

**REPORT** 

# Midterm Review of the 13th Africa Ministerial Cooperative Conference

Virtual

Leveraging Cooperatives for transitioning African Economies: A holistic approach to climate change mitigation & adaptation, peace & security and economic stability

### **Table of Contents**

ACKNOWLEDGEMENT	
SPONSORS	
INTRODUCTION	3
SESSION 1: OPENING CEREMONY	3
REMARKS BY THE REGIONAL DIRECTOR OF ICA-AFRICA – DR. CHIYOGE B. SIFA	4
REMARKS BY THE PRESIDENT OF ICA-AFRICA — HIGH CHIEF ORIYOMI AYEOLA	4
REMARKS BY THE PRESIDENT OF ICA – DR. ARIEL GUARCO	5
REMARKS ON BEHALF OF THE AMCCO CHAIR – HON. DR. ASSEM EL GAZZAR MINSTER OF HOUSING, UTILITIES	
AND URBAN COMMUNITIES EGYPT	5
REMARKS BY THE MINISTER OF TRADE & SUPPLY – H.E ELFATIH ABDALLA YOUSIF	6
THEMATIC CONFERENCE	6
KEYNOTE ADDRESSES	6
SUB-THEME 1: LEVERAGING COOPERATIVES FOR CLIMATE CHANGE MITIGATION AND ADAPTATION	7
SUB-THEME 2: LEVERAGING COOPERATIVES FOR PEACE AND SECURITY, PARTNERSHIPS AND COLLABORATIO	NS10
SUB-THEME 3: LEVERAGING COOPERATIVES FOR ECONOMIC STABILITY	13
TCAMCCO	17
UPDATES OF COOPERATIVE PROJECTS:	18
CLOSING CEREMONY	19
ANNFX	20

#### Acknowledgement

International Cooperative Alliance – Africa (ICA - Africa), on behalf of its Board of Directors and the Management would like to thank everyone who contributed in making the online conference a success.

We extend our deepest gratitude to all our distinguished speakers, paper presenters, moderators and facilitators for their commendable work during the conference. Finally, we acknowledge the financial support from our sponsors that enabled us to carry out this event.

#### **Sponsors**









#### Introduction

In continued collaboration between the African Governments and the Cooperative movement, this conference aims to continue discussions on how cooperatives can be leveraged to facilitate the transition of African economies, specifically in the realms of climate change mitigation, adaptation, peace & security, and economic stability. As people-centered organizations, cooperatives present a unique opportunity to build a more resilient, sustainable, and inclusive future for the continent.

This Midterm Review Conference is preceded by the 13<sup>th</sup> Africa Cooperative Ministerial Conference (AMCCO) which is a forum held every three years to review progress and share experiences on the Cooperative Development Agenda for each member country.

The theme for this Midterm Review was "LEVERAGING COOPERATIVES FOR TRANSITIONING AFRICAN ECONOMIES: A HOLISITIC APPROACH TO CLIMATE CHANGE MITIGATION & ADAPTATION, PEACE & SECURITY AND ECONOMIC STABILITY"

The conference saw a participation of 115 participants both online and in-person. drawn from 32 countries. The countries represented at the conference were Egypt, Botswana, Rwanda, Eswatini, Mozambique, Ethiopia, Morocco, Tanzania, Malawi, Uganda, Ghana, Sudan, Somalia, Kenya, Zambia, Zimbabwe, South Africa, Mauritius, Madagascar, Lesotho, United States, Cameroon, Mali, South Sudan, DRC Congo, Nigeria, Argentina, Norway, Finland, Turkey, France and Germany.

The participants in the various sessions of the conference included government officials, cooperative leaders, cooperators, partners and other stakeholders.

#### **Session 1: Opening Ceremony**

#### Remarks by Commissioner for Cooperative Development in Lesotho - Mr. Mokheseng Notsi

**Mr. Notsi** welcomed the participants who were present both online and in-person and stated that he was happy that the Lesotho cooperative movement will learn from the best practices of other countries.

He reiterated that cooperatives can contribute to food production, access to finance, peace and economic stability. The cooperative model he explained is the only concept so far that fits in addressing quite a number of social, political and economic ills with ease, and governments use them as tools and vehicles to accessing services to most remote and inaccessible areas of the countries.

He wished the participants fruitful deliberations that will influence policies and legislations that will enable cooperatives address public ills as partners in development and not competitors

#### Remarks by the Regional Director of ICA-Africa - Dr. Chiyoge B. Sifa



Dr Sifa conveyed her deep appreciation to the host and all participants present. She stated that the theme was carefully chosen as Africa is currently undergoing substantial transformations in its development, necessitating sustainable strategies for a shift towards resilient economies.

This shift is frequently being impeded by issues related to climate change, economic instability and insecurity. Therefore, it is important for us to chart a new course; realizing that in order to achieve the transformation in our various economies, there is a strong need for collective actions. She stated that it is with great enthusiasm that cooperatives convene to further explore their potential as a vehicle of change and economic transformation; cognizance of the trending challenges.

Cooperatives align with aspirations that seek the transitioning of African economies and offer a compelling framework that will help to address interconnected challenges faced by the continent. The strong link between cooperatives and society also enables cooperatives to be key actors in developing innovative solutions. On the issue of climate change, cooperatives can play a central role in mitigating efforts by fostering sustainable climate smart agricultural practices, implementing community-based adaptation practices, promoting renewable energy initiatives, to name a few.

In the fight for economic stability, peace and security, cooperatives foster inclusive economic growth, promote social cohesion and empower marginalized communities.

She concluded that for cooperatives to realize their full potential, government and all relevant stakeholders should partner and make a collective commitment to build a more sustainable, transformational and prosperous future for all Africans.

#### Remarks by the President of ICA-Africa - High Chief Oriyomi Ayeola



On behalf of the International Cooperative Alliance Africa and its Board, **High Chief Ayeola** firstly apologized for the transitioning of the conference and all the involved consequences to participants. He stated that after exploring all alternatives it was agreed to transition to a hybrid mode.

