICEF.
- > Project 10: Support for the people left homeless after the floods in. Acción Contra el Hambre.
- > Project 11: Literacy campaign for shepherds in Barsaloi, Kenya. NGO "Amigos de Julián".
- > Project 12: Community kitchen for needy children and senior citizens. Collective for the aid of indigenous peoples.
- > Project 13: Peace Holidays 2008. Project for hosting Saharan children in families during the months of July and August. Malaga Friends of the Saharais Association.
- > Project 14: Literacy campaign for Saharan women in the refugee camps of Algeria. Provincial Federation of Sahara Solidarity Associations.
- > Project 15: "The Card of Hope". Bombay Smiles.
- > Project 16: "Three points of hope". Mies Basketball School. Missionaries of Hope Association.
- > Project 17: Scholarships for former child soldiers in Sierra Leona. "Todos Son Inocentes OMGd" Association.

The application term for project proposals was closed on 31 July and the voting began thereafter. On 15 September the voting period ended and amongst all the projects presented, the most voted proposal was Project 8 by The Help Juanma Association (Alexander Syndrome Sufferer).

At the end of 2008 the number of employees joining up to this initiative has increased substantially, with almost 600 members now signed up to the Cajamar Solidarity Team.

THE TIME BOX

Social currencies are not the panacea for the consecutive crises in the capitalist system due to their limited scope, but they are initiatives that enable us to reflect on the limitations of the official monetary systems in the area of local and community development. It can be said that there are historical experiences of complementary monetary systems that, thanks to the success reached, allow us to be optimistic regarding the future proliferation of these instruments of solidarity, mutualism and self-management, although the mistakes made in past cases must be corrected in order to achieve much more efficient and sound social monetary methodologies. New technologies give us the possibility of strengthening social networks and implementing complementary monetary systems. A clear example is the proliferation of time banks.

Corporate time banks are a complement to corporate volunteer work schemes that are being implemented in many companies as an instrument to improve working climate, motivation and knowledge management amongst employees. In our country, although there are interesting corporate volunteer work initiatives, there are hardly any corporate time bank experiences to be found, though they could become a very interesting social responsibility tool for major companies.

The Cajamar Time Box

The third mainstay of solidarity at our entity, it was set up on 27 November 2008. It is a new community within Cajamar Caja Rural. It consists of a platform on which employees (and their family members) can exchange services, thereby helping to take advantage of free time by helping others. That is what the Time Box is.

It is based on the concept that we all have skills that could be useful to others, as well as certain needs that can be met thanks to the skills of others. Based on this, we have created a mutual help community, the first corporate time bank in Spain. Its objectives are as follows:

- > To improve the conciliation between professional and personal life
- > To share knowledge amongst colleagues within our entity
- > To promote mutual assistant by allowing Entity staff to offer their free time and receive that of their colleagues.
- > To favour better time management
- > To help restore the values and principles of exchanging goods/services and a non-mercantile culture by implementing complementary currencies (currencies other than the traditional).



In order to facilitate the transactions and their administration, a computer application has been adapted, operating in a similar way to a banking entity's transactions, where you can chose to open account and request credits, make transfers, etc. There is just one reservation, the unit tallied is the hour, instead of the euro. Individuals signing up on the system and opening an account will be granted a 5-hour credit by the system to test out the exchange mechanisms. We all have something we can give or receive, because we all have unique skills. There are limitless services we can exchange amongst ourselves: language, chess or painting classes, babysitting, computer work, running errands, translations, therapeutic care, etc. In short, anything that we can think of can be exchanged in accordance with ethical and social criteria.



This is the third self-manageable mainstay of solidarity, understanding solidarity as mutual help in this case, designed by our entity to create a fairer environment that is more committed and more geared towards solidarity. The first step was the Cajamar Corporate Voluntary Work Scheme (PROVOCA); the second was the Cajamar Solidarity Team (*a teaming initiative*); and now, the third, is this, the Cajamar Time Box.

CAJAMAR EMPLOYEES AND ENVIRONMENTAL AWARENESS

As part of the social actions carried out by our entity in 2008 on a permanent basis, specifically in line with environmental awareness, recycling initiatives have been undertaken regarding items such as used kitchen oil, batteries, mobile phones, etc.

For oil recycling we collaborate with Albabío Andalucía, a company devoted to the management, collection, transport, valorisation and commercialisation of domestic, agricultural, forestry and cattle-farming waste that can be transformed into fuel or electric, mechanic or calorific energy. Employees wishing to recycle their oil can do so by using the containers set up for this purpose at our Central Services premises. Recycling facilities are also available for used batteries and mobile phones.

The gathering of mobile phones forms part of the project to which our entity has subscribed with the Red Cross and the Foundation for the Education and Development of Peoples (Entreculturas). This awareness campaign is open all year round and our entity, through its Corporate Social Responsibility Department, provides special bags to all employees wishing to donate their used mobiles or those of their family and friends.

There are two sides to this initiative. The social action aspect, considering that the income generated through the re-use of the donated mobile phones is allocated to humanitarian, social and educational projects in aid of underprivileged collectives and countries. And the environmental preservation aspect, since collecting out-of-use mobiles and promoting their re-use and recycling favours the conservation of the environment.



The funds raised through this campaign is distributed amongst the Red Cross and Entreculturas. The Red Cross devotes the funds received to their environmental activities and projects, such as environmental awareness and educational campaigns; training of older individuals to act as environmental promoters and environmental management projects at the offices of the Red Cross. For its part, Entreculturas allocates the moneys received to palliate the effects caused by HIV on a large part of the African population, mainly school-goers and children orphaned by the disease, and it also organises HIV prevention and awareness campaigns in an attempt to put a stop to its rapid expansion. The recipient countries of this action are: Burundi, Kenya, Burkina Faso and the Democratic Republic of the Congo.

Water economisers

This initiative was created to raise awareness about responsible water use. The average daily water consumption per person is estimated at approximately 250 litres, whilst the figure recommended by the World Health Organisation (WHO) is 80 litres per person per day. Prompted by this fact, the entity has handed over free of charge to each of its employees a tap-water economiser for them to try out and become aware of the environmental benefits associated to its use. A water economiser is a small device that is placed on the end of each tap and enables users to save up to 50% of the water used in the home.

Soapnuts

Another environmental awareness campaign has also been carried out in the entity during 2008. Each employee was presented, free of charge, with a bag of e-wash nuts. These nuts come from the so-called "soap tree", or *sapindus mukorossi*, which grows in India and Nepal, where it has been used as detergent for centuries. The shells of these nuts contain a very precious substance, a totally natural product that can substitute detergents or softeners which are so harmful to the environment.

Each employee has been presented with a bag of 35 soapnut halves to try them out themselves and see the benefits of their use. Soapnuts are particularly recommended for baby clothes and for people who have skin allergies or disorders.

Social action in the cooperative model

Social action in the cooperative model

In accordance with the ethical model and system we have voluntarily established, at Cajamar Caja Rural we understand social action to be one of the fundamental mainstays of business ethics. Social action is undoubtedly the most popular expression of corporate social responsibility. However, we are clearly aware that this constitutes a field that is much broader in contents and ethical commitments than social action itself.



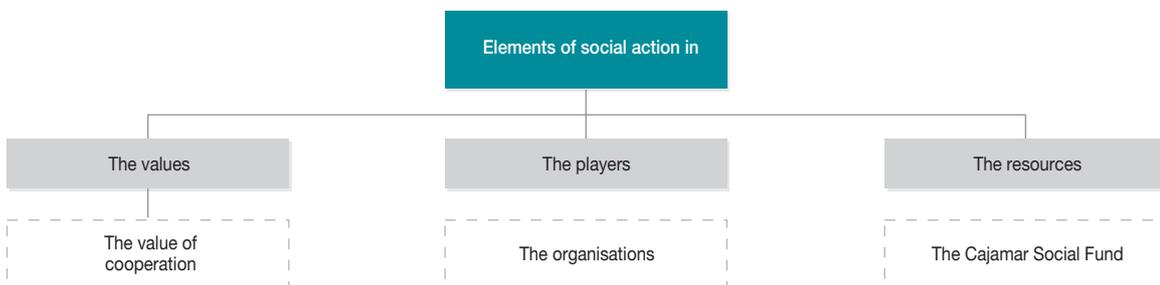
We want to transmit our ethical-social vocation to all areas of the business. This is the commitment associated to our management model, to the good corporate governance practices that we are implementing, which go far beyond the legal obligations applicable, and to our commitment to take socially responsible investment further as a means, tacitly understood by society, of accepting our social and environmental co-responsibility with respect to the actions undertaken by the companies we finance.

At our entity we do not wish to contribute to *trivialising* social action and to considering it merely a tool for improving our reputation. A company's reputation, particularly in the social realm, must be a result of our ethical-social behaviour, and not vice-versa. In this regard, as expressly prescribed by our ethical system, to the greatest extent possible we avoid the use of social action as a mere image tool.

Moreover, we want to transfer social action to the financial field, i.e. to the heart of our economic activity and our mission, since we are sure that financing can be made more ethical and can, above all, be given a greater social vocation. The objective that moves us in this regard is to infuse all the activity carried out by the entity with a clearly social element that reflects our ethical commitment.



Social action, in the area of the cooperative model, is structured around three fundamental elements: the value of cooperation, which enables us to orient our actions and choose the main projects and the most tried and tested social intervention methodologies; non-profit organisations, as essential players in the mobilisation of aid for excluded communities and citizens; and the resources for social action, through the Education and Development Fund (Cajamar Social Fund).



The value of cooperation

Social action, beyond philanthropy and mere altruism, is understood in the cooperative movement as a transforming instrument in social reality. Without an idea of the society that we want, we are aware that it is impossible to undertake social action. The dynamism of this movement forces us to adapt our foundational baggage and our historical experience to the development and satisfaction of new social demands, and to the new debates and new statuses of opinion arising in the societies of our time.

We believe that cooperation, at every level, is a crucial tool for tackling the main challenges of our time. Our cooperative experience, and our broad social base and foundational vocation, gives us enough legitimacy to promote cooperative values, instruments and projects. We are absolutely convinced that, at complex times of upheaval and crisis like now, the social economy and the cooperation model are the most sound response to tackle the new social challenges in all areas. But we are also convinced that social action can have a greater projection based on cooperative experience and from the cooperative movement.



Cooperativism is a way of understanding the world based on the positive sum of efforts made by all the economic and social players in their collaborative aspirations against dehumanising competition, in the broadening of the space of co-existence based on joint work, solidarity and responsibility. Without a doubt, in cooperation, the whole is greater than the sum of its parts. This is the essence of our financial approach, our management model and, in short, of the way in which we conceive economic activity.

We understand that economic activity must be fundamentally based on local development, the mobilisation and capitalisation of endogenous resources, and financial aid so that these can be converted into an authentic growth vector based on sustainability and social responsibility. And, based on solidarity, these involve not transferring intergenerational or interspatial burdens of any kind to future and present societies: environmental burdens, financial burdens, tax burdens, etc.

The excessive growth of certain production factors, to the detriment of others, generates significant inefficiencies and negative social effects such as migratory movements, the *delocalisation of production*, etc. Only through endogenous development of resources and from the perspective of sustainability is it possible to aspire towards long-term development.

The measurement scales have changed and we are aware that the concept of cooperation is the capital element across the board, essential to tackle the challenges posed to us by an increasingly complex work in which economic activity tends towards dehumanisation and the relegation of persons to capital needs. In this sense, we want our social action, which constitutes the support for our financial actions, to impregnate our activity as a whole and we want the financial activity to enable us to go from local to global, catering to groups and collectives that are at risk of financial exclusion.

Non-profit organisations as interlocutors of social action

It is unconceivable to explain and justify our social action without highlighting the ever-important role that non-profit organisations have played in our country and all over the world. Thanks to them resources and skills are being mobilised in aid of the more disadvantaged groups and greater social justice. Thanks to these, to their social capillarity, their dedication and altruism, through our social action we can reach a greater number of individuals who form part of collectives at risk of social or financial exclusion.

In order for our entity to support non-profit organisations these must implement principles of good governance, especially focused on planning, transparency of financing and the controlling of funds used. In this regard, value is given fundamentally to transparency, the organisational structure for undertaking the social projects defined by the NGOs and what is valued above all is their predisposition to establish a long-term commitment based on a smart, reciprocal collaboration that is proactive and co-responsible. In this sense, we wish to reach a greater involvement with the so-called third sector, providing it with greater economic resources, but involving them all the more in the human and organisational aspects.



The resources of social action: The Education and Development Fund (Social Fund)

The Education and Development Fund (Social Fund) is our entity's main financial tool for the execution of social action. It is, all in all, the financial expression of our social vocation. It is managed in accordance with specific criteria and in accordance with our cooperation and social action model; and it is funded by a portion of the entity's profits, plus the capitalisation of the economic and financial assets comprising them.

In accordance with the Articles of Association of Cajamar Caja Rural, the purposes of the resources of the Education and Development Fund are as follows:

- > Training and education of entity's members and employees with regard to cooperative principles and values and the dissemination of the characteristics of the cooperative movement socially and rurally, and other cooperative actions of a sociocultural nature.
- > Promotion of activities to communicate the cooperative movement, inter-cooperation and cooperative integration.
- > Cultural, professional and welfare promotion in the local community or in the community in general, aimed at contributing to improve the quality of life and social welfare.
- > Participation in strategies and programmes that respond to the needs of social development, environmental protection and economic development in the areas in which the Entity operates.

The management of the Education and Development Fund is the responsibility of the Governing Board or the persons appointed by them in specific actions. In this regard, the entity has set up a technical committee, the Social Fund Committee, which is in charge of technically assessing the projects presented, facilitating their valuation and controlling their execution.

The beneficiaries of the funds' resources include non-profit associations and institutions, social economy companies (cooperatives, agricultural transformation companies, limited liability labour companies), non-governmental organisations, the organisms of public entities, and the members and employees on behalf of the organisation.

The objectives of the Cajamar Caja Rural Social fund are as follows:

- > Promotion of social economy. This area focuses on projects for improving competitiveness, projects relating to innovations and improvements in environmental efficiency, training projects and the promotion of cooperativism, as well as economic promotion projects in this area (support for cooperative integration, support for business cooperation, promotion of cooperative values, etc.).
- > Promotion of local development. This area focuses on projects for improving the competitiveness of local production systems, palliating imbalances in the life conditions of the general public, mobilising resources to improve infrastructures and services, promoting research, development and innovation projects (R&D&I), as well as implementing training projects.
- > International cooperation. This area focuses on development cooperation projects, projects to promote micro-financing tools, and projects of humanitarian aid and international volunteer work. Our efforts in the field of international cooperation make clear our acknowledgement that local actions have global impacts and vice-versa and, therefore, we cannot exclude the international field from our social action undertakings or from the objectives of the entity's social fund.
- > Sustainability and environmental conservation. The area focuses on projects relating to renewable energies and efficient water use, waste management and environmental recovery, as well as the development of infrastructures to improve eco-efficiency.
- > Educational, cultural and sports projects. This area focuses on projects of cultural, sporting, educational and professional development.



On the basis of the Fund's central objectives, the management criteria are focused on the following aspects:

- > Impact and number of beneficiaries of the project.
- > Active participation of the entity, especially through some of its communities (e.g. PROVOCA).
- > Impact in the geographical area in which the entity carries out its activity.
- > Interest of the project based on the opportunities and relevance thereof.
- > Formal establishment of the project based on validated methodologies (e.g. Marco Lógico).
- > Degree of suitability of the project to the Fund's objectives and the entity's corporate social responsibility policy.

The entity's Social Fund was allocated a budget of Euros 11.5 million in 2008, which was devoted to the main objectives defined both by prevailing legislation and by the entity's Assembly itself. With these resources, directly or through the Cajamar Foundation, the Fund has taken on both its own initiatives and projects and also others implemented in conjunction with non-profit organisations. Throughout 2008 the Fund has collaborated financially with more than 500 highly diverse non-profit organisations. In addition to these we have also supported approximately another 500 organisations through the active participation of our community of voluntary workers.

