“Adopting Innovative Techniques for Sustainable Cooperatives Financial Institutions in Africa”

- Women Are Breaking The Barriers Of Financial Inclusion In Nigeria Through The Saccos
- CCA Women’s Mentorship Program
- Saccos In Joint Venture With Cooperative Insurance Company
- Institute To Establish Fish Farmers’ Cooperative
- Rwanda: Saving In Schools Gains Momentum
- Saving For The Future
- South Africa: Cooperatives Contribute To Poverty Alleviation
- From Inspiration To Innovation On The Open Internet
- Inclusive Growth In Africa Through Innovation And Tech: Microsoft Exec
A Co-operator is meant to make a Difference!

In the words of Dick Ensweiler, the president/CEO Cornerstone Credit Union League (USA), DE is the only program that focuses on making the business case of why cooperative financial services make sense in the larger financial services market place.

We thus pose the questions; are you a co-operator, do you have the passion, do you believe in the Cooperative Business model, are you looking to see financial inclusion/equity, do you want to be the change you seek in your credit union and apex body, then ADE is for you.

ACCOSCA invites you to be part of this life-changing experience that will equip you with skills that will go a long way in your work as a co-operator; it will not only instill the cooperative principles in you but also give you a chance to interact with world class co-operators and mentors.

This is a chance you cannot afford to miss.

About the Program
The program combines practical co-operative strategic thinking with the sector and the impact it has on the members through;

A thorough understanding and examination of how Sacco Business Model can enhance and empower members
Address key challenges of implementing a Sacco Business Model, including succeeding in a competitive environment and regulatory regime while maintaining social principles
Engaging Participants in a captivating and thought-provoking discussion about cross-cutting issues affecting the sector throughout the program

We will be in Johannesburg 14th -20th February 2015; make a date with us.

For more information please contact;
Bettyrose Okiri
bettyrose.akinyi@accosca.org or training@accosca.org
Tel: 2540202714648/9
www.accosca.org
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Cooperators, welcome to the fifth edition of the Cooperative Summit magazine featuring innovations that some Cooperative Financial institutions have adopted as a way of reaching out to their members together with lessons learned.

In this edition, access to finance is one key topical issue identified as a tool to alleviate poverty in Africa. With more than 25% of the world population being referred to as unbanked, there is need for SACCOs to mobilize more members and adopt innovative techniques of doing so.

The Cooperative Summit is a publication of the African Confederation of Cooperative Savings & Credit Associations (ACCOSCA)

P.O. Box 43278 – 00100, Nairobi – Kenya, Kilimanjaro Road, UpperHill Nairobi. 254 020 2714648 / 2714649, 254 020 2714646,

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CONTRIBUTIONS
Letter to the editor / Contributions may be submitted via editor@accosca.org

ACCOSCA in partnership with its development partners on the continent are geared towards coming up with or showcasing initiatives promoting cooperatives in Africa. This edition, therefore, highlights classical innovations undertaken by members to improve performance; efforts for the financial inclusion of marginalized groups i.e. youth and women, capacity building initiatives such as the Development Educators (DE) program which aim at instilling the cooperative philosophy and the Canadian women mentorship program, among others. Lastly, I would like to welcome you to the 15th SACCA Congress and wish you a memorable stay in Maseru, Lesotho. I also would like to acknowledge and thank all contributors, the editorial team and partners who made this publication possible. It is our hope that you will enjoy reading this magazine, lookout for the next publication of the Coop Summit in March 2015.

Many thanks
Atuhura Joan Susan
Head of Finance and Administration
There is little doubt that something is happening in Africa’s co-operative financial sector. After years of low membership uptake, unfavourable perception and lack of professionalism within the sector, the tide is changing with more Saccos employing professionals, resulting into improved perception and increase in membership. These changes can only get better if we work in absorbing governance structures that create sustainability in our organisation. As such, Sacco leaders should encourage utilisation of innovative ways that initiate effective means of operations. These operational strategies will put us in a better position to reach out to the public, as compared to our competitors.

As Sacco leaders, we must embrace change and support initiatives that would make our institutions to perform better. Such strategies, call for us to reinvent ourselves in the eyes of our potential members and change perceptions.

In ACCOSCA thinking, we acknowledge that most African countries are divided into two: those with higher income and those with lower or no income at all. It is important to note that latter group is struggling to get financial access to meet its basic financial needs while the former group is looking for effective ways of operating their accounts since they have the financial muscles. Both groups provide an enormous opportunity for the Saccos.

During this year, we conducted our first Africa Development Educators Program. We envisage heightened co-operative activities in the coming year, 2015. As ACCOSCA, we will continue to support Sacco specific regulatory framework across the continent; noting an absence of this framework can potentially be a strategic weakness for the nations’ Sacco Movement.

We will continue to advocate for initiatives that address gender discourse within the sector. We will continue to encourage Saccos to adopt a participatory approach in their operations by engaging with emerging leaders. We will continue to strengthen the sector through filling capacity gaps, and lastly we will continue to encourage adoption and mainstreaming of ICT in the Saccos.