He thanked participants for their zeal to attend the important conference to discuss a timely topic; as the world is groping with drums of war and the optimism

for economic possibilities wanes.

He reiterated that leveraging the cooperative business model brings hope that the benefits for economic stability will be shared, communities will be sustainable, the material benefit for human beings in aggregate will be substantive and respect for humanity will be a pivotal pillar for our social fabric.

He noted that the perception on Africa as a continent is shifting to that of a land of many opportunities and this renewed focus not only resuscitates energies to double development efforts but also enables us to look at innovative ideas and solutions. Concerted efforts are being made to lift transitioning countries out of fragility and provide opportunities for private sector to contribute to resilient communities, higher incomes and employment through increased economic opportunities.

He concluded that the cooperative business model has been a pillar for most economies and its transformational activities, initiatives and processes around the globe should be embraced to facilitate the attainment of sustainable development goals. There is need for more synergies to bolster our efforts for

#### development as the needs varied

#### Remarks by the President of ICA - Dr. Ariel Guarco



Dr. Guarco thanked the ICA-Africa board and regional office for the invite. He stated that it is always a pleasure to be in the continent that is rich in resources, culture and spirituality. He said he is happy to learn about the different cooperative impact in the various sectors.

He reiterated that cooperatives for many years have been solving community problems. He noted that the global way of doing business is gradually being crystalized in the social way of doing business. This way allows us to reach wider beneficiaries. Cooperation instead of competition allows us all to reach solutions leaving no one behind.

He mentioned that he is aware of the challenges cooperatives face in Africa and feels that the continent is sometimes neglected to a certain extent. In his view, Africa should be the architect of its destiny; it is possible, it is feasible and absolutely necessary.

He concluded by wishing participants a productive conference and he hopes the interactions will continue to solidify efforts in promoting the cooperative model.

## Remarks on behalf of the AMCCO Chair – Hon. Dr. Assem El Gazzar Minster of Housing, Utilities and Urban Communities Egypt



On behalf of Hon. Dr. Gazzar, **Major General Eng. Waleed Elbaroudi**, Chairman of the General Authority for Construction and Housing Cooperatives, extended his greetings

He stated that there are many political and economic challenges that are extremely difficult and have grave effect in the development of African economies.

He mentioned that Egypt is open to cooperate with cooperative organizations to solve social issues. He highlighted cooperative actions within the country like the 1 million units for social housing and other similar projects.

He thanked ICA and reiterated that Egypt is proud to host the sectoral housing organization for Africa and the northern ICA-Africa sub-regional office.

#### Remarks by the Minister of Trade & Supply - H.E Elfatih Abdalla Yousif



**Hon. Yousif** extended his gratitude for being invited to the meeting. He stated that despite the challenges in Sudan, it is regarded as one of the wealthiest countries in East Africa and canplay a major role in stabilizing global risk factors threatening the lives and livelihoods of tens of millions if not hundreds of millions in Africa.

He reiterated that as part of the African Union, and part of the five geographical African regions, thorough consideration should be given to the rules and regulations governing the economic blocks within the continent to ensure a smooth adaptation and transitioning of our African economies without any overlapping or negative side effects.

He concluded that he looks forward to collective resolutions for a better future; under the flag of cooperatives and humanity, guided by the spirit, principles and values of cooperatives.

#### **Thematic Conference**

#### **Keynote Addresses**

Keynote addresses were given by **Mr. William Carew**, Head of the African Union Economic, Social & Cultural Council (ECOSOCC) and Hon. Bore Motsami, former Principal Secretary Ministry of Agriculture.

**Mr. Carew** stated that there is a lot of commonality between what ECOSSOC does and the cooperative movement. There is distinct alignment for the common economic, social and cultural goals. He mentioned that even though the concept of cooperative evolves over time, the fundamental idea of collaboration and shared ownership remains central to its ethos. Similarly, the African Union cherishes shared vision for common destination.

Regarding economic stability, he mentioned that many African countries aim to integrate regional and global markets to expand trade opportunities and attract investment. This can be done through the African Continental Free Trade Area (AfCFTA), and the AfCFTA in different ways can complement the cooperative movement. These ways include but not limited to market access opportunities, value chain integration and economic diversification. He reiterated that AfCFTA and cooperatives share common objectives of promoting economic integration fostering inclusive growth and enhancing competitiveness in Africa. By leveraging synergies between the two, African countries can unlock the full potential of cooperatives as engines of sustainable development and regional prosperity.

On peace and security, Mr. Carew stated that cooperatives promote social cohesion by bringing together individuals from diverse backgrounds. He explained that ECOSOCC is spearheading numerous initiatives on the African peace & security architecture, and are seriously considering probing more into the nexus between peace & security and the cooperative movement. Conflicts can be managed constructively with the implementation of cooperative principles, preventing escalation into violence.

Hon. Bore presented ten key cooperative roles on climate adaptation and mitigation as follows:

- 1. Enhance Food Security through Sustainable Agriculture
  - a. Cooperatives should integrate agroecology and indigenous practices to enhance resilience to climate variability
  - b. Cooperatives should facilitate the adoption of drought-resistant and climate-resilient crop varieties
- 2. Promoting Renewable Energy Solutions
  - a. Energy cooperatives should invest in decentralized renewable energy solutions
  - b. Cooperatives should support biogas production and the use of biomas energy
- 3. Water Resource Management
  - a. Cooperatives implement efficient irrigation techniques like drip irrigation and rainwater harvesting
  - b. Cooperatives develop and manage community-based water projects that ensure sustainable access to clean water
- 4. Enhance Food Security through Sustainable Agriculture
  - c. Cooperatives should integrate agroecology and indigenous practices to enhance resilience to climate variability