Moreover, thanks to the multiplying effect of the work carried out by the organisations with whom we have collaborated, both in financial and in organisational terms, thousands of people have benefited from our social action in Spain and all over the world. With our Fund we have contributed to creating infrastructures of all kinds, we have developed healthcare and humanitarian aid projects and we have contributed to helping non-profit organisations avail of the means required to pursue their important and irreplaceable work in solidarity with the under-privileged.



In support of the social economy we have given special support to proposals relating to training and promoting cooperativism, and to improving the competitiveness of social economy companies, particularly cooperatives.

In support of local development we have promoted the preservation of environmental, cultural, social and anthropological values, in addition to the mobilisation of resources for improving infrastructures and services.

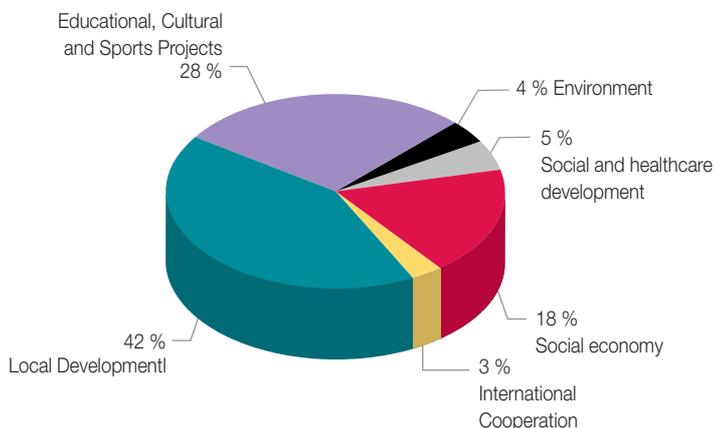
In the area of international cooperation we have contributed to development cooperation projects, without overlooking, obviously, projects of humanitarian action and intervention.

With regard to environmental development, we have collaborated on projects relating to renewable energies and efficient water use. In this area, we have also collaborated with initiatives and projects relating to environmental training and awareness.

In social and healthcare development we have given our support to disadvantaged social groups and to projects for the integration and life enhancement of social marginalisation.

In relation to the objective of developing educational, cultural and sports projects, we have developed and supported several cultural and educational promotion proposals and also supported sporting initiatives.

Distribution of the 2008 Cajamar Social Fund by objectives



SOCIAL ACTION AND LOCAL DEVELOPMENT

Local development is one of the main objectives of Cajamar Caja Rural's social action. Its commitment is not limited to applying the resources of the Social Fund, but it is also implicit in the entity's main financial activity.

From our position, local development implies the explicit support of local productive systems by creating financial solutions what enable the securing of wealth and population in a given territory by creating jobs and life opportunities.

In 2008 the entity has allocated approximately 42% of the Social Fund resources to the promotion of local development, promoting basic and applied research and developing economic and social projects that are aimed at putting new energy into the local and rural economy, as well as supporting the productive fabric of the small and medium business.



Technical research in the area of local productive systems

In 2008, fundamentally through the Cajamar Foundation Experimental Station, the entity has promoted and developed numerous research projects in the food and agriculture field, enabling the transfer of technology and knowledge to the productive sector. By way of example, we highlight hereinafter some of the most significant projects, summarising briefly some of their contents and results.

Research into the cracking of tomatoes

Researchers at the CSIC (Spanish National Research Council), the University of Malaga and the Cajamar Foundation Experimental Station are conducting a research study into the resistant structure of the tomatoes' skin and cuticle. The cracking of the skin of tomatoes is considered one of the main indicators of quality of this vegetable. Its conditions depend on both genetic and environmental factors. Although progress has been made in terms of advanced knowledge of this element, further, more detailed study is still required. The objective of this project is ascertain the pressures borne by the outer sections of the tomato as it ripens and how atmospheric conditions can modify the cracking.

Cenit Mediodía Project

The objective of this initiative is to develop an advanced, highly automated greenhouse with efficient energy and water consumption, suitable for a diversity of crops and profitable all year round in different climates, using an integrated production system.

The MEDIODIA project (Multiplication of Efforts for the Development, Innovation and Optimisation of Advanced Greenhouses) is backed by the National Strategic Technological Research Consortiums 2007-2010 project. The Cajamar Foundation participates together with other companies, all of whom are leaders in their field. Alongside the Experimental Station, a total of 26 research centres shall develop the different activities planned within the project.



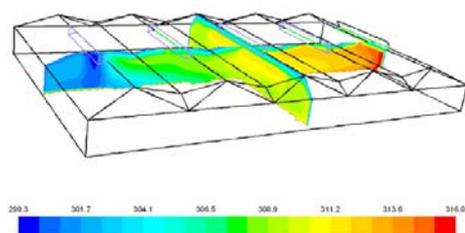
Euphoros Project: Efficient Use of inputs in Protected Horticulture

This European-scale initiative, starting up in 2008, aims to develop over four years of research a sustainable greenhouse system. Amongst other characteristics, the aim is to attain efficient water use, to avoid using fossil fuels, to fully recycle the substratum, to minimise the carbon emissions of equipment and to reduce the use of high-productivity phytosanitary products to a minimum.

The Cajamar Foundation is responsible for the energy-related work, whilst also participating actively in the rest of the project's tasks.

Improvement of farming production efficiency in semi-dry climate greenhouses

The aim of this project is to create a new greenhouse growing system especially for areas with semi-dry climates. The Cajamar Foundation Experimental Station is responsible for the majority of the activities to be developed within this project.



Evaluation of the two greenhouse production systems: multi-tunnel (polyethylene roof) versus Venlo (glass roof)

This research has been ongoing for some years now and consists of the comparison between a multi-tunnel greenhouse with a gothic structure and triple layer polyethylene roof and another Venlo greenhouse with a glass roof, both equipped with the same climate management installations.

Temperature control strategies increasing the CO₂ concentration by combustion in crops grown under plastic

The objective of this project is to establish a temperature control strategy for greenhouse air by means of ventilation in order to maintain a high level of CO₂ for the longest period of time possible. This would involve increasing the rate of photosynthesis and, consequently, total production.

Modelling of the transpiration of a greenhouse tomato crop for the designing of irrigation control systems

The project focuses on obtaining a transpiration model for tomatoes which can be used in the future as an important part of the irrigation control architecture.



Production and climate under two covering materials (antithermic and normal plastic) for tomato and watermelon crops

The project, carried out by the Cajamar Foundation and the R&D Department of Repsol YPF, is focused on evaluating the production of melons and mini watermelons under two roof materials: one antithermic and another normal

Determination of the pollination under two plastic materials (anti-pest and normal) for melon and watermelon crops.

This initiative is being developed by technicians at the Cajamar Foundation and Repsol YPF and it deals with the activity of pollinators when acting on crops in low anti-pest plastic greenhouses, since these materials hinder the animals' vision.

Three lines of research have been pursued:

- > The melon and mini watermelon produce obtained in the Spring under the two different covering materials.
- > The behaviour of the pollinators (bees) in Autumn inside greenhouses with the different covering materials.
- > Impact of the different plastic materials on greenhouse pests and viruses.



Response of different roof materials to deterioration from ultraviolet radiation and pesticides

Project being carried out as part of the agreement between the Cajamar Foundation and Repsol YPF.

Influence of the sulphur application method on the greenhouse plastic and on pests, diseases and natural enemies

This research project is also being carried out in conjunction with Repsol YPF and it deals with the deterioration caused to greenhouse plastic, the impact on the appearance of pests, diseases and natural enemies on pepper and tomato crops, as well as their produce, when sulphur is a component in the agrochemicals applied.



Evaluation of the use of CO₂ from combustion gases in greenhouses

Project aimed at ascertaining whether it is viable to use greenhouses as a combustion gas purification system, by fixation of the CO₂ existing therein. To do this it is necessary to ascertain the effect that this process can have on the growth and development of the main farming crops.

This project is carried out within the framework of the CENIT CO₂ project.



Nitrate drainage and lixiviation from intensive farming systems to aquifers. Extrapolation from regional level plot

Project developed by the Universities of Almería and Córdoba in conjunction with the Cajamar Foundation Experimental Station. The aim is to develop a scale model of the Campo de Dalías region and the Balmera-Las Marinas aquifer recharge area using a local geographic information system, to reduce the negative effect of farming practices on local aquifers.

PrHo V. 2.0: Irrigation program for horticultural crops in greenhouses

This is a user-friendly computer program created by the Cajamar Foundation Experimental Station to help persons working in greenhouses to optimise the irrigation of the different crops.

This software can be downloaded free of charge from the Cajamar Foundation website, and can be run on the Windows XP or Windows Vista operation systems.

Courgette, cucumber and tomato cultivar trials

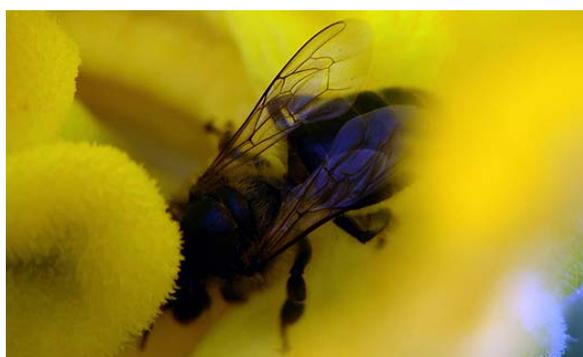
Project focused on adapting farming techniques to the vegetable materials provided by the seed companies, in order to attain an accepted level of produce quality for the increasingly demanding commercialisation process, and with a lower incidence of virosis.



Ecological agriculture

This project, which began in the 2003-2004 campaign, consists of a work scheme for the development of ecological vegetable farming techniques in greenhouses, adhering to the methods set forth in Regulation EC 2092/91 on the production of ecological products. The project is in collaboration with the Almería Farming and Fisheries Board; Agrobío, SL, Agrocolor,SL; and Coexphal-Faeca. The objective is to achieve a crop that is compatible with the long-term sustainability of the agroecosystem.

To date there is little knowledge of this type of agriculture and research into crops grown under plastic coverings are scarce.



Evaluation of the pollination of courgettes using bumblebees (*bombus terrestris*)

Based on this research project, carried out in collaboration with Coexphal, Faeca and Agrobío, we can conclude that the natural pollination of the courgette using the *bombus terrestris* has had satisfactory results, although it is necessary to apply certain phytohormone treatments to accelerate the entry into production at the beginning of the cultivation and to prolong the cycle until Spring.

Experiences in biological pest control

The Experimental Station has in recent year become the leading provincial reference on biological pest control. The experiences have been many, in all the horticultural trials biological combat methods are used. During 2008 the project has worked towards the reduction of release doses based on crops, pest levels and crop cycles, the possibility of provisionally feeding natural enemies until the presence of the pest in the greenhouse, or the possibility of using natural enemy banker plants.

Experience with biological control

Projects have been developed based on biological control experiences with courgettes, green beans, cucumbers, watermelons and tomatoes.

Subtropical agriculture

In the area of subtropical agriculture, the Cajamar Foundation Experimental Station has carried out research relating to the following areas or objectives:

- > Optimisation of greenhouse farming of table grapes.
- > Development of techniques for obtaining two annual table grape crops in greenhouses.
- > Development of farming techniques for delaying the ripening of the seedless table grape variety "Autumn Seedless".
- > Improved precocity of the Japanese loquat using post-harvest controlled deficit irrigation strategies.
- > Viability study on an intensive planting of loquat cv. Magdall grafted onto EM-C quince trees.
- > Improved precocity and quality in Japanese loquats using double-stress deficit irrigation strategies.
- > Phenological study of the development and ripening of the custard apple (cv. Fino de Jete).
- > Speeding up of the sprouting, flowering and harvesting of the custard apple by applying foliar fertilisation with urea.
- > Selection and evaluation of new species of the annonaceous family and new varieties of custard apple.



Research projects in the area of biotechnology

Given the importance of the opportunities offered by biotechnology in different areas, in 2008 the Cajamar Foundation Experimental Station has continued to develop biotechnological research projects aimed at developing food technologies and also the areas of health and energy. The projects to be highlighted in this area are:

- > Pilot plant for the production of micro-algae for food and nutra-pharmaceutical purposes.
- > Production of biodiesel from micro-algae.
- > Design, building and evaluation of a demonstration plant for combustion gas purification using photosynthetic micro-organisms.

Analysis of operations and structures

With relation to the analysis of operations and structures, in 2008 the Cajamar Foundation Experimental Station has essentially undertaken the following two projects:

- > Analysis of income and cost structures of farming operations.
- > Analysis of the insurability of greenhouse structures.



Laboratory

Analyses performed at the laboratory include chemical, physical, bioproductive parameter measurements and quality analysis, to ascertain on one hand the status of the crop and its average and in this way achieve a rational handling of the crop and, on the other hand, analysis aimed at obtaining the quantitative and qualitative values that mark the differences between the different trial treatments.

Dissemination, training and technology transfer activities

The Cajamar Foundation Experimental Station has promoted or collaborated in the following initiatives relating to dissemination, training and technology transfer in the agricultural sector:

Masters in vegetable production and protected crops. University of Almería, 2007-2008 and 2008-2009.

2nd European Course in Quality and Innovation of Minimally Processed Products. IFAPA Centro Alameda del Obispo, Córdoba. 10-12 March 2008.

Technical Conferences: Japanese Loquat. Organised by: University of Almería and Cajamar Foundation. Almuñécar (Granada), 4 April 2008.

ISHS Symposium: Strategies Towards Sustainability of Protected Cultivation in Mild Winter Climate. April 6-11 2008, Antalya Turkey.

Masters in "Engineering of Irrigation systems for rational handling and the conservation of natural, social and territorial resources". Organised by: CEDEX (Centre for the Study and Experimentation of Public Works) Ministry for Public Works. Madrid, 16 April 2008.

2nd International course in Post-harvest Technology and Minimum Fruit and Vegetable Processing. Cartagena Polytechnic University. 40 hours. 23- 29 April 2008.

11th International Conference on Applied Phycology, June 22-27, 2008. National University of Ireland, Galway.

Netherlands Day. Talk: "Water use in Almería farming". Organised by the Embassy of the Kingdom of the Netherlands, Office of the Council for Agriculture and Food Quality, Vera (Almería), 10 July 2008.

20th International Congress on Sexual Plant Reproduction. Brasilia-DF, Brazil. Aug 4-8, 2008.

Sixth International Congress on Olive Growing. Évora, Portugal. Sep 9-13, 2008.

Conference "Embarking on self-employment while caring for the environment". Organised by: Huerca-Overa Institute of Women's Affairs (Almería). Talk: "Agricultural Development and the Environment". 25 September 2008.

8th SEAE Conference on Agriculture and Ecological Foods. Bullas (Murcia), 16-20 September 2008.

9th National Symposium and 6th Iberian Symposium on Ripening and Post-harvest. Zaragoza, 23-26 September 2008.

Ecological restoration in limiting water conditions. Experiences and Techniques. University of Alicante, 25, 26 and 27 September 2008.

ISHS International Workshop on Greenhouse Environmental Control and Crop Production in Semi-Arid Regions. October 20-24, 2008. Tucson, Arizona (U.S.A.)

4th International Symposium on Tropical & Subtropical Fruits. Bogor, West Java, Indonesia. Nov 3-7, 2008.

38th Seminar of Horticulture Technicians and Specialists. Sitges (Barcelona). 17 to 21 November 2008.

8th Science Week. Conference on water. Organised by the Cajamar Foundation Experimental Station. Talks: "Irrigation in farming crops" and "PfHo: A tool for programming irrigation". El Ejido (Almería), 20 November 2008.

IMA 2008 Conference. "Citrics 2008". Day of technological transfer on citriculture. Valencia, 25-26 November 2008.

Seminars on the subtropical and Mediterranean fruit farming group (PAI AGR-222). 2007-2008 Campaign. University of Almería.

1st Conference on the Japanese loquat. Almuñécar (Granada).

Regular agronomy seminars held by the Experimental Station:

1st seminar: micro-algae production. Research Programmes of the Cajamar Foundation Experimental Station.