Our goal is to create such programs for decision-makers from the Africa co-operative sector to dialogue about simple to complex issues affecting the development of the sector.

It is our desire to see our DE’s become change agents by utilising their wealth of new ideas to help boost the performance of their organizations. I encourage you to apply to be considered for the DE program taking place in S.A from 14-20 February 2015; I understand the Africa DE 2014 is the best class ever.

This year’s Africa SACCOs Congress provides an invaluable opportunity to evaluate our performance, particularly reflecting on the impact of Saccos in delivering service and product to the members.

Drastic and rapid action is inevitable in today’s Sacco’s operation; it is our hope that you will use this congress to share best practices and network with speakers, practitioners and policymakers alike from across the world. Networking time has been scheduled into the programme in order to support the exchange of ideas and encourage delegates to engage in thought-provoking topical debate. The Congress has a CEO networking session to facilitate further informal discussion.

I do welcome you all to this the 15th SACCA Congress and wish you a fruitful deliberation.
"We have learnt that whatever you preserve and take good care of discourages you from spending unnecessarily."

Visit any upcountry school and you will be amazed at how much the pupils/students understand that they have to save the little they receive from their parents. They have even gone an extra step and formed savings clubs.

"The most important thing is to start with the little money you get, and with patience, one may end up a millionaire," said Zawadi Mugurwanyana, a senior five student at Ecole Secondaire Rusumo, Kirehe district.

The teen has so far managed to save Rwf1000 with a local microfinance institution (Umurenge Sacco). Mugurwanyana started saving last month after undergoing training on saving and being helped to open an account by her school. Although the money is still little, the student is proud of her achievement.

"If I need a note book or soap, I cannot disturb my parents because this amount (Rwf1,000) would cover it," she said.

But Mugurwanyana has no intentions of spending all her money on school materials. Her objective is to raise at least Rwf 16,000 by next year to buy a goat that she will keep at home.

"By the time I finish secondary school, the goat should have given birth. I will eventually start a goat farming project," she says, adding that it is a viable project in her district of Kayonza, Eastern Province.

Her colleague, Gaspard Munyamandy, who is in senior six, has raised Rwf 2,500 since last month. He says his dream is to start modern farming.

How it started:

Last year, the Association of Micro Finance Institute of Rwanda (AMIR) launched a campaign dubbed "financial education" in schools with the intention of promoting the savings culture among students. According to Jean Pierre Uwizeye, who is in charge of capacity building and financial education in AMIR, the project received a Rwf400m boost from the Ministry of Education and Sports.

Primary and secondary schools in ten districts across the country have since joined the pilot project. The districts include Karongi, Ruhango Kirehe, Musanze, Nyanza and Ngoma.

The schools start by sending six of their teachers to AMIR for training on saving and in turn the teachers pass on the knowledge to their learners. After training on saving, the learners then form a Savings Club before opening up an account in the nearest financial institution. The account has two signatories (students) and a teacher to supervise their operations.

"When members need money, they make a list of requirements and decide on how much should be withdrawn. One of the signatories then goes to withdraw the money on their behalf," Etienne Ngirinshuti, the director of Rusumo Secondary School, explains. "One may withdraw Rwf 200 for soap and another one Rwf 500 for scholastic materials."

Financial institutions are confident that the young savers will be the country's top investors in 30 years.

Flaurent Majyambere, the managing director of Uniclecam Cooperative, an umbrella of financial institutions in Rubavu district, told Education Times that they have 6,000 pupils and students with over Rwf19m in savings.

Why save:

Ngirinshuti says the main objective of the initiative is to teach students how to save from their little pocket money and also understand that they have the potential to contribute to their country's development.

"The teachers advise us that if we save a small portion of our pocket money, we will not only buy doughnuts to eat, but can make and sell them as well," said Mugurwanyana.

The children, however, are not taught to save money only. Mugurwanyana says they are also taught to avoid wastage. For instance he says he cannot buy a new book before it's used up simply because he is going to another class.

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LAGOS - The Nigerian Institute for Oceanography and Marine Research says it is set to establish a fish farmers’ cooperative to checkmate irregularities in market prices of fish. Dr Mabel Yarhere, the Head, Extension Research Liaison Services section of the institute said this at the Aquaculture Innovation Platform for stakeholders in Lagos on Tuesday.

Yarhere said that the cooperative organization would serve as an organized body for aggrieved fish farmers and as a platform to help farmers in the fisheries sub-sector. “They need to come together and agree on a regular price. If they come together as one platform, it will help them instead of the market women reaping all the profit.

“We are going to register farmers into cooperatives; bankers are ready to give them facility once they are registered.” Yarhere said that the platform would enlighten fish farmers on ways to develop and create a sustainable market.

She said that the enlightenment would help to reduce fish importation and increase food security. “We have a lot of youths here and potential fish farmers who will key into this enlightenment programme to service their own fish farms.