- d. Cooperatives should facilitate the adoption of drought-resistant and climate-resilient crop varieties
- 5. Promoting Renewable Energy Solutions
  - c. Energy cooperatives should invest in decentralized renewable energy solutions
  - d. Cooperatives should support biogas production and the use of biomas energy
- 6. Water Resource Management
  - c. Cooperatives implement efficient irrigation techniques like drip irrigation and rainwater harvesting
  - d. Cooperatives develop and manage community-based water projects that ensure sustainable access to clean water
- 7. Forest Conservation and Reforestation
  - a. Cooperatives engage in community-based forest management and reforestation projects which enhance carbon sequestration, biodiversity and support sustainable livelihoods
  - b. Cooperatives promote agroforestry
- 8. Building Economic Resilience
  - a. Cooperatives encourage diversification of income sources through activities such as beekeeping, fish farming, and ecotourism, reducing dependence on climate-sensitive agriculture
  - Cooperatives provide access to microfinance and cooperative banking services, enabling members to invest in climate-resilient practices

Hon. Bore concluded that by integrating these roles, cooperatives in Africa are not only helping to mitigate the effects of climate change but also building more resilient, sustainable, and self-reliant communities. He cited a few examples as case studies: Lesotho *Boliba Multi-Purpose Cooperative Society*, Kenya *Olkaria Geothermal Project* and *Uganda Solar Sisters Cooperative*.

#### **Sub-theme 1: Leveraging Cooperatives for Climate Change Mitigation and Adaptation**

On behalf of **Dr. Benson Ndiege**, the Registrar of Cooperative Societies at the Tanzania Cooperative Development Commission, a presentation was made on "A Holistic Approach to Climate Resilience, Peace and Economic Stability in African Economies: Reflections from Cooperatives in Tanzania."

It was stated, in Africa 546 million people were living in poverty in 2022, which is one of the causes of conflicts in several countries. Poverty is closely linked with other global challenges such as climate change and conflicts (Dang et al., 2023)<sup>1</sup>. African countries are suffering from the effects of climate change, and it has caused rising temperatures, extremely different weather scenarios, poor agricultural output, and the spread of disease, among other things (Bedair et al., 2023)<sup>2</sup>.

Cooperatives play an important role in achieving climate resilience, peace, and economic stability in global and African economies (ILO and ICA, 2015; Paudel and Acharya, 2022; Lafont et al., 2023)<sup>3</sup>.

In Tanzania, cooperatives have been planting trees in their workplace, farms, and in public institutions surrounding their areas such as open spaces, schools and hospitals. In addition, cooperatives provide

<sup>&</sup>lt;sup>1</sup> Dang, Hai-Anh H.; Hallegatte, Stephane; Trinh, Trong-Anh (2023): Does Global Warming Worsen Poverty and Inequality? An Updated Review, GLO Discussion Paper, No. 1347, Global Labor Organization (GLO), Essen

<sup>&</sup>lt;sup>2</sup> Bedair, H., Alghariani, M. S., Omar, E., Anibaba, Q. A., Remon, M., Bornman, C., ... & Alzain, H. M. (2023). Global warming status in the African continent: sources, challenges, policies, and future direction. *International Journal of Environmental Research*, 17(3), 45

<sup>&</sup>lt;sup>3</sup> Lafont, J., Saura, J. R., & Ribeiro-Soriano, D. (2023). The role of cooperatives in sustainable development goals: A discussion about the current resource curse. *Resources Policy, 83,* 103670

education and training to members, including the importance of conserving the environment.

Table 1: Number of Trees Planted by cooperatives engaged with tobacco production from 2020/2024

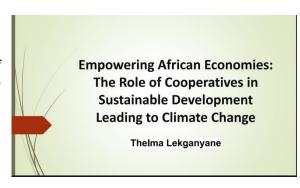
Region	Number of Trees - 2020/2021		Number of Trees -2021/2022		Number of Trees - 2022/2023		Number of Trees - 2023/2024	
	Target	Planted	Target	Planted	Target	Planted	Target	Planted
Tabora	10,852,901	9,651,480	11,587,543	9,299,959	21,128,102	14,276,749	36,884,271	29,491,727
Shinyanga	3,168,000	3,106,400	4,035,500	4,035,500	1,110,500	1,041,400	7,809,214	7,809,214
Kigoma	1,140,000	1,030,260	926,740	701,280	2,559,500	1,191,400	3,484,500	2,805,189
Katavi	3,113,328	2,814,601	2,592,862	2,430,766	4,181,411	4,110,190	6,087,555	6,539,094
Ruvuma	222,200	208,000	222,200	219,000	3,601,500	546,124	1,122,000	1,409,587
Mbeya	198,000	172,000	2,900,000	2,765,315	5,909,535	5,553,843	9,099,568	7,832,702
Singida	34,800	33,500	341,000	341,000	611,000	611,000	751,500	967,145
Iringa			59,800	57,000	215,938	12,000	215,938	12,000
Mara					682,884	198,830	552,125	198,830
Total	18,729,229	17,016,241	22,665,645	19,849,820	40,000,370	27,541,536	66,006,671	57,065,488

Source: TTB (2024)

In conclusion cooperatives are potential business organizations contributing to climate resilience while addressing socio-cultural interests and environmental protection. Cooperatives promote social development, inclusive growth and environmental well-being. These contributions of cooperatives prove that cooperative organizations when strengthened and used effectively in all spheres of life contribute to the achievement of Sustainable Development Goals.

It was recommended that government and other stakeholders should formulate and enforce policies that address cooperative issues hence creating a conducive environment for the betterment of cooperative members and the nation at large.

**Ms. Ramaesela Thelma**, the Director of Business Development at Khupamarama Arts and Craft Cooperative in Polokwane, made a presentation on "Empowering African Economies: The Role of Cooperatives in Sustainable Development Leading to Climate Change." She stated that Africa's journey towards sustainable development and climate resilience depends on economic empowerment. Cooperatives emerge as vital actors in this narrative, embodying principles of collective action, community ownership, and sustainable resource management (Iyer, B., 2020)<sup>4</sup>.



She explored the multifaceted contributions of cooperatives to African economies, emphasizing economic empowerment, social cohesion, and environmental sustainability.