2nd seminar: Sustainable urban agriculture: opportunities for agriculture in controlled environments.

3rd seminar: Grafting in horticultural production.

4th seminar: The "*tuta absoluta*" moth in Latin-America. Situation in Almería.

5th seminar: Advance summary of the results of the Cajamar Foundation Experimental Station.

6th seminar: Efficient handling of a climate controller (I).

7th seminar: Efficient handling of a climate controller (II).

8th seminar: Incorporation of pest resistance in tomatoes and dealing with Hortivar.

9th seminar: Status of pest and disease control in Almería.

Post-harvest conferences:

High introduction of the importance of post-harvest.

Post-harvesting of vegetables.

Participation in the 8th Science Week, promoted by the Andalusian Council for Innovation, Science and Business.

Training for researchers undertaking doctoral theses and end of degree and masters projects.

Scholarships in the area of food and agriculture research.

Informative visits to the Cajamar Foundation Experimental Station: In 2008 over 3,000 people visited the station, including farmers, technicians, researchers and students.



Cajamar Economics, Agriculture and Food Department (University of Almería)

The Cajamar Foundation and the University of Almería have entered into an agreement to create the Cajamar Economics, Agriculture and Food Department, thus broadening the collaboration existing between both institutions for a number of years now. This framework will include existing initiatives, whilst also jointly running official training activities (masters and other courses). In this Department professors will participate from the University's Applied Economics, Business Management and Vegetable Production departments, as well as a researcher from the staff of the Cajamar Foundation. A significant part of the budget has been allocated to providing scholarships and prizes in order to promote research activity and the dissemination of knowledge in the area of agricultural economy, agricultural production and social economy.

Socio-economic research and its disclosure in the area of local development

Sociological characterisation of the Almería development model

In 2008 a study began on the sociological characterisation of the economic development model of the Campo de Dalías region, under the direction of Víctor Pérez Díaz, professor of Sociology at the Complutense University. This project has involved almost one hundred people, between researchers, university professors, entrepreneurs from the sector, bank employees and media and culture professionals who have participated in a series of seminars. The attendees at these lectures provided their interpretation of the fundamentals of the model from a professional and personal point of view, with a view to preparing the project work plan, which will culminate with the publication of a diagnosis on the main sociological problems currently faced in the region.

This is, hence, about studying the gap between economic development and social articulation and the sociological problems and challenges resulting from the rapid evolution of the western region of Almería, as well as the articulation of civil society.

Specialist Course in Local Development

This course, offered as part of the Catalogue of In-house Teaching at the University of Almería, has been organised by the Department of Applied Economy in collaboration with the Cajamar Foundation.



It aims to provide a response to the challenge that local development raises in the rural environment with regard to business issues. This shall contribute to laying foundations that will enable an adequate level of population and economic activity to be sustained in the rural environment.

Almería White Paper. 2025 Almería Forum

Presentation of the White Paper drawn up by the 2025 Almería Forum, with the participation of the Cajamar Foundation. This document sets forth the reflections of 252 public figures on the future of the province of Almería in issues such as water, demography, infrastructures, tourism, construction, marble, the auxiliary industry, trade, agriculture, training and territorial planning.

Course for Experts in Agricultural Business Management

The University of Almería Mediterranean Foundation with the collaboration of the Cajamar Foundation and Coexphal have developed the Diploma Course for Experts in Agricultural Business Management.

This course consists of a series of modules on the main functions of agricultural companies, complemented with seminars and conferences on current affairs. The contents of the syllabus is completed with the undertaking of a business project related to the agricultural sector.

The objective of the course is to develop management skills (knowledge and attitudes), providing a global vision of the different functional areas of agricultural companies and the techniques to improve their competitiveness. The methodology is participation-based, including case studies, visits to agricultural companies and the development of a business plan or project.

It is targeted at:

- > Entrepreneurs and professionals holding management posts in companies and other entities in the agricultural sector.
- > Diploma and degree holders (preferentially in agronomy, economics and business), or students.

Participation in courses and conferences

The professionals from the Institute of Studies have participated as teachers or speakers at economics conferences and forums, dealing with subjects such as rural development or food and agriculture, taking part in, amongst others, the following events:

- > *Economic Observatory of Andalusia*. This is a non-profit association, comprised of economists and professionals from different areas, aimed at analysing and reflecting upon the socio-economic reality of Andalusia and its trends.
- > *Seminar on the economy of water irrigation*, with the presentation of a speech on irrigation systems in western Almería. This was organised by the Aragón Government's Department of Agriculture and Food and the Spanish Association of Agricultural Economy.
- > Presentation of the volume "*Europe at the Crossroads*" from the collection of Mediterranean Economic studies carried out by the Cajamar Foundation with the coordination of Josep Borrel, at the Offices of the European Parliament in Madrid and Barcelona.
- > *Masters in Banking Management by the University of Almeria*. Professor of the Business Organisation module.
- > Participation in the *Technical Farming Campaign Seminars 2007/2008* organised by Coexphal and the Cajamar Foundation to analyse the status and trends of the fruit and vegetable growing sector.
- > Participation as speakers in the Almería Forum 2025 promoted by Asempal.
- > Participation in the Specialised Course on Local Development by the University of Almeria.
- > Institutional participation in the *City Forum*, created by the Almería City Council's Citizens' Participation Area to reflect and inform on issues influencing the city.
- > Participation as speakers at the *Course in Senior Management of Agriculture and Food Businesses* organised by FAECA.



Involvement in and commitment to the primary sector

Fruit Logistica 2008

As has become customary over the last few years, the entity has promoted the participation of Spanish fruit and vegetable companies in the main European fair for this type of products, held in the first week of February in Berlin. During the 2008 edition of the fair, special attention has been given to the strong expansion of biological pest control systems, presenting Almería and the region of Murcia as an worldwide example due to its determined commitment to its economic players. Also significant was the volume of fourth and fifth range production companies present at the exhibition.

Prospective trade missions

Accompaniment of a group of fruit and vegetable trading companies in analysing the possibilities offered by the Russian market. Russia is a country with a significant and increasing rate of consumption of fruit and vegetables currently supplied mainly by traders from the Netherlands and Belgium. It is a market with a high risk premium.



Logistical alternatives to road transport

Practically all of the fruits and vegetables sold from the South of Spain to Northern Europe are transported by road. This transport system is subject to tough environmental and social pressure, with repercussions on the ongoing growth of costs. In light of this situation, studies are being carried out on viable alternatives for the transport of fruit and vegetable products, including intermodal truck-ship and truck-train systems.

In collaboration with the Almería Port Authority, logistics companies and fruit and vegetable traders, this project has analysed the viability of creating a regular shipping transport line for fruits and vegetables from the Port of Almería to a port in Northern Europe.

Training and dissemination

With the aim of informing the economic agents linked with the food and agriculture sector about the changes this sector is undergoing, and the responses offered by the most dynamic organisations, a series of conferences and seminars has been held on the subject of food and agriculture: cooperativism, innovation, sectorial evolution, etc.

Rural development

With a view to drawing up the strategic plans for the different rural regions of Andalusia, the Ministry of Agriculture and Fisheries of the Regional Government of Andalusia has set up the so-called New Rural Strategy for Andalusia (NERA), which consists of a work plan and shared action methodology for all of the rural development groups.

Cajamar Caja Rural has been collaborating both through the promotion committees responsible for the setting up and final proposal of strategies of action, and the corresponding sectorial work commissions.

At the same time, the entity has participated in the management boards and general assemblies of the Rural Development Associations in the execution of the programmes currently in force.

Collaborations with non-profit organisations and social economy companies in the area of local/rural development

In addition to the projects carried out by our entity directly, we have actively participated in other initiatives promoted by hundreds of non-profit organisations, foundational organisations and several public administration bodies; all in relation to local/rural development. Specifically, financial and organisational support has been given to projects that fall within one of the following areas or sub-objectives:

- > Improving the competitiveness of companies and the economy in the local/rural environment by developing physical and technological infrastructures and promoting inter-enterprise cooperation in the local productive systems themselves.
- > Palliating imbalances in living conditions in the local/rural environment: in terms of gender, economics, technology, culture, etc.
- > Preserving environmental, cultural, social and anthropological values in the local/rural environment in the face of the homogenising trend of the current era of globalisation. This sub-objective is obviously bound to the preservation of cultural diversity in our society.
- > Mobilisation of resources for improving infrastructures and services in the local/rural environment.
- > Research, development and innovation (R&D&i) in the local/rural environment.

Hereinafter details are provided of some of the most representative initiatives supported by our entity.

Specifically, collaborations have been undertaken with the Education and Development Foundation (EDYDE) in the 2nd Murcia Flexible Business Award, the seventh campaign held in aid of balancing professional and family life. Through this project, awards have been presented to companies that organise their work schedules in line with their business objectives whilst also adapting them to the needs of their employees; those companies that build their organisation on target-based management and favour the development of their employees' professional careers; those that seek long-term profitability whilst caring for the physical and emotional health of their employees, facilitating the balance between professional and family life; and, finally, those companies that work to improve quality of life for all. What this project has pursued specifically was to promote social corporate responsibility as a model of management and ethical aspiration in the local environment.

Another example of is the collaboration with Campoejido Sociedad Cooperativa Andaluza, a cooperative company based Andalusia. The project supported entails the installation of refrigeration chambers for the distribution of vector insects. Campoejido has set up a work plan aimed at providing adequate response to the members and contributing, to the extent of their responsibilities, to guaranteeing the success of the associated productions. For this purpose the project has been equipped with a refrigeration chamber especially adapted for storing the auxiliary fauna. This equipment ensures a greater likelihood of insect viability and provides a greater scope of action for distribution amongst the associated cooperative members.



Another collaboration that has been undertaken by Cajamar Caja Rural along these lines of local development, and also within the field of equal gender opportunities, has been with the Lorca Federation of Women's Organisations. The project supported was aimed at promoting activities and services targeted at women, with the intention of encouraging participation in political, cultural, economic and social life under conditions of equality with respect to men, and promoting the substitution of socio-cultural patterns of conduct which favour gender discrimination with other egalitarian standards.

The Abdera Natural Association, a grouping of integrated agriculture producers has also received the collaboration of our entity. Sizeable growth in demand for vector insects used for biological pest and disease control has led to a low quality offer from suppliers. This is having a negative effect on the results obtained and is pushing up the cost of production since more insects than those theoretically needed are having to be used to ensure adequate control. By means of this project technical material has been acquired for biological quality control, consisting of a stereoscope microscope. This acquisition is, from a strategic point of view, a very interesting future option for the fruit and vegetable sector, since it represents a competitive advantage with respect to other companies in the sector who lack this material.



Lastly, mention must be given to the collaboration agreement entered into with the Regional Ministry of Education, Science and Innovation for the granting of Professional Training scholarships in the Region of Murcia. This agreement aims to support Professional Training in the educational system by granting scholarships to students taking both diploma and degree courses in the Autonomous Community of Murcia, in order to improve and optimise professional qualifications and increase competitiveness, job creation and the socio-economic development of the region. This initiative aims to assist those individuals whose economic situation limits their opportunities of opting for a training course that is strategic for the regional economy if it is not located in their immediate proximity.

Publications of economic and financial information supporting local development

Economic and Financial Newsletter

Quarterly publication drawn up by the Cajamar Foundation Institute of Studies and targeted at all subscribers (approximately 2,500) who, although not professionals in the economics field, wish to follow closely the most relevant events taking place in the economic and financial sector. The report includes a detailed analysis of the current economic climate in four clearly differentiated parts:

- > Current international situation
- > Current national situation
- > Markets
- > Thematic supplement



The newsletter is completed with the presentation of a synthetic indicator (NOSI) which, on a provincial scale, offers a simplified view of economic performance in Almería, Murcia, Málaga and Valladolid, as well as its comparison with the constant GDP of Spain.

The main aim of this publication is to offer a direct and reliable view of the current economic and financial situation, both in international and domestic terms. In addition, it includes a supplement with a detailed analysis of a subject of general interest.

In 2008 four quarterly newsletters have been published (in January, April, July and October), accompanied by their corresponding supplements on solar energy in Spain, the private hospitals and clinics sector in Spain, EU policy on biofuels and the stone sector in Spain.

Supplement *The solar energy situation in Spain: photovoltaic and thermo-electrical segment*

This report describes the evolution of the three methods for making use of solar energy:

- > Photovoltaic solar energy obtained from solar panels, differentiating between installations connected to the electricity network and those that are isolated from it.
- > Thermo-electrical solar energy, a group of technologies that concentrates the direct radiation of the sun and obtains high-medium temperature heat therefrom.
- > Thermal solar energy, which uses panels to obtain energy for industrial or sanitary use.

The document stresses the fact that the solar energy industry in Spain is responding positively to the institutional promotion scheme carried out, and in the year 2007 the installations target for the 2005-2007 period was reached. However, it acknowledges that work still needs to be done to attain the status of a renewable energy with a relevant presence.



The contribution made by the photovoltaic system in the Spanish electricity network is a mere 0.04% and in the case of thermo-electricity is it practically nil.

By autonomous community, Valencia, Castilla-La Mancha, Castilla y León, Navarra and Andalucía are the regions with the highest number of installations hooked up to the electricity network.

Supplement *The private hospitals and clinics sector in Spain: a business on the up*

Dealing with a sector in expansion, this report analyses the status of the private hospitals and clinics business, for which, according to the trend, it foresees significant growth in the coming years, by means of the acquisition of centres already in operation and the opening of other installations linked to hospitals of reference.

Although it is expected that greater business efficiency will be reached, at the moment a series of issues susceptible to improvement have been detected, such as the relationship between healthcare centres and insurance companies, the remuneration regime of certain healthcare collectives, and a greater dispersal of policies throughout the state.

Supplement *EU policy on biofuels: background and future prospects*

The European Union has made a commitment to renewable energies as an energy source alternative to petroleum, which it will substitute progressively. This supplement analyses the policy to promote biofuels (bioethanol and biodiesel) and the plan proposed by the EU regarding the use of useful farming land for this purpose and the impact this would have on the main food and agriculture raw materials.

The report sets forth details of bioethanol production, with France and Germany at the head of production, and Spain ranked midway in the European scale. In worldwide terms, the United States is a major competitor to the emerging European biofuels industry.

Furthermore, it is indicated that the development of the worldwide agroenergy sector calls for the adaptation of plants to provide greater yield with lower input, whilst not occupying a disproportionate surface space dedicated to these bioenergy purposes. It is also considered essential to develop this line of genetic engineering and the use of alternative raw materials that are currently no in competition with the food sector.



Supplement *The natural stone sector in Spain*

This study analyses natural stone from the main materials: granite, marble and slate, and the amount of elaboration required by each of these after their extraction from the quarry. The supplement analyses the current situation in this sector worldwide and on a national scale and sets forth the strengths, weaknesses, opportunities and threats the sector is subject to. The data provided in the document emphasises that the main exporter of marble is Italy, followed by China and Spain. Moreover, the report states that in our country, Alicante, Almería and Murcia lead the ranking in marble extraction, whilst granite is led by Pontevedra, Orense and Badajoz and slate in Orense, León and Lugo.

NOSI

The Cajamar Nicolás Oresme Synthetic Indicator (NOSI) is designed to measure the stage of the economic cycle the national and provincial economy is in. It is a compound indicator, grouping a series of high frequency non-agricultural economic activity and demand variables which are historically correlated with the macro-indicators used to measure actual economic growth. The source formula has been obtained from Spain and applied on a provincial scale in order to establish comparative trend ranges. The variables used for calculating the indicator were: electricity consumption, vehicle registrations, cement consumption, passenger air traffic, new dwellings started, unemployment rate, jobs in industry, construction and services. Throughout the year work has continued with this indicator in order to ascertain the evolution of the economy in Almería, Málaga, Murcia and Valladolid in comparison with the overall Spanish economy.