“Once they start producing, it will stop fish importation, there will be excess in the market,” Yarhere said. Mr Eze Nwakwoma, the Head of Agribusiness, Union Bank of Nigeria reaffirmed the bank’s commitment to fund farmers who were ready to add value.

Nwakwoma said that a cooperative would accord farmers easy access to bank loans and enhance production. “A forum like this organized for fish farmers is an avenue for them to form a cooperative. “It gives them the opportunity to access loan, and they can produce 10 times the capacity they are producing.”
Inclusive Growth In Africa Through Innovation And Tech:Microsoft Exec

African innovation is nothing new. A quick search on the internet will reveal an entire history book of African inventions spanning centuries; from harnessing fire in South Africa 1.4 million years ago, to the invention of the underground water pipe in Ethiopia in 1460 BC, to the modern Kreepy Krauly (an automatic pool cleaner) and the CAT scan. Popular myth tells us that Africa was a dark and underdeveloped continent until the arrival of European innovation. The truth is, Africans are just as creative, if not more, than anybody else. But as pioneering as their inventions are, the benefits of many are only felt within the immediate community. They don’t receive much attention from the global community. However, Information and Communications Technology (ICT) means there is now an entirely new platform that can take these inventions to the world. And now, suddenly, African innovation is being noticed. Technology enables African ideas to be marketed and developed, making them accessible to a far larger audience. This amplification stimulates further investment into the continent, especially its ICT sector, which, in turn, provides much-needed funding and support to develop new ideas and see them through to maturity. MPE-SA is a great example of a local solution to a local problem. The fact that it’s based on a mobile platform has allowed the idea to catch on all over the world, revolutionising the payments and banking industry. Africa’s problems are a fertile breeding ground for innovation. Those who see problems as opportunities can become successful entrepreneurs, by harnessing technology to invent solutions that improve access to education, healthcare and social services. For example, hospitals in Nigeria are often under-equipped and prone to power outages. To overcome this, Dr Seyi Oyesola developed Hospital in a Box, a mobile clinic that operates off solar energy. In Cameroon, local engineer Arthur Zang designed a medical tablet PC, which allows cardiovascular exams so patients don’t have to travel long distances. By taking these grassroots innovations to more communities, technology becomes a great equaliser and enabler. Not only by helping more people though social innovations like Hospital in a Box and providing access to empowering tools like the internet, but as businesses grow around these innovations, they will need to hire more people to manage new territories and develop local skills. This leads to knowledge, job creation and ultimately more inclusive growth. This was the theme of this year’s World Economic Forum on Africa, which took place in Abuja, Nigeria, from 7 to 9 May 2014.
Inclusive growth means that the majority of the population, not just the large companies and investors, can benefit from Africa’s rapid economic expansion. But this goes beyond income redistribution. For inclusive growth to be sustainable, governments need to move towards creating enabling environments for local innovation to flourish and ultimately feed the knowledge economy. They need to support entrepreneurs, inventors and small businesses that help create jobs and foster skills. Although a large percentage of Africa’s growth will still be driven by its natural resources, more growth will, and should, be driven by innovation and knowledge to ensure inclusivity. It starts with education. ICT in education will feed into a fraternity of tech-savvy, skilled, and entrepreneurial youth. Establishing the opportunities for them to take their ideas to market is the next step.

The Commission also urged governments to remove current barriers to investment in ICT, for example lowering spectrum licensing fees. Globally, as much as 95% of telecommunications infrastructure is private sector-funded, and public-sector initiatives are urgently needed to close the gap. Mobile phone plays a fundamental part in enhancing access.

Although sub-Saharan Africa’s GDP growth rate is set to overtake the United States this year, two-thirds of its people still do not own a mobile phone. Smartphone penetration is only 4% in the region and 18% in South Africa, according to a 2013 GSMA study that measured the number of active Sim cards in use. Mobile already contributes more than 6% of GDP in sub-Saharan Africa, higher than any other comparable region globally. Just imagine the possibilities if mobile penetration rates increased to the developed markets’ average of 80%.

At Microsoft, we believe in the potential for knowledge and innovation to stimulate economic development, provide higher wages, create employment opportunities and ultimately foster inclusive growth. This is why we launched our 4Afrika Initiative in February 2013, to empower every African who has a great idea for a business or application to turn that idea into a reality, which in turn can help their community, their country, or even the continent at large. In the wake of WEF, I hope that the public and private sectors will take this message to heart and work together towards the right kind of growth. Growth that enables all people to prosper in the potential of Africa.