Cooperatives serve as catalysts for sustainable development, fostering entrepreneurship, creating employment, and promoting income generation, particularly among marginalized populations. They prioritize economic empowerment, social inclusion, and environmental sustainability, laying the groundwork for resilient development pathways.

In the face of climate change and environmental degradation, cooperatives are increasingly embracing sustainable practices and green technologies to safeguard natural resources and mitigate carbon emissions. From agroecological farming methods to renewable energy initiatives, cooperatives are at the forefront of innovative solutions that promote environmental sustainability and climate resilience.

<sup>&</sup>lt;sup>4</sup> Iyer, B., 2020. Cooperatives and the sustainable development goals. In Waking the Asian Pacific co-operative potential (pp. 59-70). Academic Press

She highlighted a couple of examples:

- The Cooperative Union of Sheanut Collectors in Ghana promotes sustainable harvesting practices to ensure the long-term viability of sheanut production while preserving the environment (United Nations Environment Programme, 2021)<sup>5</sup>.
- Agricultural cooperatives in Ethiopia adopting sustainable farming techniques, resulting in improved resilience to climate variability and reduced greenhouse gas emissions
- The potential of energy cooperatives in Nigeria to promote clean energy solutions and enhance energy access in rural areas

In her conclusion, she stated that as Africa navigates the complexities of the 21<sup>st</sup> century, cooperatives stand ready to lead towards a sustainable, equitable and resilient future. Challenges such as limited access to finance, inadequate infrastructure, and regulatory barriers and many others should however be addressed.

**Mr. Solomon Atsiaya**, the Chief Executive Officer for the Kenya Police SACCO Society made a presentation on "Corporate Climate Change Mitigation Strategies: A Case of Green Banking, Green Buildings, and Green CSR at Kenya National Police Deposit-Taking Sacco."

He started by explaining that climate change mitigation is increasingly becoming a strategic issue for organizations worldwide. Companies are increasingly becoming under pressure to adopt mitigation strategies that address adverse impacts of climate change (Wang & Sueyoshi, 2018)<sup>6</sup>. These strategies either focus on reducing global greenhouse gas (GHG) emissions or implementing energy efficient technologies (Jeswani, Wehrmeyer, & Mulugetta, 2018)<sup>7</sup>.

His presentation focused on the climate change mitigation strategies within Kenya National Police DT Sacco (KNPDT SACCO). Even though companies providing financial services do not have a direct impact on the physical environment, they exert a significant effect on climate change through their operations, buildings, and investment strategies (Nath, Nayak, & Goel, 2014)<sup>8</sup>.

Therefore, KNPDT SACCO are shifting towards green banking practices, notably paperless transactions and the adoption of energy-efficient measures including the installation of LED lighting and occupancy sensors. These strategies have led to reduced paper and energy consumption.

The recognition of the link between financial activities and climate change has led to the development of the concept of green banking. A green bank is a normal bank that considers all the social and environmental or ecological factors with the aim of protecting the environment and conserving natural resources (Janal, Khedkar, & Khedkar, 2021)<sup>9</sup>. Green banking focuses on technological improvements, operational efficiencies, and the adoption of environmentally friendly practices in order to reduce the carbon footprint from banking operations.

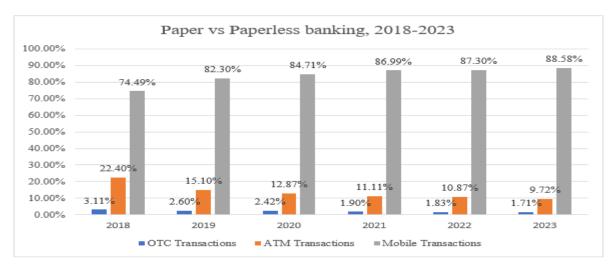
<sup>&</sup>lt;sup>5</sup> United Nations Environment Programme. Sustainable Practices in Sheanut Collection and Trade. Nairobi: UNEP; 2021.

<sup>&</sup>lt;sup>6</sup> Wang, D. D., & Sueyoshi, T. (2018). Climate change mitigation targets set by global firms: Overview and implications for renewable energy. Renewable and Sustainable Energy Reviews, 94, 386-398. doi:https://doi.org/10.1016/j.rser.2018.06.024

<sup>&</sup>lt;sup>7</sup> Jeswani, H. K., Wehrmeyer, W., & Mulugetta, Y. (2018). How warm is the corporate response to climate change? Evidence from Pakistan and the UK. Business Strategy and the Environment, 17(1), 46-60. doi:https://doi.org/10.1002/bse.569

<sup>&</sup>lt;sup>8</sup> Nath, V., Nayak, N., & Goel, A. (2014). Green Banking Practices - A Review. IMPACT: International Journal of Research in Business Management, 2(4), 45-62.

<sup>&</sup>lt;sup>9</sup> Janal, D. S., Khedkar, A. E., & Khedkar, C. E. (2021). Digital Banking: The Future of Banking. Vidyabharati International Interdisciplinary Research Journal, 12(2), 281-284.



The above graph shows the growth of paper vs paperless banking at KNPDT SACCO

In addition, the SACCO is serious about their green corporate social responsibility (CSR), exemplified by a tree planting initiative, align with broader climate change mitigation goals, emphasizing the importance of both planting and ensuring the growth of trees to significantly increase forest cover. He stated that planting trees serves as a tangible action that sends a potent political message of hope and investment in a brighter future.



In his concluding remarks, he encouraged other SACCOs to be committed to environmental consciousness and energy cost-saving initiatives. He stated that there is need for continuous monitoring and evaluation of green CSR initiatives to ensure effectiveness and sustainability in achieving environmental objectives.

#### Sub-theme 2: Leveraging Cooperatives for Peace and Security, Partnerships and Collaborations



**Dr. Ts'ebetso Mpooa**, a member of the Lefohlelo Savings and Credit Society made a presentation on the "*Promotion of Peace and Security through Cooperatives.*"

She stated that development thrives in a secure, stable environment; therefore, African countries, like all countries in the world have to develop strategies that enhance peace and

stability to enable their countries to prosper economically and to enable the wellbeing of their people.