Building Industry Status Report

Quarterly report, drawn up by the Cajamar Foundation Institute of Studies, describing and analysing the status of the building industry, both nationally and provincially. The main aim of this publication is to provide sufficient elements of judgement with which to take the suitable decisions. This newsletter includes a synthetic indicator developed by the Institute of Studies, the Cajamar Synthetic Indicator of Building Activity (SIBA), through which it presents a summary of the evolution undergone in the sector, both nationally and provincially. The building industry status analysis comprises the following sections:

- > Spain
- > Almería
- > Málaga
- > Murcia
- > Inland regions: Valladolid and Madrid
- > Interest rate perspectives and their repercussions

Report on the 2007/08 Almería Horticultural Season Report

This annual report prepared by the Cajamar Foundation focuses on studying the main variables in the Almería fruit and vegetable sector each season. The aim is to ascertain the status of the Almería fruit and vegetable sector and analyse its immediate evolution, as well as the main changes taking place.

The following issues are studied:

- > Daily pricing of produce at source.
- > Daily sale prices on the main wholesale markets in Europe.
- > Daily sale prices to the end consumer in Spanish supermarkets.
- > Volumes exported and value of exports.
- > Volumes delivered by farmers to trading companies.
- > Average annual prices paid to farmers.
- > Crop surface areas. Certified surface areas.
- > Production costs and status of manpower.
- > Sales of phytosanitary goods.
- > Climate conditions.
- > Other incidents during the season.

This monograph analyses the 2007-2008 campaign, which has confirmed new increases in production, exports and product value, but also an increase in production costs with respect to the previous season.

The most outstanding news highlighted is the widespread adaptation of biological combat methods. Approximately 11,400 hectares of aubergine, cucumber and, above all, pepper crops were treated using cultivation techniques based on the use of natural predators, a fact that is very positively valued by the markets of destination. Opposing this, however, the production obtained with biological control could not be certified as such due to the absence of a specific regulation.

In the same way, emphasis is given to the exemplary performance of the auxiliary industry which has researched and produced in Almería a significant part of the natural predators required to carry out pest control.

The report states that production in the 2007/2008 season was up in comparison to the previous campaign, coming to 2.95 million tons, or a 3.89% rise in comparative terms. The value of production reached Euros 1,463 million. These figures show the leadership of farming in Almería, which represented 18% of all End Farming Products in Andalusia.

55.4% of production went to exports, production costs, particularly overheads, increased by 4.68% whilst amortisation and depreciation rose by 0.2%, with a higher rise in fertilisers, which cost 40% more.





The report also highlights the activity developed by the Andalusian Fruit and Vegetable In-Trade Organisation, Hortyfruta, which is the culmination of a process of negotiations and contacts amongst the main players in the sector and the administration to achieve the unification of criteria and attitudes in the face of the farming difficulties.

In terms of transport, the Cajamar Foundation suggests that, in the medium-term, the sector should seek alternatives to conventional road transport that are less costly and equally flexible as the truck freighting methods.

Conference on the State of the Economy

As part of its training activities, the Cajamar Foundation organised a conference on economic analysis, with the participation of Cristóbal Montoro Romero, professor of Public Finance, member of the European parliament and ex-Minister of the Exchequer, whose lecture was entitled “*Status and prospects of the national and international economy*”. The other speaker was Gonzalo Solana González, director of Analysis and Strategy and vice-president of the Council of Chambers of Commerce, and ex-president of the Spanish Court for the Defence of Competition, who spoke on “*Economic policy for the improvement of corporate competitiveness*”.

Seminar *The historical configuration of the food and agriculture system*

The School of Economy and Economic History, which depends upon the Cajamar Foundation and the Department of Applied Economics of the Almería University, has organised a seminar on *The historical configuration of the food and agriculture system*.

Since in recent decades, the Almería countryside has become one of the most significant exponents of avant-garde agriculture in Spain, the Almería University Department of Applied Economics and the Cajamar Foundation have made this phenomenon one of the priorities in its research programme. Hence, both institutions have organised this scientific conference, with the aim of gaining an insight into the configuration of the current food and agriculture system from a historical perspective.

Twenty experts from different universities took part and, based on the discussions of the lectures given, posed a renewed vision of the farming past and, more specifically, of the link to commercial and more technical agriculture.

Technical conference *Trams and light rail systems: a new form of mobility for Almería*

This conference, organised by the Almería ‘Friends of the Railways’ Association and the Cajamar Foundation, was attended by significant institutions and representatives of this modern system of urban mobility, who put forth their experiences and brought to the table a number of proposals and suggestions regarding the specific case of Almería.

This conference comes at a time in which there are several proposals being studied for the installation and operation of trams and light railway systems in urban and suburban areas of different cities, in order to improve mobility and alleviate road traffic congestion problems.

Conference on *The role of the brand in companies*

This conference, targeted at companies from the food and agriculture sector was given by Antonio Valdés Cosentino, president of the Tino Stone Group, who gave a lecture on the importance of the brand in the development of a company. The speech helped to adapt the strategies of fruit and vegetable trading companies to the new characteristics of distribution firms.

Summer Course at the University of Almería

Under the title *Change in the cycle of global economy*, the Cajamar Foundation organised a summer course at the University of Almería, the objectives of which were:

- > To reflect upon the state of the international and national economy and the way in which the current crisis will affect us.
- > To identify the opportunities in a changing, global environment.
- > To venture towards the changes that the Spanish economy must adopt in order to face the current difficulties.
- > To analyse the international financial situation.

6th Autumn Conferences: Prospects in the face of a new energy transition

The School of Economy and Economic History, which depends upon the Cajamar Foundation and the Department of Applied Economics of the Almería University, has organised the 6th Autumn Conferences, dedicated to *Prospects in the face of a new energy transition*. This edition tackled the vertiginous changes taking place in the international economy, which throughout 2008 has forced analysts and political economists to constantly re-write their priorities and repeatedly rethink their conclusions.

The real estate bubble burst, the financial crisis ensued, spreading to the different branches of the productive economy, making us forget that just a few months ago the energy problem and the shortage of raw materials were at the forefront of the economic-social debate. Far beyond the changes in cycle and the revisions to the paradigms set in terms of market intervention, all humanity faces a challenge posed more than a quarter of a century ago, when the illusion of cheap and inexhaustible energy which sustained the golden age of capitalism after the Second World War was crushed.



The Conferences held in the School of Economy and Economic History this year, jointly organised with the University of Almería and the Cajamar Foundation, have tackled some of the question marks hanging over this process which is key to the sustainable development and welfare of the future generations. The programme has covered different perspectives of the energy problem, with the aim, once again, of helping students to gain a deeper insight into issues of major scope and current focus.

The biotechnology sector in Spain

This study analyses the current state of the biotechnology sector in Spain. This is an area of strategic, across-the-board knowledge that can be applied to a multitude of production activities. However, the most innovative advances that this technology provides –grouped under the concept of genetic engineering– are not perceived in the same way by society, which instead focuses on the healthcare area which is socially more widely accepted.

Objectives of the study:

- a) To identify the most relevant companies operating in the market, by sectorial orientation (human health, animal, agriculture, food, food control technologies, biotechnological applications of energy production, bioremediation and biodetergent products).
- b) To present the most representative products that are under development or have been recently launched.
- c) To detail significant events that have taken place in recent years.

The report, which is based on the biotechnology concept, shows the evolution of the offer available, its territorial distribution by autonomous communities and the state of the market by sectorial orientation. In Spain, the business fabric in this field is classified by whether its activity is focused on biotechnological R&D&I as the core or sole strategic unit in its business, or if it performs industrial activities -in services or sales- relating to biotechnology.

In the period 2000-2006, the business segment dedicated to biotechnology itself has shown a much higher growth rate than those others with stakes in this field, despite these forming the overall majority.

Highlighted amongst the main conclusions reached are the following:

- a) The Spanish biotechnological sector is relatively small, both in terms of the number of companies and their size, although these exist in certain provinces such as Barcelona, Madrid and Vizcaya.
- b) The main weakness lies in the insufficient participation of venture capital as one of the main fundraising methods. It has traditionally been general funds and investors that have contributed to promoting the Spanish biotechnology sector.
- c) A second source of funding is public expenditure on R&D&I. The funds spent on these types of activities, although still insufficient, have been on the increase in recent years.
- d) With the aim of promoting competitiveness, it would be advisable to promote collaboration agreements or *jointventures* for the development of specific products.



The economy of Antequera in the 21st century

This publication includes a photograph of where the economy of Antequera stands at the present time and the lines towards which its economic, social and political agents should direct it. The project, overseen by the Cajamar Foundation, was drawn up by professors from the University of Málaga, María Luisa Gómez Moreno and Antonio Parejo Barranco together with another fourteen professionals (geographers, urbanists, economists, historians and sociologists).

The authors reject that the future must necessarily hold an adaptation of the coastal model (the tourism-building pairing) in this region. They do, on the other hand, propose that attention be paid to the logistics sector, starting by improving transport infrastructures (roads, railways, airport) which has to date attracted distribution companies, and is presumed shall continue to do so. The future proposal made by these experts entails making the most of the opportunities to be presented in this line, once the land transport systems are improved (road and rail) and then airports, Antequera shall become, in the second half of the 21st century, one of the most dynamic axes in Andalusia and Spain thanks to the privileged location it occupies and the strategic resources that it will avail of. The authors suggest the creation of an industrial district that shall benefit from the opportunity generated by the resources and consolidate an industrial space oriented towards the agriculture and food sectors, technological industry and services to companies, always taking advantage of the central location of its territory.

What is more, this monograph also points out the need to work in favour of the physical environment and cultural heritage of Antequera, adopting measures such as the promotion of the retail trader by providing public aid, since this sector is an articulating element in the urban scheme and promotes cultural tourism. It is the understanding of the experts that the human capital contribution, coupled with private investment, and public aid, shall put the economic situation of Antequera in an exceptional position.

50 years of territorial transformations in Almería. 50th anniversary of the «American flight» (1957-2006)

This work comprises a series of images displaying the territorial transformation undergone in the last fifty years in the province of Almería. It is published by the Institute of Almería Studies, the Andalusian Cartography Institute and the Andalusian Regional Government's Ministry of Housing and Territorial Planning, and coordinated by the geographer and urbanist Rodolfo Caparrós Lorenzo.

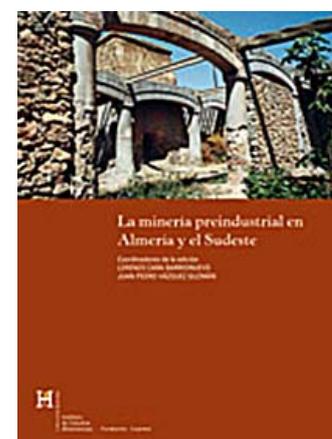
The first images were taken in the years 1956 and 1957 when the US air force carried out a flight plan over the entire Spanish geography. These photographs show the territory prior to the major transformations that occurred in subsequent decades in Spain, and in Almería, giving rise to the modernisation of the lands, and their current image, showing the expansion and urban evolution undergone.

Pre-industrial mining in Almería and the Southeast

This book was edited thanks to the collaboration between the Institute of Almería Studies and the Cajamar Foundation. It contains a study of pre-industrial mining in Almería from the Middle Ages to the 19th century. Based on contributions gathered at the 3rd Conference on History and Physical Environment, held in Berja and Canjáyar in November 2006, new studies are added which have a bearing on the complexity and wealth of this activity.

In this situation, Sierra de Gádor is one of the paradigmatic centre points of our mining past and perhaps the best example in the Southeast of what we could call «autochthonous mining». Moreover, the volume is completed with a review of other mining areas in Almería and its neighbouring provinces, including not very widely studied subjects, such as quarries.

Mining has left behind an architectural legacy of great interest and diversity, with a significant scenic and environmental added value.



SOCIAL ACTION AND SUPPORT FOR COOPERATIVISM AND SOCIAL ECONOMY

Our entity is a credit cooperative, the top ranked in Spain, and so our commitment to the promotion of the values of cooperativism and the social economy is unquestionable. In this regard, in the area of our social action, in 2008 we have implemented several projects geared towards this objective. Of these, we would highlight the following:

Studies carried out to promote cooperativism and the social economy

Analysis of the situation of the producers in the Organisation of Citrus Fruit Producers in Andarax in light of the reform of the CMO for Fruits and Vegetables

The objective of this project was to investigate the influence that the process of reform of the Common Market Organisation for Fruits and Vegetables on the productive structure of citrus fruits in the province of Almería and, more specifically, on the farmers included in the Cítricos del Andarax SAT (agricultural transformation company) (P.O).

For these purposes, an analysis has been carried out into the economic significance of the farming of citrus fruits in the province and the evolution of the key economic indicators. Our attention has focused on the socio-economic environment in which this activity is developed, since it is vital to relate the production and surface area figures to the territorial, demographic and economic dynamics.

The modification of the CMO for fruits and vegetables signifies the unification of the treatment of both fresh citrus fruits and those citrus fruits to be used in processing (which is the main use of the citrus fruits in the province). For the latter, a transition period of two years has been proposed, with a treatment which penalises small operations and will, in general terms, represent the splitting of aid payments and the introduction of the so-called single payment regime. Although this new treatment of agricultural aids tends to disaffect the markets of the pernicious consequences that Common Agricultural Policy has given rise to over the years and, therefore, eliminates obstacles with regard to the multilateral negotiations carried out at the core of the World Trade Organisation, it is no less true that it shall have a negative effect on the income of certain farmers and municipal areas that are already afflicted by depopulation and the weak economic pulse.

In the face of this reality and, in the case of Almería, in an environment that is tending towards aridity and in which desertification is a serious threat, the need to sustain the existing farming operations takes priority over the merely economic aspects, becoming a major social and environmental concern. The fewer incentives there are for young people to stay, the more complicated it will be to revert this dangerous trend that has caused the significant population imbalance mentioned above.

Competitiveness factors of the leading cooperatives in the European food and agriculture sector

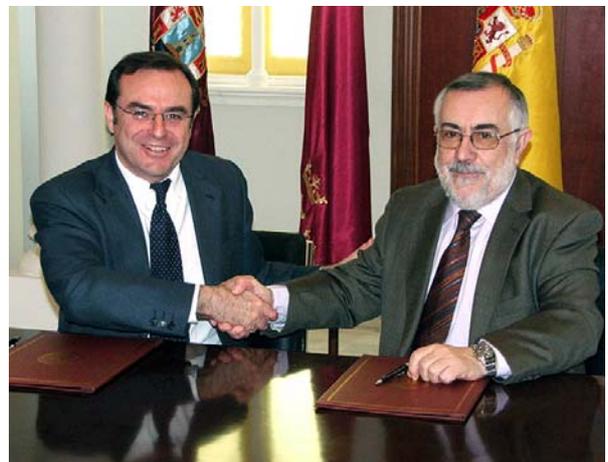
This project was carried out in collaboration with the Valencia Polytechnic University and was presented at the 27th International Congress of the International Centre of Research and Information on the Public, Social and Cooperative Economy (CIRIEC). The study analyses the key factors in the leadership of food and agriculture cooperatives in Europe. It discusses the positioning, structural characteristics and evolution of the main cooperatives. It also looks at the legal framework in which cooperatives operate, observing that the support received is focused on the strategy of integration in the economic fabric. The project's conclusion proposes a reform in the regulatory framework of cooperatives, dealing with issues such as the liberalisation of the legal regime, less restrictive tax regulations and the possibility of third-party financing.

Course on the needs of cooperative integration

This training plan is targeted at the member of the governing boards of farming associations in Andalusia, dealing with topics such as the origins and evolution of the cooperative model, rights and obligations of Governing Board members, basics of business management, strategic planning and the interpretation of accounting statements, changes in the food and agriculture complex and the repercussions of the concentration of major distribution and of new consumer trends on producers. In short, the aim has been to raise awareness amongst the senior management of Andalusian cooperatives and agricultural transformation companies regarding the need to implement business management models in their companies that provide a response to the current food and agriculture complex. The course has tackled important subjects such as food and agriculture trends, the history of the cooperative movement and cooperative legislation and the basics of accounting and the interpretation of financial data.