And this shouldn’t be the case. The UN Broadband Commission for Digital Development noted at their recent 2014 annual meeting in Dublin, that access to broadband can lift emerging countries out of poverty and is an accelerator for inclusive and sustainable growth, by opening new paths to create and share knowledge and widen learning opportunities.
Poverty alleviation is foremost on the government agenda of all developing countries. In order to meet the internationally agreed targets of poverty reduction, the right policies and instruments need to be adopted. The journey to poverty alleviation began with the idea of microcredit, i.e. extremely small loans that can transform individuals from subsistence labourers into proprietors of their own enterprises. Its success gave birth to excess cash and demonstrated the need for more sophisticated financial products and services. Economic self-reliance shifts the thinking of the field by focusing on the ends of development. “We believe that poverty will only cease when individuals could generate resources to meet more than their immediate needs, …”

In most countries especially, at the regions or provinces development are not equally distributed. Natural resources are not equally shared throughout these countries. In Africa, most of the colonial masters concentrated development in areas that were richly endowed with natural resources like gold, diamond, timber, iron ore and in the coastal areas for navigation and also for development of the fishing industry as a result public good such as, schools, hospitals, electricity, pipe-borne water and other social amenities were made available. Whiles the deprived areas received less infrastructural development, especially in the area of road networks and communication facilities. Marketing of farms and other products by people living in these deprived areas is more of a burden as people have to carry their wares and walk for more than ten kilometers to the nearest market centers. People are forced by circumstances to produce only what they may need to sustain the family and try to avoid the long distance walk without hope of getting enough from their labor.

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One could be tempted to tag such people as “lazy people” an accusation that is not caused by them but occurred out of economical or structural defect over which they do not have control over. Most of these people even from historical background deal in barter trade because the medium of exchange, which is money, is limited in circulation and has no value to them. Natural disasters can cause havoc to human lives and can lead them to poverty overnight. Natural disasters like fire outbreak, flooding, accidents and weather failure such as drought has caused so many people to be homeless and make the lives of thousands of people to be uncertain. In all circumstances, Governments, Non-Government Organisations and International Communities attempt to support in reducing the burden but in most cases these supports are limited to just clothing and food. It is difficult for affirmative actions taken by international communities and well wishers to restore the plight of these people to a more dignified status. This culminates into hope being dashed, self confidence is reduced as people continue to ponder over what had been lost over the years and how to recover. Obviously, it requires more than material support to quicken them and also the desire to start all over again towards the realization of building their future dreams. Many people are living lives that are alien to them. The lives they lead are directed by society they live in. They are somehow managed by peer pressure. Others may be influenced by custom demands and societal norms without having the ability to plan for their own future goals and set priorities. They become mere followers for the greater part of their lives and continue to be influence by others. After long span of wasted years in life, people begin to understand how wasteful they have been and the mistakes they have committed in the early stages of their lives. In some areas early marriages are promoted among the adolescence, there you would find a couple within the ages of twenty to thirty having four children. The cost of child care, education and managing the home becomes a challenge. It would require proper planning, hard work, effective and efficient management of the limited financial resources to bring back on track the future lives of people. The culture of savings is not taught in any school or college. It is a philosophy of self discipline. You will not know your full potential and capabilities until you open up and try taking the first step of a small beginning for there is no success without sacrifice. Many of us link our inability to save to the size of our salaries. No matter how long you complain, how you argue, how you protest or how you make yourself appear sympathetic just to get favors from neighbors, whatever thing would happen to you would definitely happen. Therefore, the first antidote to any financial predicament is to start small. You can grow gradually from a humble beginning provided you learn to have dominion over the use of money. Always appreciate whatever you receive as income, save a portion and manage the rest prudently by setting priorities. Generally, the issue of poverty cuts across in all facet of developing economies, which therefore presupposes it requires holistic approaches in dealing with it. Every stakeholder concerned be it the governments, institutions and the individuals are to be sensitive to the issues pertaining to poverty and every effort should be geared towards reducing it. 

“Food security and access to public services such as health care, water, sanitation, and education, are closely related to income, consequently, these can have a major impact on poverty and hopelessness”
Cooperatives are catalysts for economic growth and sustainable development for disadvantaged, vulnerable and marginalized communities as well as those with limited resource capabilities, says the Minister of Small Business Development Lindiwe Zulu.

“The sustainability of these enterprises contributes to poverty alleviation, giving poor people the opportunity to lift themselves out of poverty and its associated forms of deprivation,” said the minister.

She was speaking at the celebration of International Cooperatives Day in Polokwane, in Limpopo on Saturday.

In 1995 the first week of July was designated as a period to celebrate International Day of Cooperatives by the United Nations. Since then all signatories to the International Labor Organization Recommendation 193 have committed to celebrating and recognising the role that cooperatives play in the social and economic development of their respective countries.

Cooperatives are important economic players with the top 300 cooperative enterprises constituting the ninth largest economy in the world. They also operate in some of the most competitive industries like banking, insurance, agriculture and retail, among others. These top 300 enterprises altogether are worth 1.6 trillion US dollars.

“Cooperatives enable people to easily access business and work opportunities, raise savings and extend education and training not only to them, but also to the local communities in which they are operating,” explained Minister Zulu.

Additionally, cooperatives hold some of the answers to the pressing socio-economic challenges that confront communities.

“They are, by their very nature, about initiative and self-reliance. Many of our successful cooperatives are an example of how much we can achieve if we seize the opportunities brought by our democracy and freedom to create a better life for themselves and their fellow citizens. We have a responsibility to take our destiny into our own hands.”

Cooperatives are the centre of the much-needed village and township economic revival.