The Cooperative movement is a strategy to ensure peace and stability; their values can be able to transform or have the capability to solidify peace and stability. Studies reflect that the values inherent in the cooperative philosophy can enhance social cohesion, peace and security (Sentama, 2017; Stephen, 2019)<sup>10</sup>. The importance of cooperatives in linking categories of society, through open and voluntary membership cannot be overemphasized

She concluded that the acceptance of everyone in the community can lead to trust and a cohesive society. Hence, governments should strengthen cooperatives as one of the strategies to promote peace

<sup>&</sup>lt;sup>10</sup> Sentama, E. 2017. Social Cohesion through Cooperative Contact: A Theoretical Perspective. Journal of African Conflicts and Peace Studies. Vol.3:lss. 2, 1-15. Available at <a href="http://digitalcommons.usf.edu/jacaps/vol3/iss2/1 downloaded on 15/02/2024">http://digitalcommons.usf.edu/jacaps/vol3/iss2/1 downloaded on 15/02/2024</a>

and security.

**Dr. Judith Hermanson**, the Director of International Cooperative Research Group U.S. Overseas Cooperative Development Council presented on a research project titled "COVID 19, Cooperative Resilience and Social Capital: A Study of Cooperatives as a Stabilizing Force in Sub-Saharan Africa" 11

This research was undertaken to document and understand the strategies used by rural cooperatives (in Malawi, Madagascar, Uganda & Rwanda) to mitigate

COVID 19, Cooperative Resilience and Social Capital: A Study of Cooperatives as a Stabilizing Force in Study of Cooperatives as a Stabilizing Force in Study-Saharan Africa

MICHAEL VIEW OF THE STRUMENCH MICHAEL CONFIDENCE International Cooperative Alliance-Africa

May 20, 2024

De. Audith A. Hermanson

Director, International Cooperative Research Group (ICRG)
US Overseas Cooperative Development Council

adversities faced by cooperatives in sub-Saharan Africa during Covid-19.

She stated the cooperatives in this study were all able to remain economically viable and were strengthened during COVID by being flexible, community and member responsive, innovative, and true to the core cooperative principles. The study suggests that the commercial trade-offs made by cooperatives were offset by the overall community resilience to which they contributed, further suggesting that cooperatives are key actors in supporting economic stability at the grassroots.

She explained that the resilience was informed by social capital, including trust, loyalty and commitment of leaders and members, which sustained the cooperatives during COVID despite the constraints it created. Despite the adversities faced, the cooperatives in this study had managed to stay in business and to remain economically viable and a source of social support for their members and in some cases also the larger community, for example, through food distribution. Some of the strengths exhibited by cooperatives include, innovation & diversification, social capital and use of new technology.

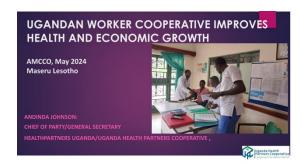
#### Kev Recommendations:

Governments	Apex Organizations, Multi-lateral Institutions and International Partners	Cooperative Leaders, Stakeholders, and Members
Enable movement of cooperative products and goods during similar crises by recognizing cooperatives as Essential Service Providers.	Provide training resources for resilience planning for cooperatives.	Plan for business continuity in times of external shock.
Recognize cooperatives and recompense them to be hubs for the extension of vital services during emergencies and external shock, such as food distribution and health education.	Provide adaptation information and training focused on sectors, such as crop diversification for agricultural cooperatives.	Adapt policies and procedures to enable remote meetings and decision-making being mindful to incorporate member well-being with business soundness.
Invest in wider extension of technology platforms to rural areas.		

In her conclusion, she mentioned that there is usually a tension between "business" and "social solidarity" inherent within the cooperative model, and it falls to the cooperatives themselves, as democratically governed and values-based businesses, to get the balance "right" for their members. On cases of partnerships and collaboration, **Dr. Johnson Adinda,** Chief of Party Health Partners

 $<sup>^{11} \ \</sup>text{https://oc} \underline{\text{dc.coop/resource-center/covid-19-cooperative-resilience-and-social-capital-a-study-of-cooperatives-as-a-stabilizing-force-in-sub-saharan-africa}$ 

Uganda and **Mr. Mike Kipngeno**, Senior Cooperative Officer, USAID Cooperative Leadership Advocacy and Research project, presented case studies.



**Dr. Adinda** presented on the Ugandan Health Worker Cooperatives, and their role in improving health and economic growth. He stated that inadequate government funding for health is a problem in Uganda, where households and donors together bear over 80% of total healthcare costs. For households, the result is catastrophic health expenditures; one in six households in sub-Saharan Africa face financial crisis due to out-of-pocket

expenditures.

The Ugandan Health Worker Cooperatives was established in 1997 to strengthen locally-led health cooperatives in an enabling environment and health system that increases access to quality health care for improved health equity and outcomes in Uganda. It provides the following services: improve capacity and performance, strengthen cooperative enabling environment and adaptive data driven learning



He concluded that the worker cooperative model can be used to address both financial protection from healthcare costs and overreliance on donor funds, ultimately contributing to the economic stability of the nation and its people. For other countries struggling with underfunded healthcare sectors and overreliance on donor and household funding, worker cooperatives may be a locally-led sustainable solution to protecting the health and financial security of the population.

Mr. Kipngeno, presented on "Empowering Economic Stability: The Transformative Role of Worker Cooperatives in African Economies: A Case study of Kenya." He stated that Africa faces significant economic challenges such as high unemployment and income inequality. Worker cooperatives offer a promising solution by promoting inclusive growth and economic democracy, ensuring that profits and decision-making are distributed among members rather than being concentrated in the hands of a few.