Cajamar Caja Rural Agricultural Cooperativism Department

In 2008 Cajamar Caja Rural and the Cartagena Polytechnic University created the *Cajamar Caja Rural – Cartagena Polytechnic University Agricultural Cooperativism Department*, whose purpose is to promote the cooperative business spirit and vocation, supporting entrepreneurial initiatives and the generation of new business projects in Spain. An initiative that, in turn, is included in the collaboration framework agreement for the development of joint activities entered into by the Cartagena Polytechnic University and our entity for the development of joint activities in the training, scientific, technological and cultural fields.



The objective of this University Department is to promote specific activities that are mainly geared towards training and research, the generation and dissemination of knowledge regarding cooperativism and the social economy. Its activities will be drawn up in an annual programme that will include the organisation and holding of training events such as seminars, congresses, conference series or master classes, preferably on agricultural cooperativism; the development of research programmes, the publication of monographs on subjects being studied by the Department, and also cultural activities and activities held to publicize the teaching and research activity.

Supporting food and agricultural innovation

In the field of innovation in the food and agriculture sector, and in the support of business integration in pursuit of more efficient organisations and processes, we would highlight some of the projects in which the entity has actively participated:

- Research projects developed by the Los Filabres Andalusian Cooperative Company to increase the added value incorporated in milk and goat meat produce. As part of a long-term agreement, work is being carried out on:
 - > Generating value from the waste created in slaughterhouses by using it to manufacture pet food pellets.



- > Creating a range of pre-cooked meals using goat and lamb meat.
- > Developing a prebiotic product with beneficial effects on health, prepared exclusively using goat's milk.
- Creation of the first fifth-range company for fruit and vegetable products in the province of Almería. During 2008 assistance has been given to the management and member of Alcoex Mediterráneo in designing their business plan, selecting technology providers and drawing up a collaboration agreement with the company Andrómeda Food Company.
- Participation in several business integration projects amongst food and agriculture cooperatives through awareness and advisory work.

Collaborations with non-profit organisations and cooperatives

In addition to the projects carried out directly by Cajamar Caja Rural through its social action development tools, the entity has actively participated in initiatives promoted by hundreds of non-profit organisations, foundational organisations and several public administration bodies; all in relation to the promotion of the social economy. Specifically, financial and organisation support has been given to the following projects within these fields:

- > Improving competitiveness in the area of social economy and business organisations based on the cooperative model.
- > Projects relating to innovations and improvements in environmental efficiency in the area of social economy and business organisations based on the cooperative model.
- > Training and promotion of cooperativism, particularly emphasising the values that stimulate it and its competitive advantages in the market economy.
- > Improving work conditions in the area of social economy and business organisations based on the cooperative model.

Amongst the most representative projects supported throughout 2008, we would highlight the renewal of the agreement held with the cattle breeding and raising cooperative Los Filabres SCA, the objective of which is to carry out research projects to improve production quality, increase productivity, promote the modernisation and diversification of the food and agriculture industry and help correct the environmental impacts of this activity. This project's matter of priority is the activity geared towards increasing the added value of milk and meat production and optimising the handling of goat livestock.

The main lines of the different projects included under this agreement are:

- > Defining industrial processes for the production of food products that contribute to improving their nutritional characteristics, taste and beneficial effects on health and processes which facilitate their preparation for consumption in accordance with the demands and needs of today's society.
- > Developing new formulations that improve the added value provided in agrarian products.
- > Developing procedures for eliminating environmental contamination generated by agriculture activities and the food and agriculture industry.

SOCIAL ACTION AND ENVIRONMENTAL COMMITMENT

Environmental commitment is fundamental to Cajamar Caja Rural. In fact, the Cajamar Foundation has a specific area for developing environmental projects, pursuing, amongst other objectives, a more efficient use of water resources and energy resources in general.

We are aware that local development must go hand in hand with a clear commitment towards nature preservation. Hereinafter, we set forth some of the initiatives set up throughout the last year.

Our contribution to the current debate on sustainability

The Interdisciplinary Newsletter on Sustainable Development (CUIDES)

The Interdisciplinary Newsletter on Sustainable Development (CUIDES) is an informative scientific magazine promoted by the Cajamar Foundation and the entity's Corporate Social Responsibility Department targeted at environmental professionals, academics and the general public. Through the publication of this magazine the entity strives to contribute to the current debate on sustainability by providing quantitative and qualitative information that enables us to thoroughly tackle the major environmental issues of our time (energy, water, urban development, territorial planning, etc.).

The first issue of this biannual publication deals with highly relevant issues such as the future of global bioenergy, water and hydrological resources, mobility and emissions markets.



Ecological Economy seminars

In 2008 two new seminars on ecological economy were organised in Murcia and Málaga, with the objective of developing a debate forum on the major economic challenges of our time from an environmental perspective and taking into account the limitation of resources.

In-house awareness of environmental values

The environmental management system

The implementation of an environmental management system in the entity is enabling us to both improve our productive processes and to raise awareness amongst all of our employees regarding the need to improve our environmental efficiency and to be more respectful with the environment.



The environmental webpage

The entity has a webpage on its Intranet specifically dedicated to the environment. The main objective is to inform the employees of the environmental initiatives put into place by the entity and to seek their active involvement.

Commitment to sustainable development, energy efficiency and environmental preservation

One of the fundamental objectives of the entity in its social action area is sustainable development and the improvement of energy efficiency. In this regard, we can state that in 2008 Cajamar Caja Rural has implemented numerous projects relating to this target, but we would specifically highlight the efforts made by the Cajamar Foundation's Department of Sustainable Development, Energy and Environment.

The creation of this department arises from the entity's interest in promoting the transfer of knowledge and technology in the environmental field, contributing to the sustainable development of our society and the preservation of our natural heritage and protected spaces. In this regard, the Cajamar Foundation aims to act as a catalyst for the widespread adoption of environmental criteria in productive activities and in the consumption practise of the general public.

Organisation and purpose of the Cajamar Foundation's Department of Sustainable Development, Energy and Environment

SUSTAINABLE DEVELOPMENT AREA

To convey knowledge on how to ensure a balanced management of economic, social and environmental interests amongst organisations facing municipal or urban planning decision-making and who are not accustomed to attributing environmental interests the importance that we now know they must be given.

RENEWABLE ENERGIES AREA

To break the social and technological barriers that persist in society and that prevent the adoption of across-the-board solutions that will permit the traditional comforts and economic activities to be maintained without the need to consume fossil fuels, and drastically reducing greenhouse gas emissions into the atmosphere.

ENVIRONMENTAL AREA

To put into practice all the knowledge that will enable the regeneration of the South-eastern regions of Spain under the premise of restoring the original ecological balance to those areas in which nature predominates over man, and to settle inhabited nucleuses whilst valuing their natural resources.

The numerous projects carried out by the Cajamar Foundation in aid of sustainability objectives include the following:

Local Agenda 21

The Local Agenda 21 is established on the basis of the guidelines of the Earth Summit held in Rio de Janeiro in 1992. This is a local activity, open to participation and geared towards the subject of global sustainability. Through this programme it is hoped that local authorities will establish associations with community stakeholders to set up projects of environmental, economic and social sustainability in the local community.

In this area, the Cajamar Foundation has carried out a pilot trial with two municipal areas with low density of population –Vicar and Viator–, in order to promote the application of the Local Agenda 21 as a fundamental tool in citizen participation. The objective proposed is to take advantage of the demonstration effect to raise awareness amongst the local authorities of its important involvement in this area, developing projects and activities that allow the entire community to know what the main parameters of sustainable development are and their influence on general welfare.

The Sustainability Classroom

The fundamental objective of the Cajamar Foundation Sustainability Classroom is to raise environmental awareness amongst all segments of the population, contributing to the sustainability debate with thorough, well-informed approaches that show the public opinion what each individual can do to benefit sustainability and social welfare in general.



In 2008 the Classroom has developed two lines of awareness. The first consisted of the launch of an informative scientific magazine dedicated to environmental issues and sustainable development –the Interdisciplinary Newsletter on Sustainable Development (CUIDES). This publication aims to deal with environmental issues thoroughly and with composure, highlighting the multidisciplinary approach with which we must tackle the major environmental challenges our society faces.

Along these same lines, and with the same spirit as the Interdisciplinary Newsletter on Sustainable Development, in 2008 two new seminars were held on the subject of the Ecological Economy, highlighting the new paradigm offered by this new discipline which has put in question many of the axioms of the conventional economy.

The words economics and ecology share the same etymological root, meaning the evolutionary processes of both disciplines must be understood. In the second half of the 20th century in the area of economic theory, a new discipline started to be developed that was outlined from its beginnings to seek meeting and compatibility spaces between the rules of conventional economics, neoclassic economics and the rules of natural ecosystems.



This new science is basically characterised by its interdisciplinarity and, above all, the critical revision done of the main paradigms and beliefs in classic and neoclassic economic theory. In fact, economic science arose at the end of the 18th century in the scope of the industrial revolution, in the midst of the conviction that nature is an enemy to beat and dominate, and many of the traditional concepts of the economy have remained practically unchanged. In modern times, circular processes in economics, characteristic of mechanist thought with which economic discipline was created, have broken down. Nature has made it clear that the large part of current economic and financial processes is irreversible.

However, and most importantly, nature has stopped being an enemy to beat and has become mankind's ally to be able to survive.

Ecological economics proposes new values, such as human capital, biodiversity, the reduction of the ecological footprint, a new concept of well-being, which does not necessarily have to be related to economic growth, etcetera. It also proposes a very in-depth revision of the classical concepts of wealth, production and income. It is contributing to the fact that many developed countries are starting to question the ways in which they measure their wealth. In fact, for instance, a popular economic concept, such as the GDP (gross domestic product), give or take some obvious differences, is still being measured using very similar parameters to those used by the fathers of the economy. Indeed, for the conventional economy, a tree does not form part of the GDP until it is cut down and turned into wood, which is surely outrageous.

In recent years a lot has happened in environmental terms, with global warming and its ecological consequences playing a major role. But, above all, there has been a clear increase in environmental awareness and sensitivity on the part of governments, companies and the general public. Nevertheless, the efforts currently being made are clearly not enough and the conventional economy is not providing the right solutions. Thus the importance of the development and the proposals of the ecological economy.

In 2008, the Cajamar Foundation promoted and organised two ecological economy seminars to discuss specific issues that affect sustainable development.

The first seminar was held in Murcia and was solely dedicated to energy. The second was held in Malaga and the subject matter covered was the new water culture and water resources. In both cases, the seminars were led by a team of five experts in subjects as relevant as the state of fossil fuels, water and climate change.

Urbanism and sustainable planning

Through a collaboration agreement, the Cajamar Foundation and the Almería Innovation and Technology Park (PITA) have jointly established the most relevant issues in the area of urbanism and sustainable planning in relation to the building project for the Park's infrastructures.

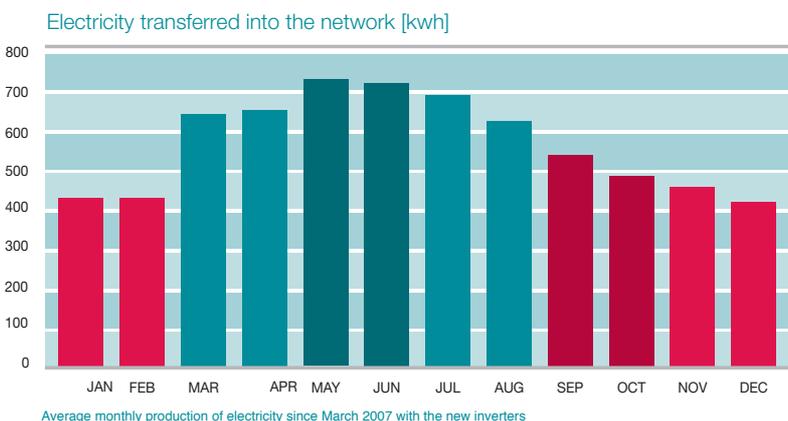
Running parallel to the urban planning project, another project has been developed concerning the building of companies and organisations within the PITA, with the aim of transferring the sustainable urban planning philosophy to the buildings in practical ways.

The Sustainability Guide has been assessed by the different parties responsible for the PITA and was formally approved as one of the formal documents to be enforced contractually with the parties interested in setting up their activity within the boundaries of the Innovation Park. A preliminary version of this document has also been formally presented to the society of Almería in a sustainable urban planning meeting held at the headquarters of the Almería College of Architects.



Photovoltaic solar plant

Another of the projects undertaken by the Cajamar Foundation in the area of sustainability has been the evaluation of the electricity production at a 5 kWp photovoltaic installation located on the roof of the office building of the Cajamar Foundation Experimental Station, consisting of two fields of 25 panels of 100W each, with a set inclination of 25°, facing South and occupying a horizontal surface area of approximately 60 m². The main objective of this project was to analyse the real operation of the system in order to have a reliable reference for yields and to estimate the amortisation of these types of installations.



Although the installation has been in operation since the spring of 2004, the inverters used were changed in the month of February 2007 and electricity production has since then increased. The figure shows average production transferred into the network throughout the year since the new inverters were installed. The annual average stands at approximately 6,900 kWh, which represents a current premium of 0.455134 €/kWh and income of 3,155 € per year, bringing the amortisation period for an installation of this kind to approximately 10 years.

Prickly pear and tree tobacco crop studies for bioethanol production

The aim of this work Cajamar Foundation project mainly consists of studying the viability of prickly pear (*Opuntia ficus indica L. Miller*) and tree tobacco (*Nicotiana glauca Graham*) crops for the production of bioethanol, as well as analysing the overall viability of prickly pear (*Opuntia ficus indica L. Miller*) farming. The study is framed within the R+DEA (Research and Development of Ethanol for Automobiles), a CENIT initiative financed by CDTI (the Ministry of Industry, Tourism and Trade's Centre for Technological and Industrial Development) and lead by Abengoa Bioenergía.

The mission of the Cajamar Foundation Sustainable Development, Energy and Environment Department is, on the one hand, to study the biomass productivity of both species with respect to the hydric system, especially under conditions of hydric stress. The project also entails performing a characterisation of the process for obtaining ethanol using the sugars in the fruits of the prickly pear and the stalks of tree tobacco on the one hand, and using starch enclosed in the cladodes (stems) of the prickly pear cactus on the other hand. Finally, the objective is to determine the bioethanol production capacity in the province of Almería, taking the productivity figures into account, as well as the geoclimatic data for each region.

During the second year of participation in this project, work has continued on the irrigation trials in the prickly pear and tobacco plant plantations in Albaida, situated in El Jabonero de Níjar. Three hydric conditions have been established: one limited to the rainfall in the area, another providing an additional 50 mm in summer and a third in which this extra irrigation in summer was 100 mm.

Although a different growth rate has been recorded in the three cases, it is necessary to wait until the plants well established enough to reach any final conclusions.

Notwithstanding, in order to speed up obtaining the results, a collaboration has been agreed with the company Torres y González Díaz to manage the prickly pear plantations at the Cortijo de Genoveses, the use of which we are granted for experimental purposes. Since these plants are several decades old, they provide valid information for many other plantations in the province since widespread replanting carried out in the mid-20th century.



On the other hand, regular biomass analyses have been carried out with a view to conversion into ethanol. The aim is to characterise the starch and sugar content of the prickly pears through the year, as well as the sugar content in the tobacco plant stalks, in order to determine the best time for harvesting. The fermentation process has also been started up at the laboratories of the Madrid Polytechnic University.

Production of industrial-energy biomass

The aim of this project consists of fine-tuning the forced production of a high-energy variety in a closed greenhouse structure and a crop treatment system that establishes a fuel supply system that is adapted to economic energy generation and is environmentally sustainable.

Throughout 2008, the focus of the activities has been on the technical and economic analysis of how to move from an activity at prototype stage to another with pre-commercial vision. A closed greenhouse simulation model has been developed and applied as a way of assessing the energy consumption in order to maintain the climate. Moreover, a preliminary technical plan has been carried out, defining both the structure and the climate control mechanisms and an economic viability study has been completed, permitting the study to pinpoint at what level of production economic profitability is reached, and also directing the timeline for the start-up of the pre-commercial state based on production targets and limits in the investment in structure and energy consumption.