“With the support of government, we must ensure that the services and goods consumed in townships and villages are produced by men and women from those townships and villages,” she added.

Although progress has been made by cooperatives in terms of growth and development, the challenges that remain need to be addressed.

“Financial and non-financial support given to cooperatives still remains scattered thus making it difficult for cooperatives to effectively access such support easier and much quicker on a wider scale. We are determined to address these challenges.”

The minister said she would create an enabling environment for the development and growth of cooperatives.

“We will do this as part of the government’s commitment to set the country on a new path of radical economic transformation in order to accelerate our onslaught on the triple challenge of poverty, inequality and unemployment,” she said.
SACCOS IN JOINT VENTURE WITH COOPERATIVE INSURANCE COMPANY
BY AHMED MUKIBI

The Uganda Savings and Credit Union Limited (UCSCU), an umbrella body of over 1,000 savings and credit cooperatives (SACCOs) has teamed up with a Kenyan insurance company to set up a jointly owned Insurance venture in Uganda to cover their businesses against risks.

The proposed joint venture, the Cooperative Insurance Company (CIC) Africa, Uganda”, will be owned by the Cooperative Insurance Company (CIC) Kenya which will contribute share capital of 51% will UCSCU jointly with the Cooperative sector will be contributing 49% . This was revealed at a consultative workshop for SACCOs from the Central region at the UCSCU head office at Maganjo near Kampala.

The idea to start a cooperative insurance in Uganda was adopted at the 37th Annual general meeting when members resolved to partner with the Cooperative Company of Kenya to incorporate a limited Liability Company in Uganda, CIC Africa (Uganda) Ltd to develop suitable insurance product for the cooperative sector.

Sylvester Ndiroramukama, the CEO of UCSCU, told New Vision that in order to strengthen the union and enhance the capacity of SACCOs on the road to sustainability, UCSCU partnered with CIC Kenya to introduce a Cooperative insurance.

Ndiroramukama said that consultation among the stakeholders has been held throughout the country and they hope to complete the registration process and to put in place all modalities before September this year when they will be operational.

The CEO of CIS Kenya, Kuria Nelson said during the consultations, that the joint venture will promote access to insurance for the hitherto marginalized groups by targeting the bottom pyramid with micro insurance programmes.

He said this venture will no doubt promote the Cooperative sector because of its unique business model, one owned by the people .

Kuria said some of the packages that they intend to put on market include; Loan guard, that covers all loan balances in the event of death or total permanent disability of a group or society members.

“We shall also offer Microfinance Insurance, a specialized group creditor life insurance policy customized to cover short-term loan balances on reducing balance basis for small scale businesses”, Kuria said.

He explained that this policy pays off the loan outstanding in the event that the insured borrower dies within the insurance period.

Another package, Kuria said, is the Group Life Assurance scheme which provides for a lump sum to be paid in the event of the death of a member of the scheme provided that member is still in the service of the employer or scheme holder.

This cover enables the employer/scheme holder to alleviate the financial distress that might befall the dependents of an insured member upon death.

The chairman of the board of UC-SCU, Nume Yasin Abubaker explained that with the cooperative insurance in place, loan recovery will no longer be a problem because many loans given out by SACCOs are not insured putting their money at risk.

He said the insurance business will be for members such that that even if they are not compensated because no insurable risk that occurred, they will share profits from the premium they will have paid because the revenue generated will be retained by their own company.

Joseph Kitandwe of the Ministry of Trade, Industry and Cooperatives appealed to SACCOs and the Cooperative sector to warmly embrace the project because it will not only help boost the sector, it will be their own business from which they will reap dividends.

He said the Ministry of Trade is in the process of reviving the defunct Cooperative Bank and explained that Cabinet has tasked the Ministry to write a paper on how to revive the Bank, which they have already done and forwarded to them for approval.

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To facilitate economic growth, create wealth, employment, innovations, investments, and make concrete progress that can help bridge the income divide, economic strategies need to focus on financial inclusion. Access to financial services is an enabler of decent living. 50% of the 168.8 million Nigerians (World Bank Data, 2012) are rural. 49.36% are women with limited access to formal financial services. Financial inclusion is accessibility to quality financial services at affordable cost. The Banking Association of South Africa, 2012 identifies key principles of financial inclusion: access, affordability, appropriateness, usage, quality, consumer financial education, innovation, diversification and simplicity.

In the past, very few Nigerian women kept bank accounts. Women depended on men, family and friends for financing. Today, Savings and Credit Co-operatives (SACCOs) are in all the States of the Federation and women in co-operatives get loans for investment and for their families.