He mentioned that there are currently 10 registered worker cooperatives in Kenya and a research on these members led to the following findings:

- Economic Stability: Worker cooperatives significantly contribute to employment creation and job

- stability, providing members with reliable income and reducing poverty levels.
- **Economic Empowerment:** Members of worker cooperatives experience higher income levels and improved financial stability compared to non-cooperative workers, highlighting the economic benefits of cooperative membership.
- **Social Cohesion:** Cooperatives foster a strong sense of community and belonging among members, promoting social cohesion and mutual support.
- **Local Entrepreneurship:** Training and skill development within cooperatives empower members to start their own businesses, driving local entrepreneurship and economic diversification

In concluding, he made key recommendations:

**Expansion and Replication:** the expansion of worker coops across other African regions by replicating successful models

**Policy Support:** Implementation of supportive policies that create an enabling environment for cooperatives, including legal and regulatory reforms.

Capacity Building: Importance of continuous training and capacity-building initiatives to enhance the skills and capabilities of cooperative members and developers.

**Partnerships:** Foster collaboration between cooperatives, government agencies, non-governmental organizations, and to support and scale worker coop initiatives.



Cooperative contribution to the stability of economic

and reducing poverty

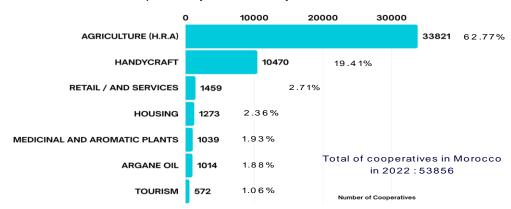
#### **Sub-theme 3: Leveraging Cooperatives for Economic Stability**

**Ms. Aicha Errifaai**, the General Director of Cooperation Development Office Morocco, made a presentation on "Cooperative contribution to the stability of economies and reducing poverty."

She stated that in various regions worldwide, including Africa, achieving economic stability remains a challenge, compounded by ongoing poverty issues. However, cooperatives , with their focus on shared ownership and democratic management, present a hopeful path towards comprehensive economic progress.

She explored the multifaceted role of cooperatives in enhancing economic stability and reducing poverty; highlighting the case of cooperative initiatives across different sectors in Morocco.





Cooperatives are important in empowering communities, job creation, solidarity & cooperation, resilience to economic risks and fostering sustainable development. She mentioned that there are further opportunities for cooperatives to include but not limited to:

- Training cooperative members in management, financial literacy, marketing and business planning can enhance their skills, thereby improving cooperative performance and sustainability.
- Leveraging technology and innovation can enhance the efficiency and competitiveness of cooperatives, facilitating customer base expansion and diversification of products and services
- Collaboration with government agencies, NGOs, and private sector organizations can enhance resources and expertise to boost cooperatives' role in poverty alleviation and economic stability.

She concluded by recommending that cooperatives should be granted access to affordable credit & financial services, markets and support for product development & strategies. She reiterated the need to implement favorable policies and regulations that acknowledge and boost the significance of cooperatives and enable them to make positive economic contributions.



**Dr. Jürgen Schwettman**, an independent Cooperative Development Specialist, presented a paper on "Cooperatives and the social economy: facilitating the transition from the informal to the formal sector" He started with the definition of informal economy which refers to all economic activities by workers and economic units that are – in law or in practice – not covered or insufficiently covered by formal arrangements.<sup>12</sup>

One of the most striking features of African societies and economies is the sheer magnitude of the informal sector, which in some countries employs up to 90 per cent of the region's labour force, contributes up to 65 per cent to the GDP, and hosts more than 90 per cent of the region's micro and small enterprises<sup>13</sup>

 $<sup>^{12}</sup>$  ILC, 2015. Recommendation 204 concerning the Transition from the Informal to the Formal Economy , Geneva: ILO

 $<sup>^{13}</sup>$  ILO, 2018a. Women and men in the informal economy: A statistical picture, Geneva: ILO.

Share of informal employment in total employment (per cent), selected African countries							
Country Year		Total	Male	Female			
Burkina Faso	2018	95,4	93,5	97,7			
Botswana	2022	74,4	76,1	72,5			
Chad	2018	96,9	95,2	99,0			
Ghana	2015	78,1	77,2	91,5			
Mali	2020	94,0	93,0	95,4			
Mauritania	2017	90,9	90,8	91,2			
Mozambique	2015	95,7	92,7	98,4			
Rwanda	2022	86,8	84,7	89,2			
South Africa	2023	41,5	40,7	42,4			
Uganda	2021	95,2	93,1	97,4			
Zimbabwe	2022	88,3	86,0	90,7			
UEMOA <sup>1</sup>	2018	89,6	85,7	94,1			
Average 2024		85,6	84,1	88,3			
Average 2021		83,1	81,2	85,7			

He explained that while the informal sector is sometimes labelled as 'unorganized' recent surveys have shown that over 50 per cent of all informal sector operators are members of a cooperatives, a credit union, an association, a self-help group or any other type of social economy organization. The informal sector is affected by severe decent work deficits in terms of income and productivity, as well as lack of social protection, rights at work, and participation in social dialogue. Cooperatives and similar organizations can build a bridge between the informal and the formal sectors, and they can help reducing the aforementioned decent work deficits

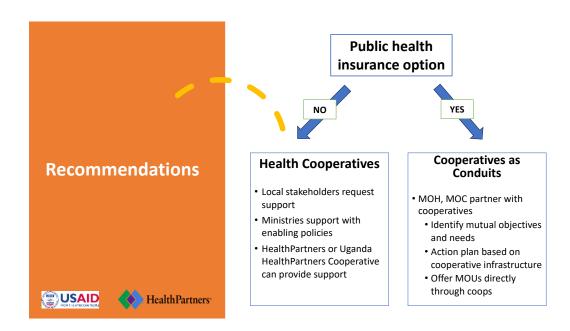
He concluded that the informal economy in sub-Saharan Africa employs ten times more people than the formal economy, and a lot of the informal economy actors have formed a plethora of associations, self-help groups, savings clubs and cooperatives which provide essential economic, social and societal functions. Therefore policymakers, governments and development partners should pay greater attention to these organizations and their federations, because they constitute the most cost-effective means to build a bridge between informality and formality.