Development of an environmental GIS for restoration management

The aim of this project is to create the most extensive database possible on the habitat of South-eastern Spain affected by desertification and erosion, and its management in an ortho-referenced format. This system should enable its analysis through GIS programmes which can be used to establish a decision-making tool that will maximise the likelihood of success when undertaking extensive environmental restoration activities.

One of the activities of reference has been to identify the substantial number of players working on the analysis of the advancing desertification problem in different geographical areas in the South-east, but in complementary fields. These agents have databases which are not accessible and have not been published because they have not been homogenised for standardised treatment, but they do possess relevant data and efforts should be made to recover this for universal use.

The other face of the advancement is the availability of a workgroup that operates with SIG technology and permits evaluations to be carried out on the specific areas in which the revegetation trails are being carried out.

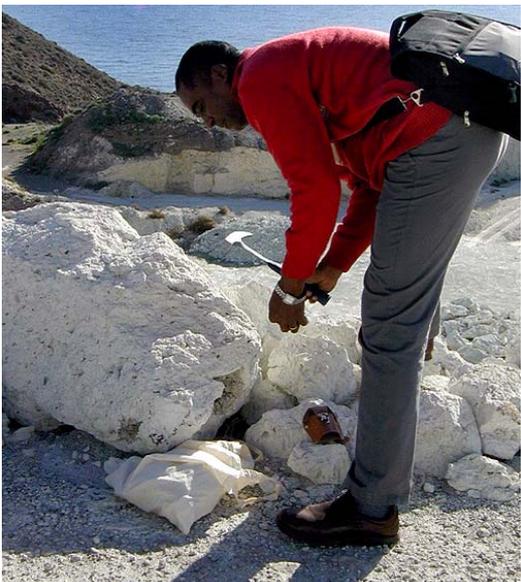
Restoration trials

The objective of this project has consisted of pursuing reduced-scale solutions for soil improvement, water retention, plant associations and biological measures that accelerate the recovery of the vegetable mass and the ecological balance.



The activities are grouped into three different categories: formalising agreements with different municipal authorities in order to avail of land for the trials, identifying a group of potentially beneficial soil amendments, produce the most promising crops and, lastly, carry out field trials to identify the response of the plants to amendments applied.

In order to develop this initiative, commitments have been undertaken with the municipal councils of Dalías, Níjar and Vícar and with the Ministry of the Environment of the Regional Government of Andalusia, thanks to which a total of nine plots have been provided, offering different climate, soil, vegetation coverage and ecological balance conditions. All the plots are under public ownership and shall be used for the purposes of the trial for a period of 15 years, which will guarantee sufficient time to ensure the proper monitoring of this project.



The area dealing with soil amendments has included identifying the solutions put into place both at experimental level and in large-scale trials, which have led to collaboration agreements with national and international workgroups. Thanks to these agreements, it has been possible to identify the potential of using compost as a necessary additive for improving the organic content of soil and of using zeolite as an accelerator in cationic exchange processes, of water retention and improving microbe activity.

The compost work line has been focused on compost produced using vegetable waste from Almería greenhouse crops.

The field trials began by choosing the ecological strategy geared towards restoring the ecological balance. In each of the plots a control area was set up and another trial area and, based on the vegetation coverage conditions, a specific planting pattern was prepared for each area and

applied, using the same species and equal densities and distributions. To support the ascertainment of the plant's response in real conditions, a plot was set up at the Cajamar Foundation Experimental Station in order to carry out a detailed follow-up of the two species and four different amendment possibilities.

All of the trials, both those carried out on public property plots and those done at the Cajamar Foundation, began in March and their first milestone is to analyse the survival and growth at the end of the first year, and thus this report can only make reference to the preliminary results shown to date.

SOCIAL ACTION AND INTERNATIONAL COOPERATION, DEVELOPMENT AID AND HUMANITARIAN ACTION

Cajamar with the Millennium Goals

In September 2000, the leaders of the majority of the world's nations met at the headquarters of the United Nations in New York to establish goals and targets, with specific deadlines, for combating the major ills afflicting much of humanity in the 21st century. These include extreme poverty, hunger, infant mortality, endemic illnesses and gender inequalities.

These goals and targets, which constitute the essence of the worldwide programme, are jointly defined as the *Millennium Development Goals (MDGs)*, and the deadline for their achievement has been set for the year 2015.

The Millennium Development Goals are as follows:

- > Goal 1: Eradicate Extreme Hunger and Poverty.
- > Goal 2: Achieve Universal Primary Education.
- > Goal 3: Promote Gender Equality and Empower Women.
- > Goal 4: Reduce Child Mortality.
- > Goal 5: Improve Maternal Health.
- > Goal 6: Combat HIV/AIDS, Malaria and other diseases.
- > Goal 7: Ensure Environmental Sustainability.
- > Goal 8: Develop a Global Partnership for Development.



These eight goals involve measurable targets the scope of which includes reducing extreme poverty by half, improving the health of mothers, putting a stop to the spreading of HIV/AIDS and achieving universal primary education by 2015.

Furthermore, these goals have revived unprecedented efforts to help the world's more poverty-stricken and needy peoples, reflecting the awareness of the wealthier countries regarding the extremely serious situation in certain parts of the world, i.e. in developing countries. With these goals, it has been made clear that the problems of environmental preservation and sustainability are closely linked to the economic and social development of the communities in the poorer countries.

Conscious of the importance of this global challenge, in which the majority of the world's countries accept certain obligations to the underprivileged, Cajamar Caja Rural has wished to bear its responsibility and form part of this social action initiative in the area of international cooperation, development aid and humanitarian action, by carrying out activities and projects that pursue both the goal of raising awareness and that of raising funds to support this cause.

And, hence, our entity, each year from 2008 to 2015 shall support a specific goal through its Social Fund, allocating the portion of the Fund's economy resources devoted to international cooperation, development aid and humanitarian action. In this regard, a series of different activities and projects have been organised throughout the year, the beneficiaries of whom are the employees, customers and in general society as a whole. This mobilisation of solidarity has enabled our goal of raising awareness amongst a large part of society to be enlarged. In 2008 the Fund chose the First Millennium Goal as the central focus of its social action in the area of international cooperation.



Agreement between Cajamar, Unicef and Acción contra el Hambre

With the aim of achieving the first Millennium Development Goal, in a joint effort to support developing countries and underprivileged populations, Cajamar Caja Rural has signed collaboration agreements with Unicef and Acción contra el Hambre to promote international cooperation actions, development aid and humanitarian action.



From the contents of these two agreements, we would highlight a series of activities and projects geared towards raising awareness and funds for the goal set for 2008: to eradicate extreme hunger and poverty. These funds are allocated to financing the projects that these two non-governmental organisations are developing throughout the world aimed at eliminating the main obstacles to the eradication of extreme hunger and poverty on our planet.

Solidarity walks

The organisation of solidarity walks by the workers' association, Acremar, as part of the programme to support the Millennium Development Goals, has proved to be an initiative which has mobilised hundreds of the entity's employees, and their families and friends.



The first walk was held simultaneously in several different provinces. The entity agreed to donate one euro for every kilometre walked by each of the participants to the non-governmental organisations with whom it had signed agreements for this goal (Unicef and Acción contra el Hambre).

After the widespread success of the first solidarity walk, a second walk was held, very similar in characteristics to the first, and with the same level of participation and commitment by the participants.

MANIFESTO READ AT THE FIRST SOLIDARITY WALK

In September 2000, at the United Nations “Millennium Summit”, the immense majority of the world’s countries came together to establish measurable goals and targets, with specific deadlines, for combating the major ills afflicting much of humanity in the 21st century. These goals and targets, which constitute the essence of the worldwide programme, are jointly defined as the **Millennium Development Goals (MDGs)**, and the deadline for their achievement has been set for the year 2015.



Cajamar Caja Rural, as part of its social action initiatives in the area of international cooperation, intends to contribute to this governmental initiative in the conviction that it is necessary for society as a whole to become involved if we are to achieve these goals. Therefore, each year from 2008 to 2015, our entity shall support a specific goal through its Social Fund, allocating the appropriate economic resources and promoting the carrying out of activities and projects relating to this cause that is so pressing to all of us.

By means of this manifesto, we wish to join forces with the initiatives of the United Nations and of Cajamar Caja Rural, by contributing throughout 2008 to the achievement of the first goal: to eradicate extreme poverty and hunger in the world. Although we know that the scope of our actions is limited, we do not wish to renounce the responsibility that we bear in our day-to-day life.

One in every seven people in the world suffers from hunger or chronic malnutrition. In many cases famines are caused by natural disasters, but in most cases famine is due to the actions of man: wars, corrupt governments, unjust trade relations between the countries of the North and South, loss of food sovereignty of the poorest countries, etc.

Those of us who come together today, colleagues of Cajamar Caja Rural, families and friends, with this gesture of solidarity, we wish to ask society not to remain impassive, as though world hunger had no solution, as though it were simply fate. In the world, and especially in the countries of the South, there is enough food for everyone.

During 2008 we will support the First Millennium Development Goal: to eradicate extreme poverty and hunger. And, by 2015, if we all join forces, we will have managed to progress towards a world of greater fairness and solidarity.

*Volunteers of the solidarity
walk organised by ACREMAR
18/05/2008*

Humanitarian catastrophes and emergency aid

Our entity has set up an emergency fund to support world communities that have suffered a humanitarian crisis, either due to natural causes or manmade crises (wars, civil conflicts, etc.). The entity has also, on several occasions, conveyed information to its members and clients on these catastrophes, notifying them of ways to collaborate.



Malagasy Gospel Concert

As part of the initiatives programmed for 2008 regarding the achievement of the first Millennium Development Goal and, more specifically, in the line of raising awareness amongst society as a whole, the entity sponsored a concert held by the Malagasy Gospel choir.

Malagasy Gospel is a cultural and social project the purpose of which is to raise awareness amongst the general public with regard to the universal rights of the child. Our entity collaborates with the Agua de Coco Foundation, a non-governmental organisation which promotes this project in aid of the children of South Madagascar.

This gospel choir is formed by 15 blind children who had been abandoned and 15 children who formerly worked at the salt works in Ankalika. These children travelled to Spain for a month and gave more than 20 concerts in an attempt to convey to the world the message of combating the exploitation and social exclusion of minors, and also to inform about the economic and social reality in Madagascar, where the majority of the population lives below the poverty line.

Concert-goers also had the opportunity to visit the travelling exhibition organised by our entity and Unicef in relation to the Millennium Development Goals.



Unicef/Cajamar travelling exhibition on the Millennium Development Goals

Our entity decided to disseminate the contents of the UN Millennium Development Goals by holding a travelling exhibition in collaboration with Unicef. The display is formed of eight children's silhouettes each of which states one of the eight Millennium Development Goals to be achieved by 2015.

The exhibition has been presented at several different cities in conjunction with a series of concerts, workshops and social presentations held in collaboration with our entity.

2nd edition of the Cajamar 2008 Millennium Development Goals aid for non-profit entities

Cajamar Caja Rural keeps a line of collaboration open all year round for non-profit foundations and entities from several different fields of activity, including social and healthcare development, local development, international cooperation, development aid and humanitarian action.

In addition to this permanent line of collaboration, in 2007 for the first time a specific invitation was made to those non-profit entities with projects relating to four specific lines: projects concerning nutrition and AIDS in Third World countries; projects for the promotion of social and cultural diversity in Spain; projects for the improvement of the competitiveness of local production systems; and, lastly, projects tackling education and raising awareness on environmental issues.

In 2008, in light of the explicit support given by Cajamar Caja Rural to the achievement of the Millennium Development Goals, the annual programme of aids to non-profit entities was solely dedicated to the support of projects relating to the first of these Goals: eradicating extreme poverty and hunger in the world.

The assessment of the projects presented, subjected to a competitive process, shall be in line with certain specific criteria, such as: the impact of each project on society and the number of beneficiaries; the general interest thereof; the formal approach and the suitability of the means to the goals defined.

In this edition a maximum of four aids of up to Euros 30,000 will be granted, for projects located in developing countries whose main objective is to eradicate extreme poverty and hunger. These may be concerned with the creation of infrastructures or with direct humanitarian action, i.e. projects of both a preventive and a palliative nature.

96 projects have been submitted in this edition, for non-profit organisations in several different provinces around Spain. These projects are in aid of local communities located in sub-Saharan African countries, Latin America and Asia. The final ruling of the projects selected shall be released in the first quarter of 2009.

Drawing contest for the children of employees: “Imagine it, they’re just like you”

In support of the achievement of the Millennium Development Goals and in the framework of the agreement entered into with Unicef and, more specifically, in the area of fundraising for the support of projects carried out by Unicef in relation to the eradication of extreme world poverty and hunger, our entity announced a children’s drawing contest for the children of its employees, aged under fourteen years, with the theme of the rights of the child in the Third World.



This is an action of solidarity and thus, for every drawing presented, the entity has donated 5 euros to Unicef towards an infant care project in Niger, named the *Infant Survival Programme*. Through this contest, the entity aims, amongst other objectives, to create awareness amongst the children of its employees regarding the Millennium Development Goals, and to give them the chance to express their particular vision of the situation of children in Third World countries through their drawings.

All contest participants have received three books on the subject of the contest, published by Cajamar Caja Rural: “*Un mundo de alumnos*” (*A world of students*), “*Regordete y Larguirucho*” (*Chubby and Lanky*) and “*Historias maravillosas de los cinco continentes*” (*Marvellous stories from the five continents*). Additionally, all of the drawings entered have been published in a calendar of personal commemorations.

The 20 contest finalists received a Unicef notebook and the winning entry was the image used on the Cajamar Christmas greeting cards this year.



Emergency meal

On the occasion of the World Food Day, held each year on 16 October, and in order to continue contributing to the eliminating the obstacles to the eradication of world hunger, the entity proposed to its employees to participate in its Millennium Development Goals programme by donating an emergency meal. For each contribution made by a member of staff, the entity made another.

This activity was carried out in collaboration with Acción Contra el Hambre as part of the agreement signed on 12 June 2008, through which Cajamar Caja Rural undertakes to carry out a series of different activities, on the one hand relating to raising awareness of the situation of third world countries and, on the other hand, relating to fundraising for international cooperation projects geared towards the first Millennium Goal.

Each of the donors was given a meal kit as a tool to create awareness, in the hope that it would have a multiplying effect amongst the employees' families and friends; and for them to try it and thus empathise with the situation of the people who really need these meals.



Adaptation of *The Wizard of Oz* to the first Millennium Development Goal

During 2008 in several Spanish provinces in which Cajamar Caja Rural carries out its activity performances were held of the famous tale *The Wizard of Oz*, adapted in its message and format to the Millennium Development Goals. 800 students from different colleges attended the performances.

The aim of this storytelling initiative, as in the majority of the previous activities, consisted of raising awareness, in this case amongst our youngsters, regarding the worrying and tough situation of children in developing countries.

International cooperation agreement between Cajamar Caja Rural and the STRO Foundation (the Netherlands)

As part of its Corporate Voluntary Work Scheme (PROVOCA), at the end of 2008 our entity signed its first international cooperation agreement with the STRO Foundation. This foundation, which originated in the Netherlands and which had already been collaborating with our entity on an informal basis, carries out complementary social currency projects in local communities all over the world, especially in Latin America.

With the aim of ensuring that the members of PROVOCA can participate actively in these projects and be trained in the new monetary methodologies being implemented by the foundation to promote the development of Third World countries, our entity has awarded 6 scholarship grants for PROVOCA members to visit the foundation in 2009 as part of the solidarity holidays scheme.