The co-operative is an easy gateway to financial access and literacy. SACCOs provide financial and co-operative education for members. The 2011 Global Finance Index data of 26% female financial inclusion is improving as a result of Government interventions and increased SACCO activities. The October, 2012 Central Bank of Nigeria (CBN) Report revealed that between 2008 and 2012 the number of financially excluded adults dropped by 10.5 million; and 43% of Nigerian adults now have access to formal financial services. However, a range of barriers still hinder improvement in the statistics of bankable population, especially with reference to women. The CBN Policy of 60% of Micro, Small and medium Enterprises Development Fund (MSMEF) to support loans from micro-finance and institutions to women and women-owned Enterprises together with other financial interventions: Agent Banking, Development and Implementation of Regulatory Framework, National Financial Literacy, Comprehensive Consumer Protection Framework, Know Your Customer (KYC), Mobile Payment system and Cashless Society are efforts aimed at improving the nation’s financial inclusion to meet the Vision 2020. However, remarkable financial inclusion and sustainable financial system can be achieved if gender issues are properly addressed.

Presently, government policies’ fall short in their outreach. The SACCOs, families and friends still provide much undocumented credit or financial services to many Nigerian women.

Financial Inclusion Barriers and Concern for Gender Equality

There is some correlation between financial inclusion, the empowerment of women and economic growth. Many Human Rights and socio-economic organizations identify gender equality and the empowerment of women as a ‘powerful multiplier of development efforts’ (The Organization for Economic Co-operation and Development (OECD), 2008). Nigeria is a signatory to the 1981 Convention on the Elimination of all Forms of Discriminations against Women and supports other gender provisions. However, some of these provisions have not been fully domesticated.
Nigerian rural population who engaged in small scale agriculture and trade are mainly women. They are unbanked because of poverty, literacy, poor financial awareness and saving habit. Many are overwhelmed with the family burden, considering the level of unemployment and unemployable. The problem of high bank charges, bank procedures, lack of confidence in the financial system, inter-bank bottlenecks, and cultural limitations are other discouraging reasons.

The National Financial Strategy (NFIS) was launched on October 23, 2012. It is aimed at reducing the percentage of those excluded from financial services from 46.3% to 20% by 2020.

WOMEN BREAKING THE BARRIERS OF FINANCIAL INCLUSION THROUGH THE SACCOS IN NIGERIA

The Nigerian Co-operative Policy (ACT CAP 98, 2004) currently under reviewed, states that ‘Co-operatives will facilitate the integration of men and women equally at all tiers’. However, there are no strategies therein to achieve this provision. Nigerian co-operative boards have few women at state and national levels, in spite of the resolution of the Co-operative Federation of Nigeria, that 30% of board members be women. Notwithstanding, women have a say in the management of their resources and co-operatives.

They initiate wide range of financial products to meet their needs: investment loans, housing, welfare packages and others.

There is steady increase of female membership in many Nigerian co-operatives, especially in Education and private sector SACCOS. The Education Multipurpose Co-operative Society’s, 2014 AGM recorded female registration 64% to 35% male. SACCOS remain a formidable source of soft loans to women.

Many small scale businesses, private schools and institutions are financed or upscaled through co-operative financing. Teachers, nurses and women in other sectors have used co-operative loans to buy houses and empower themselves economically. Importantly, the co-operative makes easy the transition to retirement and enables women to own private businesses.

Improvement in communication technology and government gender-friendly policies have helped to create some awareness of the benefits of co-operatives and have encouraged women to join and form co-operatives so as to access government grants and agricultural subsidies. Women’s socio-economic organizations have developed into co-operatives and members now have bank accounts for savings and financial transactions.

Co-operative capital, however, is still limited because of poverty and unemployment. Nonetheless, SACCOS’ Micro – financing has become a source of capital development. Some Co-operatives like the Delta State Co-operative Financing Agency have their own Micro-finance Banks. These are expected to operate under stringent guidelines. The CBN financial inclusion policies, is addressing some of their constraints.

Financing is the core business of SACCOS and their products are designed democratically for and by a across section of the population. It follows that Government financial inclusion interventions need to enlist SACCOS in targeting disadvantaged populations, especially, women.
Recently a young engineer in Togo, Kodjo Afate Gnikou, had an inspiration. Surveying the electronic waste being deposited across West Africa, he designed and built a 3D printer using discarded parts from computers and scanners, which costs $100 and is named the W.Afate, combining the name of the incubator where he works, WoeLab, and his own name. In many ways this is a typical story of turning inspiration into innovation, an inventor seeing opportunity where others see challenges. However, what is remarkable is how this was made possible by the open Internet, in ways not possible even ten years ago. For instance, Mr. Gnikou was able to leverage the following benefits from Internet access:

Online collaboration between enthusiasts on projects such as 3D printers, whose plans were freely available for the W.Afate printer

Sharing of resources, enabling Mr. Gnikou to raise 4,313 Euros from 112 supporters around the world on the crowd funding site Ulule. Global markets for the results of innovation; for instance, the W.Afate printer was submitted to the NASA International Space Apps Challenge, for consideration for a future mission to Mars.

The original high-tech startups largely produced physical things — computers, chips, peripherals, and software to control those things — and their founders in turn benefitted from physical presence. A good university education, direct access to computers for training and development, and availability of venture capital to fund their companies. These factors quickly coalesced around Silicon Valley, nurturing startups and housing many of the successful results.