**Dr. Britt Cruz,** the Deputy Director of International Development with HealthPartners, presented on "Leveraging Cooperatives to Enhance Access to Affordable Health Care & Economic Stability in Africa"

She explained that over the past two decades, one out of every six households in sub-Saharan Africa has faced financial crisis due to out-of-pocket healthcare costs, leading to the annual impoverishment of over 11 million Africans. Health plays a crucial role in household and national economic stability. It is not only a determinant but also a consequence of economic stability; as a healthier population is a more economically prosperous one.

She concluded that to achieve their goals of prosperity and inclusive growth, African nations must address the economic burden of healthcare and poor health. Cooperatives, which leverage local ownership and resources to meet collective needs, emerge as a viable solution, able to overcome the administrative and financial challenges above to play a pivotal role in broadening health financing mechanisms and safeguarding health and financial stability.

Key recommendations on using the cooperative model as a solution to the health challenges:



**Dr. Todor Ivanov, Professor Timothy Thamae, Ms. Hilda Mulero and Ms. Aicha Ahnach,** gave various case studies on how cooperatives can be leveraged for economic stability. **Dr. Ivanov**, the Secretary-General of both Euro Coop and Consumer Cooperatives Worldwide (CCW) presented a Coop2Coop online marketplace and the potential for upscaling direct coop trade between Africa and

Europe, Americas and Asia-Pacific. Professor Thamae Associate Professor at the National University of Lesotho (NUL) showcased building an open innovation ecosystem through cooperatives: a case study of the NUL Innovation Hub. This hub is a unit within the university, dedicated to commercialization of ideas and prototypes based on research and creativity of its academic community, alumni and surrounding communities. In 2022-2023, the first cohort of incubated businesses were completed and some positive cases include: the Made In Lesotho Cooperative (MILCO), Phuthalichaba Savings and Credit and the Tholoana Orchards Society. Ms. Mulero, Private Sector Advisor Cooperative Development in GIZ presented a GIZ



project case in Malawi: More Income and Employment in Rural Areas (MIERA) and AgFin. She stated some successful key activities for coop economic stability to include: Support the development of Cooperative Development Policy, Support International Day of Cooperatives, Business Linkage Event, Linkages to microfinance institutions ie SACCOs, Capacity building trainings and coaching using the MSME Loop tool, Value addition trainings, Support Certification of businesses with the Malawi Bureau of Standards (MBS), Support formation of cooperative unions, Support auditing of cooperative and Support improved access to markets through Integrated Development Private Partnerships with companies. She mentioned that collaboration and coordination among stakeholders is key to successful development of the cooperative sector for economic stability. Ms. Ahnach, a Ph.D candidate at the Zohr University, Morocco, presented on the contribution of cooperative entrepreneurship to the economic stability in Morocco: a case study on women cooperatives in the Souss Massa region. She explained that cooperative entrepreneurship has two main contributions. The first is economic: the cooperative enables its members to divide labor and acquire the means of production at lower prices. As a result, the cost price is lowered, the material situation of cooperative members is improved, and savings are mobilized by increasing the cooperative's capital. The second social, aspect refers to the satisfaction of members' social services, notably in education, training, leisure, consumption and housing. She stated that cooperatives are therefore well placed to contribute to the achievement of sustainable development goals from an economic, social and environmental point of view.

• cooperative entrepreneurship positively influences women's empowerment

H2

 cooperative entrepreneurship positively influences women's social inclusion.

H3

 women's empowerment positively influences their social inclusion.

The results from the research paper revealed that cooperative entrepreneurship strengthens women's empowerment and allows their social inclusion in the Souss Massa region in Morocco. Furthermore, women cooperatives in these rural areas contribute to SDGs 1,5, 8 & 10. She recommended that more effort can be put on other areas for meeting additional SDGs such as SDGs 4 and 16.

#### **TCAMCCO**

#### **Country Progress Reports**

The session started with a recap of 20<sup>th</sup> May 2024, where the chair of session Prof. Katundu Mangasini, highlighted key points of discussion both at the political opening of the conference and the thematic topics on the optimal leveraging of cooperatives in the transitional efforts of African economies. The sessions sought to establish a platform for knowledge exchange, collaboration, and innovative solutions to address Africa's socio-economic and environmental challenges through the cooperative movement.

In his brief, the moderator noted that the subsequent session was going to focus on receiving brief country progress reports on the implementation of the 13th Africa Ministerial Cooperative Conference (AMCCO) held in Cairo Egypt in October 2022 dubbed as the 'Cairo Declaration.' The declaration enlists 14-point thematic areas that were to be followed up to foster cooperative development in the continent. These thematic areas include:

- Cooperation among Cooperatives
- Access to markets and Coop to Coop trade
- Inclusive participation in cooperatives
- Empowering cooperative development policies and legal frameworks
- Climate change
- Digitalization
- Cooperative Entrepreneurship
- Education, Skills and Knowledge

- Access to Finance
- Facilitate access to affordable health services to promote well-being for all
- Facilitate access to affordable housing services for all
- Research and innovation
- Partnerships and collaborations
- Establish and effective monitoring and evaluations mechanisms

While giving their progress reports, eight (8) countries reported and these include: Egypt, Lesotho, South Sudan, Botswana, Mauritius, Madagascar, Morocco and Zimbabwe who did not report because of network challenges but requested to submit the report for circulation.

You will find here the recording of day 2 of the conference.

#### **Updates of Cooperative Projects**

#### **ICA-EU Partnership**

The chair of session, Dr. Chiyoge B. Sifa Regional Director ICA-Africa, gave a brief report on the renewal of the ICA-EU framework for partnership agreement project. She noted that the project is titled, 'People-centred businesses for sustainable, democratic, and inclusive development,' and will be implemented in 91 EU countries with the focus being Countries with established ICA member organisations in the first place. Worldwide, in the second place – especially in the Regions with a less organised and developed cooperative movement, such as West Africa, Central-Asia or the European Neighbourhood. Dr. Chiyoge noted that the project started in April 2024.