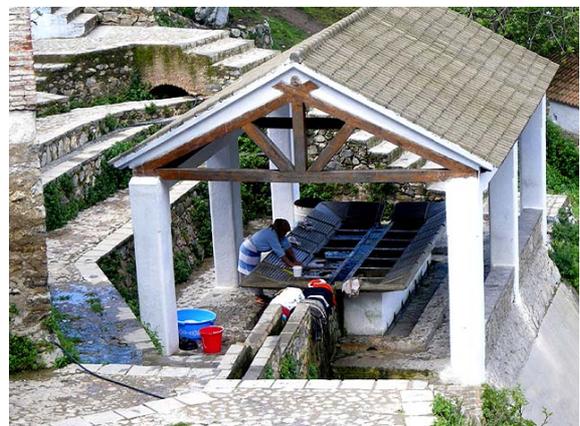
SOCIAL ACTION AND WELFARE COMMITMENT

Our entity has actively participated in projects promoted by more than fifty non-profit organisations, foundational organisations and several public administration bodies; all in relation to the social economy. Specifically, financial and organisational support has been given to projects that fall within one of the following areas or sub-objectives:

- > Integration and improved quality of life in the area of social exclusion and marginalisation.
- > Management of social diversity and promotion of Interculturality in all areas of our society.
- > Support to disadvantages social groups.
- > Support to voluntary work projects and solidarity interventions promoted by civil society.
- > Promotion of health as one of the fundamental requirements of welfare and the advancement and progress of our society.

Hereinafter we provide highlights of some of the projects that have received the support of our entity, organised by different non-profit organisations in the welfare area.

The entity has donated a mobile unit to Médicos del Mundo for use in social interventions in the field of prostitution, particularly amongst females. This project, which was arranged as a result of the collaboration agreement signed with Médicos del Mundo, the aim is to provide assistance in an especially complex issue which involves a humanitarian drama which is sometimes not visible to the majority of the citizens. This intervention will enable the organisation to approach this collective, which presents all the major characteristics of social marginalisation, wherein the individuals affected are often illegal immigrants, women and prostitutes. This mobile unit will provide access to this collective which, due to lack of knowledge and information, does not have access to the conventional healthcare circuits.



The Almería Association of Disabled Persons (FAAM) has carried out a project aimed at helping young disabled people with limited economic resources to enjoy a normalised leisure time, enabling them to become aware of the importance of a constructive use of one's free time. This project also endeavours to encourage participants to share their experiences, promoting personal development and creativity amongst young people. This project, entitled the 11th Youth and Disability Camp, has included activities such as developing active participation methodologies by encouraging interaction amongst the group of young disabled participants, creating a healthy, fun environment, involving everyone directly in the activities developed during the camp.



Our entity has collaborated during 2008 with the Murcia City Council on the 14th Edition of the Road Safety and Accident Prevention Competition. The Council has set itself the goal of not only motivating schoolchildren to learn and respect the rules of the road and traffic signals, but also to learn and acquire road safety values. This initiative was carried out over one term and involved theoretical and practical activities.

The entity has also lent its support to Fundación Secretariado Gitano, a social organisation for the development of the Roma community in Spain, in the development of its Multiregional Operating Programme against discrimination. The activities included an employment workshop, which covered support activities and basic monitoring processes of educational normalisation in order to improve the presence of the Roma population in the professional occupational field and in the workplace, and to ensure an adequate service offer to help prevent children from leaving school early and to help boost the numbers of Roma individuals completing compulsory second-level education.

Another campaign carried out was the so-called *Employment makes us equal* campaign, aimed at attracting immigrants from the gypsy ethnic group to the work market, boosting their employability and social inclusion and promoting their integration in the workplace. Schemes specially adapted to the gypsy population have also been set up, including spaces for training in new information and communication technologies.



Another project in which our entity has participated in 2008 within the welfare area was the Physiotherapy project run by the Valladolid Parkinson's Association. This initiative has helped to improve the quality of life of the patients suffering from this illness, and to improve, maintain and/or prevent the health of these patients from declining and to create a support network for patients' families. The physiotherapy sessions carried out have included activities such as: progressive and regular strengthening exercises for general musculature; movement coordination exercises; balancing treatments; exercises to reinforce the body as a whole and breathing-relaxation exercises and tonic control.

Our entity has also backed the South Malaga Autism Foundation project to build a day centre to provide care and other services to autistic children.

This welfare area also covers our entity's participation in the research work developed by Imabis (Carlos Haya Hospital, Malaga). The collaboration agreement with this institution states as priority research areas: oncology, cardiology, diabetes and obesity, allergies, blood sciences, hepatotoxicity, haematology, infections and public health.

SOCIAL AND CULTURAL ACTION. CITIZENSHIP AND PROMOTING CIVIL SOCIETY

Another of the objectives of our social action initiatives is cultural development and promotion. Here we include both educational and sporting initiatives. In this section we highlight some of the projects and activities organised by Cajamar Caja Rural in 2008, which we consider sufficiently representative of our cultural commitment to society.

Series of conferences “La Mirada del Hombre”

With the series of conferences entitled “La Mirada del Hombre” (*the view of mankind*) our entity aims to contribute to creating awareness amongst the citizens of the 21st century about the importance of a positive, optimistic and clean view of the world. Fundamentally, it proposes that our society embrace the message that, in a globalised world which is tending towards depersonalisation, all is not lost. We still have the people and the civil hope of a better world; a world that is particularly in need of ingenuity, utopia, solidarity and commitment.

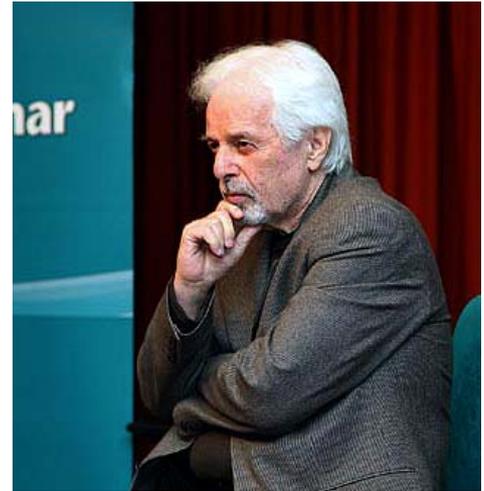
This series of conferences is centred around the civil and personal self-fulfilment as it applies to the different themes: health, solidarity, happiness, welfare, citizenship, self-fulfilment, balance, harmony, love, peace, concord, etc. All in all, with this series we have strived to recapture utopia as a tool of social orientation that guides us in our expectations, both from an individual and personal point of view, and from a social standpoint.

In 2008 three conferences were held in Almería, Malaga, Murcia and Valladolid. These have dealt with subjects are diverse, yet concomitant in terms of the goals of the conferences, as psychomagic, happiness and health.

1st conference: Alejandro Jodorowsky and psychomagic

Alejandro Jodorowsky, novelist, tarotologist, poet, comic scriptwriter, therapist, actor and theatre and cult movie director.

Based on his sound psychoanalytical training, Jodorowsky has managed to bring his experience in the world of drama and his knowledge of tarot together to create psychomagic, an exquisite combination of the poetic act, psychotherapy and shamanism. In his book *"Psychomagic, the theatre of healing, a panic therapy"*, this "sacred trapper" as he calls it, becomes a "lunatic of wisdom" who freely gives others remedies against their "poor living". Based on this idea that the subconscious accepts the metaphor, psychomagic events consist of symbolically re-enacting traumas in order to overcome them. *Psychomagic* was the central theme of the conference held within this series, promoted and organised by our entity.



2nd conference: Eduardo Punset and happiness

Eduardo Punset Casals, lawyer and economist. His very dense professional curriculum covers many areas, from economic journalism to multinational companies, many high-level international institutions, works published and television appearances, on the informative scientific and technological program, "Redes".



His conference discussed the recurring theme of human happiness, revealing the ins and outs of our mind and given us some clues about how to remove the obstacles that stop us from entirely fulfilling ourselves and being happy as people and citizens. Some of these obstacles are psychological, social, cultural or simply neurological, but together they have represented an ongoing obsession for the human being throughout history.

3rd conference: Ramón Sánchez-Ocaña and eating and human health

Ramón Sánchez-Ocaña holds degrees in Philosophy and Literature and in Journalism. He is one of our country's most well-renowned journalists, having made the complex language of science and medicine accessible to us with great mastery. In fact, when it was broadcast, his television programme "Más vale prevenir" (prevention is better than cure) broke all audience rating records, defining the essential elements of this genre.



At the conference he gave, he dispelled certain myths and clichés relating to food and human health, revealing to us some of the keys to understanding health as an irreplaceable mechanism for our inner balance and our personal fulfilment.

9th “Julián Arcas” International Classical Guitar Competition



For the ninth consecutive year, our entity has held the “Julián Arcas” International Classical Guitar Competition. This initiative, included within the sociocultural activities the entity develops, represents its commitment with society as a whole and which logically has to go beyond the strictly economic field in which the entity performs its business activity.

The Julián Arcas Competition has become a reference for guitar and classical music internationally, welcoming competitors from all over the world.

During 2008, within the framework of the Competition a total of 20 concerts have been held, as well as several conferences, master classes, exhibitions, etc., all relating to the classical guitar field.

Roll of honour for the top category of the 9th “Julián Arcas” International Competition

- > First prize: Mauro Zanatta (Italy).
- > Second prize: Sabrina Vlaskalic (Serbia).
- > Third prize: not awarded.
- > Prize for the best performance of Spanish music: Sabrina Vlaskalic (Serbia).

Concerts 9th “Julián Arcas” International Competition 2008

23 May: Tangái (fusion).

30 May: Yamandu Costa (Brazilian music).

30 May and 7 June: Presentation marquee of the “Julián Arcas” International Classical Guitar Competition. Invited artists Estefan Sánchez (guitar) and Arpeggiando (string quartet).

31 May: Almería City Orchestra. Conductor and soloist (violin): Lavard Skou-Larsen.

1 June: Dúo Savya (guitar and violin).

2 y 3 June: Paul O’Dette (lute).

2 y 3 June: Carlo Marchione (classical guitar).

4 June: Rafael Aguirre Miñarro (classical guitar).

5 June: Iván Rijos (classical guitar).

6 June: Niño Josele and his band (classical guitar).

7 June: Closing ceremony with the Almería City Orchestra, conducted by: Michael Thomas and concert for cello by J. Haydn performed by Dragos Balan.

8 June: Ten strings for two (guitar and cello).

10 and 11 June: Aysegül Koca (classical guitar).

11 June: Flamenco concert performed by students of the Almería Royal Conservatory of Music.

12 June: Il Giardino Armonico.

13 June: Almería City Orchestra. Conductor: Vladimir Ashkenazy. Soloist (Clarinet): Dimitri Ashkenazy.



Cajamar Concerts 2008

In 2008 our entity has continued with the organising and programming of its annual Concert Series. This year the series was undertaken in conjunction with the town councils of the venues in which it was held and was highly successful both in artistic terms and in term of audience turnout. The objective was to bring classical music closer to the general public as a first-rate cultural tool.

The Cajamar Concerts 2008 were held between 4 and 21 December in Almería, Murcia, Lucena, Marbella, Roquetas de Mar, Huércal-Overa and Níjar. The concerts were performed by the Almería City Orchestra, conducted by Lavard Skou-Larsen and Michael Thomas.



Didactic Concerts

The aim of the Didactic Concerts organised by our entity is to help children to learn about the descriptive possibilities of music. The programme of this year's concert, 'The incredible story of instruments through history', aimed to bring the reality of music closer to primary schools through musical performances by young musicians, students of music.

This activity is organised by the 'Music and school' work group in collaboration with the Almería Teacher Training Centre, the Almería board of education, the Cajamar Foundation and the Roquetas de Mar Town Council's cultural board.



These concerts were held at the Roquetas de Mar Auditorium on 20 and 21 May 2008 and more than 1,700 spectators from different schools attended.

Our writers. Anthology of readings from Almería

The Institute of Almería Studies (IEA), in collaboration with the Cajamar Foundation –co-publisher of the work–, has presented "Nuestros escritores. Antología de lecturas almerienses" (Our writers. An anthology of readings from Almería), a book by Concha Castro, coordinator and promoter of the publication, illustrated by Carmen Pinteño, including texts by one hundred Almería-born authors from the Al-Andalus era to the present day.



The pages of this book offer a representative sample of the work written by the authors of Almería throughout the ages. With familiar voices, they have drawn out of the past and the present characters, stories and landscapes that line by line and verse by verse, express the emotion and feeling of this land.

School Theatre Campaign in Almería

During the 2007/08 school year, our entity has organised the School Theatre Campaign in collaboration with different local councils in the province of Almería. This has been an ongoing initiative for several years now with the involvement of the entire educational community, mainly the schoolchildren.



This is an integrated programme of stage activities for school settings, the objective of which is to deepen and extend the programme of activities offered to schools and teachers (incorporating diverse activities, covering all stage disciplines, experimenting with pedagogical proposals through drama, etc.). It also aims to incorporate and coordinate all agents participating in educational and cultural events (institutions, educators, school-goers and the private sector).

School Theatre Campaign in Castilla y León

Our entity has organised TEATRAULA, a programme of educational activities held this year at fifteen locations throughout Castilla y León.



TEATRAULA is an initiative that aims to improve quality of life by means of educational campaigns targeted, in this case, at a younger audience.

The activities, aimed at schoolchildren from 6 to 11 years of age, consisted of holding different sessions involving large, lively theatre games and the installation of an exhibition at each venue on the history of western theatre, from Classic Greece to the Baroque period. Packs of educational materials were also distributed at all of the activities.

Through play, in the project called "*De comedia a comedia*" (From comedy to comedy), the children learn about the history of theatre in a dynamic and participatory manner. Using the mechanics of a snakes and ladders game, guided by the instructors/actors, the activity is carried out on a large board. Participants have to pass certain tests relating to theatre to move forward: donning costumes, singing, dancing, acting...

TEATRAULA was held between 5 and 23 May at different educational centres in the following cities and towns of Castilla y León: Valladolid, Tordesillas, Olmedo, Peñafiel, Medina del Campo, Renedo de Esgueva, Palencia, Aguilar de Campoo, Ávila, Arévalo, León, Sahagún and Segovia.



Nature classroom

As in previous years, in 2008 the entity continues to collaborate in developing the environmental education project organised by the environmental education centres in Paredes, Sierra Nevada and Fuente Grande in Sierra María-Los Vélez. Here, a series of didactic activities are carried out, targeted at the schools in the provinces of Almería and Murcia. Through these initiatives, we wish to improve the knowledge our young people have about their natural, rural and urban habitat, in order to develop a more respectful culture towards them, whilst also promoting pedagogy and culture amongst the participants of the different activities.

17th Provincial Sports Games

This scheme, promoted by the Almería Provincial Council, makes it possible for citizens to participate in a guided activity that is adapted to their physical and technical levels. It also facilitates access to practicing physical activities by offering a wide range of sports modalities. The sports are oriented in a fun and recreational setting in which the competition is a means but not an end in itself, although efforts are made to detect young participants with physical and technical aptitudes that could enable them to join introductory programmes for high performance sports.

During the 17th edition of the Provincial Sports Games over 5,400 participants took part from the districts of the province of Almería in a total of 17 different sports modalities.



60th Anniversary of the Universal Declaration of Human Rights

2008 marked the sixtieth anniversary of the Universal Declaration of Human Rights. On 10 October 1948 the United Nations General Assembly approved and proclaimed the Declaration, which was translated into more than 360 languages and has inspired new constitutions and new democracies in many countries around the world. The Declaration has served to define an inalienable ethical framework for all humanity regarding human rights and the preservation of the dignity of mankind.

Our adhesion to the Global Compact, our intense involvement in the Millennium Development Goals, our social action and our ethical commitment compel us to celebrate this event and to contribute to its dissemination amongst the stakeholders with whom we interact. In this regard, on and around 10 October 2008, our entity organised a series of activities for its employees (humanitarian photography contest and literary competition for employees, distribution of the comic entitled "Un mundo feliz" (A happy world) amongst the children of our employees, a short movie competition, etc.), all in relation to the Declaration, thereby spreading the entity's values and highlighting the challenges that still remain for humanity as regards the fundamental human rights.