It is no surprise that the first large Internet startups of the 1990s — Netscape, eBay, Yahoo!, Amazon, and Google — all started in the USA, many also in Silicon Valley. These companies all benefited from the same conditions that promoted earlier tech startups, and came about at a time when the US had an early, historical, lead in Internet access and usage.

However, the Internet changes the prospects for startups considerably, and favorably for those outside the USA. Physical presence is not needed for access to the ingredients, and the outputs can be sold online. Not surprisingly, as the Internet spread quickly spread from the USA through the developed world, the 2000s saw new innovative startups emerging outside the USA, notably in Europe, including Skype (Estonia) and Spotify (Sweden).

More recently, the center of Internet gravity has shifted towards developing countries, with a number of developments.

According to the ITU, the number of Internet users in the developing world passed those of the developed world in early 2008.

The iPhone was launched in 2007, and by late 2011 more than 50% of users around the world had a mobile broadband connection.

Combining the first two trends, by late 2012 more than 50% of the world’s mobile broadband subscribers are in developing countries.

As a result, why should the next big innovation not come from an emerging market?

Already M-Pesa, arguably the most successful mobile payment systems in the world, began in Kenya. This is no surprise, as mobile payment fills a critical gap in much of the developing world — lack of access to banking services. Another successful Kenyan application, Ushahidi, also developed to meet a local challenge — in this case to track violence that followed an election in 2007, and subsequently has been adopted around the world, for instance to track earthquake relief efforts in Haiti and Japan, and even to track the progress of snowplows in Washington DC.

However, while the Internet is a fully interoperable network of networks, not all networks are created alike, and not all countries are likely to foster innovation equally. Innovators and potential customers alike must have access to high quality and affordable broadband Internet access; the network itself must be resilient to promote investments; there should be as few restrictions as possible on access to content and applications; and a government policy to maintain an open Internet.

Kenya has very favorable conditions for startups — good mobile access, resilient international connections, two efficient Internet Exchange Points, and a government that both promotes, and leverages, the open Internet. Other countries sharing favorable conditions include Jordan, Indonesia, and Argentina, and demonstrate how success can help to breed success. In Argentina, MercadoLibre, the largest e-commerce provider in Latin America, has been hosting developer conferences; a number of incubators including Ideosource have emerged in Indonesia, and the 2009 sale of Jordanian startup Maktoob to Yahoo for $175 million has spurred the startup scene there.

Given the interconnection of the Internet, creating a global market for innovation, it is important that the open Internet be promoted and preserved internationally, through vibrant multi stakeholder participation in standard setting and Internet governance. This will enable anyone to turn inspiration into innovation and innovation into income in order succeed in the new Internet-enabled global market place.
Kenya Union of Savings and Credit Co-operatives (KUSCCO) Achieves 40 Years of Co-operative Service in Kenya

“We are advising members to desist from consumption borrowing to investment borrowing.”

On its 40th birthday, the Kenya Union of Savings and Credit Cooperatives (KUSCCO) has set itself ambitious targets in its 2014-2018 strategic plan. Through training, advocacy, lending and partnerships, it expects to bring more Kenyans into the movement.

From the current cooperative penetration of 20 per cent, it expects a further 10 per cent of the population to become members of cooperatives, bringing the total to 30 per cent.

KUSCCO Managing Director George Ototo says the union is advocating higher savings by members so as to help the country attain a 30 per cent national annual savings to gross domestic product (GDP) rate, up from the current 12 per cent.

“We are advising members to desist from consumption borrowing to investment borrowing,” explained Mr. Ototo.

To address the housing deficit in the country, KUSCCO this year plans to build 120 maisonettes in Kitengela with the groundbreaking set for 22nd July 2014. In 2011, it developed 14 apartments in Kisumu.

Since inception, KUSCCO has lent Sh.25 billion to member SaccoS through the Central Finance Fund. Up to 7,000 cooperators have opened mortgage accounts with KUSCCO’s Housing Fund. KUSCCO which started in the backstreets during its infancy currently operates from its five-storey plaza located in Nairobi’s financial hub of Upper Hill, intends to extend the building to reach 12 floors. It also has a property in Mombasa.

This year, KUSCCO received from USAID a Sh36 million grant to enable the union introduce micro-credit loans for Sacco members to buy efficient stoves.

In 2010/2011, KUSCCO received a grant from ILO-Syndcoop to build the capacity of passion fruit farmers in Iten, Kericho, form a cooperative through which they sell their produce collectively.

Such success is underlined further by the fact that Kenya’s cooperative movement is recognized globally. Kenya represents the Africa Credit Union in the Group of 10 most successful Sacco nations. KUSCCO has two delegates in WOCCU and has partners such as ICA, ACCOSCA, AFRACA and CAK.
The Ade Experience

The first Africa Saccos Development Educators (DE)

DE is not only a forum for cooperative education where the cooperative philosophy is instilled, it is also where lifelong friendships are developed, it is the beginning of working ties that can only be found there – in a DE class.