#### Model Law on Cooperatives in Africa

Mr. Bobby Mkangi, a member of the technical working group, noted that PAP and the ICA-Africa have been working on a draft model law on cooperative societies for Africa. A draft of the model law was prepared and presented to the 2nd Ordinary Session of the Sixth Parliament of the PAP in June 2023 for first reading. It was resolved that the draft should be further improved before it is submitted for second reading. The consultations resulted in several invaluable inputs and proposals made by the participants, which are to be incorporated and refined in the draft Model Law before validation by the PAP Committee on Financial and Monetary Affairs and subsequent submission to the PAP Plenary. This engagement resulted in the formation of a Technical Working Group to review and finalise the details of the model legislation.

Mr. Mkangi noted that the working group finalized incorporating the inputs and the document will again be presented to the plenary of the PAP committee of Financial and Monetary Affairs in June in South Africa for adoption consideration and then, if adopted it will be moved to the PAP plenary for their consideration too.

#### Launch of the Norges Vel Regional Programme Cooperative Development (REGCOOP)

The chair of Session Dr. Chiyoge noted that ICA-Africa and Cooperative partners from Tanzania and Mozambique participated in a grant application from Norad with the support of Norges Vel in Norway and won the grant. The five-year project will target cooperatives and more in particular women in cooperatives. Dr. Chiyoge then invited Mr. Erick Obongo on behalf of Julie Navik Hval to give a brief of the project launch.

Mr. Obongo took the participants through the address prepared by Julie Navik Hval. In the brief, Mr. Obongo noted that Norges Vel is a member-based organisation based in Norway and it has been promoting food security, agriculture, value chain development and organisation of food producers for more than 200 years, and internationally for a period of 40 years focussing on Mozambique, Tanzania

and Madagascar in Africa.

The REGCOOP project is majorly focussing on food security to address the food crisis of unprecedented proportion that has faced Africa and it is the belief of Norges Vel that the Cooperative business model, small scale farmers can become value chain owners and hence increase their income and participation in decision making. Through involving women, they can equally promote economic development as men. The project then aims to support smallholder farmers to move from subsistence farming to business farming and thus increase food security and income.

It was also highlighted that the programme is built on country level efforts in Tanzania and Mozambique. In addition, the programme will be working with ICA-Africa to provide a broad network of technical expertise and high-level political engagement for policy reforms.

The programme will focus on three main components namely: - 1. Champion Cooperatives for women in Tanzania and Mozambique, 2. Knowledge and Dissemination and 3. Advocacy and Service delivery to strengthen the cooperative movement. The partners of the project include: Mozambican Association for the Promotion of Modern Cooperativism (AMPCM), Tanzania Federation of Cooperatives (TFC), Moshi Cooperative University (MoCU), Catholic University of Mozambique (UCM) and International Cooperative Alliance-Africa.

#### **Closing Ceremony**

**Dr. Chiyoge B. Sifa Regional Director**, started by noting that the venue and program of the Africa Ministerial Conference to be held next year will be communicated after consulting with the ministers as this was not done.

In her closing remarks, Dr. Chiyoge noted that the common goal of demonstrating how cooperatives can be harnessed to power transitioning economies in Africa has been achieved through the various interventions from the guests and presentations which were immensely rich. Cooperatives are catalysts driving inclusive and empowering communities for sustainable development. It is critical, as we go back to our countries, we should endeavour to transform the ideas we have received into actions and aspirations into tangible outcomes. Lets tap into the potential of cooperatives to seize the opportunities and transform Africa. She finished by thanking the participants, sponsors, organizing staff members and the host through the commissioner for cooperative development office for the good host. She wished everybody safe travel back home.

**Mr. Mokheseng Notsi, Commissioner for Cooperative Development Lesotho** recalled the engaging session with the lawyers on the Africa Cooperative Model Law, the intriguing youth side event and now the cooperative officers and engaging the ministers has been nothing but empowering sessions. Without much a due, he invited the deputy permanent secretary to give his closing remarks.

**Mr. Jobo Raswoko, Deputy Principal Secretary** indicated that his work was not difficult but it was made difficult by the fact that he had to start with an apology for the cancellation of the Mid-term of the 13th Africa Ministerial Cooperative Conference by the government of Lesotho. Lesotho has been grabbling with challenges moreso from the aftermaths of the Covid-19 pandemic and other related shocks.

Despite the challenges, Lesotho has remained resilient and it has demonstrated in the last few days as indicated by one speaker, Lesotho is indeed home, home away from home and we have worked together to successfully achieve the objectives of the conference. Cooperatives are not new in Africa, what is new is the entrepreneurship angle that cooperatives have taken; as proper development has to start with cooperatives. As they say, grim and despondency shall not defeat adversity, trying times need resilience and cooperatives have demonstrated to live to this call of resilience.

He ended his remarks by urging everyone to support cooperatives for them to be able to thrive even better. He thanked everyone and pledged that next time when a similar opportunity is given to Lesotho to host an event, they will live to the task and host one of the best. It has been better now but we hope for the best. Always best is the enemy of better and we most sincerely apologize once again for the

inconvenience caused by the cancellation of the conference. May the spirit of solidarity guide us, as we travel back to our respective destinations.

High Chief Ayeola Tajudeen Oriyomi, President of ICA-Africa extended his deepest gratitude for the successful virtual conference and noted that it was clear that social enterprises and cooperatives stand as potent tools for inclusive development, social protection, and poverty eradication. Collectively, the enterprises can address global challenges like climate change, gender inequality, and poverty, fostering a community rooted in cooperative values and sound principles more in particular with close reference to the cooperative values and principles. He congratulated the participants and the cooperative fraternity for their unwavering support with special recognition going to the global president Dr. Ariel Guarco, sponsors and partners and the government of Lesotho for the hospitality. He finally noted thanked the African government representatives present and noted that their dedication to realizing the Africa We Want, as outlined in the Africa Union agenda 2063, was commendable. I wish you safe travels and now declare this conference closed.

#### **Annex**

I. Full Presentations

https://bit.ly/3KO5BX1