Opening text of the Declaration

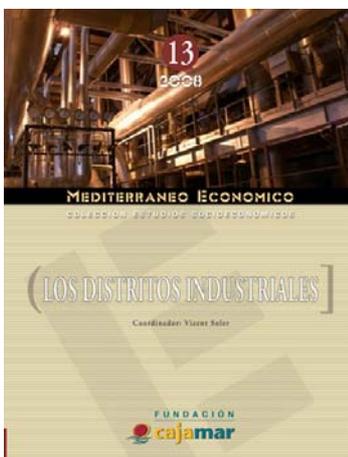
The General Assembly proclaims this Universal Declaration of Human Rights as a common standard of achievement for all peoples and all nations, to the end that every individual and every organ of society, keeping this Declaration constantly in mind, shall strive by teaching and education to promote respect for these rights and freedoms and by progressive measures, national and international, to secure their universal and effective recognition and observance, both among the peoples of Member States themselves and among the peoples of territories under their jurisdiction.

Economic Mediterranean Collection

As in previous years, in 2008 the Foundation published two new volumes from this prestigious collection of monographic studies. The first corresponds to the first semester and is entitled “*Los distritos industriales*” (Industrial districts) and was coordinated by Vicent Soler i Marco. The second new volume, corresponding to the second semester, is entitled “*Modernidad, crisis y globalización: problemas de política y cultura*” (Modernity, crisis and globalisation: political and cultural issues).

Economic Mediterranean (volume 13): Industrial districts

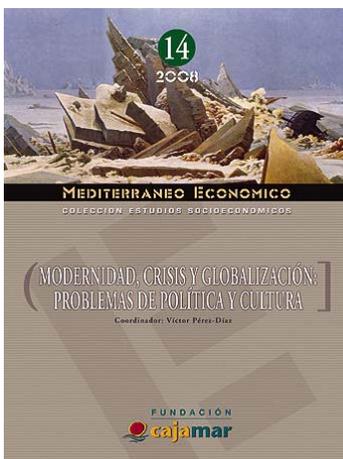
This volume deals with a phenomenon that is widespread in our area and which has been developed with particular intensity in Italy and in Spain: the industrial district. These agglomerations of small businesses, grouped by territory and purpose of production, are frequently repeated and are responsible for a very significant part of the production, employment and innovation of the economy developed on the shores of the Mediterranean, as well in many other latitudes on the planet.



The importance of these districts, their connection to local development, with productive specialisation, job and income creation, justifies the dedication of one of the monographic volumes of the *Economic Mediterranean* collection to these development models. But this is also justified by the intellectual challenge of comparing the efficiency of increasing yields on the scale of major companies with the positive external factors produced in industrial districts. All of this has enabled the small and medium business to resist the competition of the large-scale industry, whilst playing an important social role in the articulation of the territory, avoiding large industrial concentrations.

But it is not only economic reasons that determine the importance of districts, their contribution to the cohesion of the social collectives is also relevant, creating a feeling of belonging to the group; identifying themselves with a sector and a way of producing; and, in short, reinforcing all-important social links for the co-existence of individuals.

Economic Mediterranean (volume 14): *Modernity, crisis and globalisation: political and cultural issues*



In this volume we set aside to an extent the economy as an analytical tool, to take a determined step towards the paths of sociology and political science. The volume entitled *Modernity, crisis and globalisation: political and cultural issues* was coordinated by Víctor Pérez-Díaz, professor of Sociology at the Madrid Complutense University and head of Socio-political Analysis at the Studies Office.

This publication studies the problems that affect the social body across the board through its different institutions (State, family, political parties, schools or the most diverse partnerships). In some cases, it is the speed of the technological change itself that affects social relations. In other cases, it is the unexpected transformation of these relations that gives rise to the problem. There are also times when the conflict is determined by the clash between two political cultures, or between two cultural traditions that had previously remained separate. It is thus concluded that the starting point for the development of modern societies is the need to build sound public spaces where there is room for democratic debate.

The dissemination of our social action

The dissemination of our social action

It is our entity's understanding that it is essential to make an effort to disseminate the principles and initiatives relating to sustainability amongst the stakeholders with whom the entity interacts in its area of influence, at times communicating and divulging the achievements reached as regards ethical conduct, so that these may serve as an example, a symbol that may engage other companies and organisations in the area. On other occasions, this dissemination can be done by adopting ourselves the innovations that other organisations are implementing and which could lead to substantial advancements in the fields of sustainability and business ethics.

Actively participating in debating forums, seminars and research projects and conferences on sustainability, business ethics and advanced management models based on social responsibility, has enabled us to enrich our conceptual baggage and broaden our area of operations.

We are, furthermore, members of reputed organisations that are making significant contributions to the current debate on social responsibility, actively defining instruments of application and ethical evaluation, thereby enabling business activity to be undertaken in a more harmonious and fairer fashion for the stakeholders with whom the organisations interact as a whole.



> **Member of Forética.** Organisation whose objective it is to promote the culture of ethical management and responsibility amongst organisations.



> **Member of Fundación Empresa y Sociedad,** the objectives of which are to improve strategy and properly manage the social action of companies.

The Global Compact



Our adhesion to the United Nations Global Compact in 2006 has been a real incentive for introducing and systematising instruments of continuous improvement in the organisation. The support of the Assembly, and of the Governing Board, has meant that the consecutive improvement reports that we have been reporting year after year to the Global Compact management have enabled us to detect our organisational weaknesses and to taken on new challenges in the economic, social, environmental and anti-corruption work areas.

This experience has enabled us to gradually transfer decisions from an ethical framework, based on values that our society cannot escape or postpone, to operational management instruments in a working framework that is more comfortable and fairer for all of us who form the organisation and for the stakeholders overall. It has also enabled us to learn about the experiences of other organisations that have adhered to the Global Compact, sharing their aspirations and their achievements and being united in a global project from our local experience and in a shared commitment to the consolidation of the mechanisms of business ethics, social responsibility and sustainability that society is calling to organisations as a whole to provide: companies, non-profit entities and the public sector.

Principles of the Global Compact

HUMAN RIGHTS

- > **Principle 1.** Businesses should support and respect the protection of internationally proclaimed human rights within their scope of influence.
- > **Principle 2.** Businesses should make sure they are not complicit in human rights abuses.

LABOUR STANDARDS

- > **Principle 3:** Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining.
- > **Principle 4:** Businesses should uphold the elimination of all forms of forced and compulsory labour.
- > **Principle 5:** Businesses should uphold the effective abolition of child labour.
- > **Principle 6:** Businesses should uphold the elimination of discrimination in employment and occupation.

ENVIRONMENT

- > **Principle 7:** Businesses should support a precautionary approach to environmental challenges.
- > **Principle 8:** Businesses should undertake initiatives to promote greater environmental responsibility.
- > **Principle 9:** Businesses should encourage the development and diffusion of environmentally-friendly technologies.

ANTI-CORRUPTION

- > **Principle 10:** Businesses should work against all forms of corruption, including extortion and bribery.

Ethical Financing Collection

Cajamar Caja Rural wants to get its employees participating in the advancements that are taking place in the social debate on business ethics, social corporate responsibility and ethical and solidarity financing. In this regard, it avails of an instrument of internal dissemination which seeks the complicity of all of its employees in the identification of good practices in the financial sector in order to render the development of the banking activity compatible with an ethical and social environment.

In short, we are referring to a quarterly in-house publication that aims to convey and share the social and foundational role of the entity, emphasising the contribution to economic development of a financial activity based on principles of ethics and solidarity, on good corporate governance practices and aspiring towards greater social justice, starting by removing the barriers that allow, favour and foment financial and social exclusion.

At the end of 2007, the year in which this in-house communication tool was started up, the first monograph was published on the subject of microfinancing and its application in countries in both the North and the South. The distribution of this publication internally in the entity succeeded in disseminating the importance and diversity of microfinancing instruments to avoid the negative effects on the development of financial exclusion. Moreover, it contributed to establishing the conceptual framework from which microfinancing is being developed, proving especially useful in its application to the microcredit line designed by the entity and which is enabling certain collectives who are at risk of financial exclusion in our country, and specifically in our area of influence, to access advanced banking products and services in order to finance and be able to set up self-employment projects and create micro-businesses.

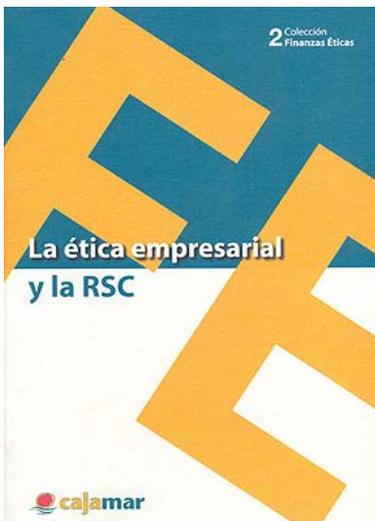
In 2008 three new monographs have been published, each on very diverse subject matters but with a thematic backbone around which the origins of the publication and its informative objective are based. The specific titles of these monographs are as follows:

- > Business ethics and corporate social responsibility.
- > Socially responsible investment and ethical banking.
- > Social currencies.

In order to illustrate the contents of this collection, we present some short extracts from the issues published in 2008.

Issue nº 2: Business ethics and corporate social responsibility

Ethics has always been tied to the economy, to companies and, in general, to business. Nevertheless, only in recent decades has it taken on a leading role in corporate undertakings, becoming in many cases a strategic mainstay across the board due to the importance now given to the image and reputation of companies.



The globalisation process in which we are so utterly immersed, the recent financial scandals, the change in the technological-production paradigm, the demands of society itself, particularly those of consumers, have all caused business organisations, and especially large corporations and transnational companies to embark on an ethical reflection deeper in their core, taking into consideration the group of individuals and collectives (stakeholders) with whom they interact, in addition to their own members or shareholders.

In fact, many companies have brought their mission statements into line with certain principles and ethical values, signifying a strategic performance in which ethics are a capital element for business development. And in this recent display of ethical concern in the realm of business organisation, corporate social responsibility has been developed as a capital instrument in the conception of the broadened company base (stakeholders theory) and in the development of its social commitment, answerable to society not just in terms of economic-financial performance but also in terms of social and environmental results and undertakings.



Issue nº 3: Socially responsible investment and ethical banking

Capital moves at electronic speed and, in many cases, it moves totally opaquely through the so-called tax havens as controls over changes and border obstacles limiting the mobility of funds and capital are diminished. Furthermore, due to the unprecedented liberalisation framework, the economic weight of many transnational companies is much greater than the economies of many countries, meaning that the power of these corporations has experienced an extremely significant growth in the last few decades, giving them a major capacity to influence governments and governmental decision-making.

The rest of the productive factors existing in an economy, fundamentally manpower, tend to follow this financial capital movement, i.e. the workforce goes where the capital is and with capital increasingly volatile and mobile, we are facing massive unregulated migratory phenomena, *productive delocalisation* (industrial and tertiary) towards countries in which environmental and labour laws are more permissive or there is less legislative pressure, major world corporations and governments are pillaging the natural resources of the Third World, etc.

A large part of the financial resources handled worldwide have no direct repercussion on the productive economy, nor do they have the possibility of securing the population or wealth in any given territory; that is to say, these resources do not allow for local development. Basically, the money is moved for speculation and arbitration purposes and this generates significant economic-productive imbalance in the world's different economic areas.

It is in this context in which the first modern initiatives relating to ethical financing, business ethics, corporate social responsibility (CSR) and socially responsible investment (SRI) emerged. Very diverse initiatives, channelled through different instruments, and aimed at making financial activity dependent on economic activity, and always under the ethical and humanist premise that the former is at the service of the activity of the people, and not the other way round.

Citizens are taking up an increasingly intense involvement in the problems of sustainability, underdevelopment, economic justice, social and financial exclusion, etc. And, in this area, financial activity acquires a special relevance, specifically when we can see that the situation in the Third World countries is becoming more and more problematic, and their development possibilities are minimal against the dominating economic and financial forces.

Issue nº 4: Social currencies

The conventional monetary and financial systems associated with the capitalist system have undergone many cyclical and significant crises. Many communities were forced to create emergency currencies to mitigate the effects of the scarcity of the official currency.

Social monetary systems come under the umbrella of solidarity financing or the *economy of solidarity* and are strongly linked to other financial instruments of solidarity, such as microcredits and microfinancing in general. Social economies aim to detach the official currency from the local development, preventing its scarcity from being a burden for the mobilisation and value of local resources.

As with microcredits, complementary monetary systems do not only exist in the countries of the South, but are also used in developed countries through time banks and through the customer loyalty schemes implemented by many companies.

Seminar on marketing and responsible consumer habits

The objective of the *Seminar on responsible marketing and consumption (1st edition)* promoted by Cajamar Caja Rural and held in collaboration with the University of Granada's ADEMAR Research Group, the Almería University Marketing Research and Strategy Research Team, and the Granada University Fundación Empresa-Universidad de Granada, was to promote the development and implementation of responsible and ethical marketing, sensitising consumers regarding the crucial role they play in the area of sustainability through responsible consumption practices.



Consumers constitute the main stakeholders for companies and, thus, any social responsibility measures must take consumers into account and identify their expectations. It is precisely consumers who are demanding, and should demand, best practices from business organisations in the social and environmental areas relating to their activity.

The contents of the seminar was focused on the important role of consumers in corporate social responsibility, as the main stakeholder group, providing them information on how to channel their social demands, both as users and as citizens.

Dissemination of good governance in farming and fishing cooperatives

During 2008 our entity has continued with its programme to disseminate good governance practices in the field of social economy companies by holding courses and seminars targeted at the governing boards and management of farming and fishing cooperatives in its area of influence.

The subject matters dealt with at these informative seminars have mainly covered the following:

- > Functions and responsibilities of the governing board and the management of credit cooperatives.
- > Good cooperative and corporate governance, and analysis of best business and organisational practices in this field.
- > Analysis of the accounting statements of cooperatives and adaptation to the new accounting standards.
- > Economic analysis of the different productive sectors to which the cooperatives belong, also tackling the analysis of evolutionary trends in the food and agriculture complex and the changes taking place in large-scale distribution.
- > Historical evolution and status of cooperative and social economy companies, emphasising cooperative values and their inclusion in the business world of today.

In addition to this training activity, Cajamar Caja Rural remains committed to disseminating social responsibility amongst social economy companies by means of other instruments that enable the development of an ethical framework of reference based on social commitment, which is something we consider inherent in the very nature of these organisations.

An example of these initiatives is the line of aids designed to support the carrying out of the first sustainability report targeted at cooperatives, and which is set forth in detail in a separate section of this report.

Conferences and workshops on CSR

From its Corporate Social Responsibility Department, in addition to the projects and activities detailed in other sections of this report, our entity has actively participated in several conferences, workshops and seminars on the subject of business ethics, corporate responsibility, social action and ethical financing.

The entity considers that our ethical business obligation is not exclusively limited to designing and implementing social responsibility and ethical financing policies, measures and instruments, but that our objectives and our commitment also involve working towards society as a whole learning and sharing the principles and values that should govern business activity in all fields. Herein lies the widely acknowledged importance of communicating social action and corporate responsibility as a tool to transmit the social values and objectives that we at Cajamar Caja Rural feel are so pressing for our society.

Stakeholder involvement

Stakeholder involvement

Developing our activity in an ethical environment, which enables the reduction of transaction costs and of the negative *external* factors we are responsible for, the strengthening of regulatory compliance in our organisation and in the environment, as well as the effects and limitations of the exhaustiveness of contracts, forces us into a continuous, encouraging dialogue with the stakeholders.

It is our responsibility to identify and recognise the principles and values that sustain our collective ideology and our society model; in order to achieve this purpose we need the support and contributions of all of the individuals that form the sphere of our community. Dialogue and participation are fundamental factors for building an ethical standard that is beneficial to all of us and does not represent a burden for our society in terms of sustainability. Specifically this ongoing dialogue with our groups of reference guides us in the definition of our financial activity, our management model and our social action.

If you wish to contact us, present your suggestions, participate in any of our projects or simply provide us with alternatives or new approaches regarding the ethical business model to which we aspire, we remain at your entire disposal in the Cajamar Caja Rural Social Responsibility Department.

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