It is the place of equals; in that class there are only cooperators, no Chief Executives or Board Chairs the titles are left at the door and yes your age doesn’t count! It also doesn’t matter whether you are male or female once you walk in you are a DE.

The experience at ADE 2014 was one of a kind, it was the first time this amazing interaction and learning was taking place in Africa ever, it was huge because for the first time in the over 32 years that DE has existed it was finally taking off in Africa.

There can never be enough emphasis on the benefits of DE to every cooperator or anyone interested in the sector – it is one of those experiences you have to go through to know, there can’t be learning from another’s experience in this case.

We at ACCOSCA pride ourselves with the take off of ADE; we appreciate all of our partners for the immense support that they accorded the institution during our preparations towards ADE 2014. To the inaugural ADE class, congratulations on your achievements, we hope you remain ambassadors of DE at all times – you remain the best ADE class yet!

We also urge other cooperators to make it their target to be part of DE not only in Africa but also in the other continent.

A Brief History of DE Program

The mission of the Credit Union Development Education (DE) program is to promote credit unions’ social responsibility and domestic and international development through interactive adult education and professional networking.

By linking credit unions’ past and present, the DE program brings renewed relevance to credit unions’ seven cooperative principles and the philosophy of “People Helping People.”

Since 1982, more than 1,000 credit union advocates from over 30 countries have graduated from DE Training to become Credit Union Development Educators (CUDEs).

Once they earn their CUDE designation, people return to their jobs with a sense of personal enrichment and renewed energy to share what they have learned.

This growing corps of credit union devotes professional and volunteer time to spreading the credit union message to audiences throughout the country.

The National Credit Union Foundation is the primary sponsor of the DE program. Support is provided by CUNA Mutual Group, the Credit Union National Association, the World Council of Credit Unions, state foundations and leagues.
Join 2nd ADE class in Johannesberg
February 14th to 20th 2015

Meet the Core Team

Facilitators

Lois Kitsch ICUDE
National Program Manager
National Credit Union

George Ombado ICUDE
Executive Director/CEO
ACCOSCA

Marlene Shiels ICUDE
Chief Executive Officer
Capital Credit Union Ltd

MENTORS

Paul Wambua ADE/DELK
Chief Executive OfficerStima SACCO – Kenya

Sylvester Kadzola ICUDE
Chief Executive Officer
Malawi Union of Savings and Credit Cooperatives

Donald Urquhart ICUDE
Board ChairCapital Credit Union Limited

Corrine Glasglow ICUDEChief Executive OfficerCivil
Service Association Co-operative credit union

Ambs. Elkanah Odembo CUDE/ADE
Vice President
WOCCU – Africa Region

Michael-Ray ICUDEDirector of Corporate Relations
Congressional Federal Credit Union

For more information Contact Us on:
training@accosca.org

Check out our website:
accosca.org

Facebook: www.facebook.com/accosca
Twitter: twitter.com/accosca
CONGRATULATIONS TO THE FIRST AFRICAN DEVELOPMENT EDUCATORS CLASS!!!

THE BEST ADE CLASS YET!!!

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<thead>
<tr>
<th>NAME</th>
<th>ORGANIZATION</th>
<th>POSITION</th>
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<tr>
<td>Botha Victor</td>
<td>Sibanyecape Sacco</td>
<td>General Manager</td>
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<tr>
<td>Darkwah Diana</td>
<td>CUA LTD</td>
<td>Accounts Manager</td>
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<tr>
<td>Aidoo Ernest</td>
<td>CUA LTD</td>
<td>Youth Savings Program Manager</td>
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<td>Johns Nancy</td>
<td>America Airlines Federal Credit Union</td>
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<td>Tallahassee-Leon Federal Credit Union's</td>
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<td>Morrel James</td>
<td>PFCU</td>
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<td>Mhandu Marjory</td>
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<td>Mtawa Farai</td>
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<td>Wambua Paul</td>
<td>Stima Sacco</td>
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<td>Atsiaya Solomon</td>
<td>Kenya Police Sacco</td>
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<td>Wafula Joyce</td>
<td>National Co-operative Business Association (CLUSA)</td>
<td>Country Director</td>
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<td>Erick Chumbe</td>
<td>Jiimue Ufaidike Sacco</td>
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<td>Shame Biasha</td>
<td>Kwale County Youth Bunge Sacco Ltd</td>
<td>SACCO vice chair</td>
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<td>Ojall Hilda</td>
<td>KUSCCO</td>
<td>Marketing Executive</td>
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<td>Mwaka John</td>
<td>SASRA</td>
<td>Research Manager</td>
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<td>Maranga Richard</td>
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<td>Joof Baboucarr</td>
<td>The Gambia Teachers Union Credit Union</td>
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<td>Michelo Yusif</td>
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<td>Vilakati Gugu</td>
<td>Lumbane Savings Credit Cooperative</td>
<td>Manager</td>
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<td>Sibonelo Sacco</td>
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<td>Zulu Enock</td>
<td>Green Pastures</td>
<td>Board Chairperson</td>
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<td>Shongwe Lucky</td>
<td>Green Pastures</td>
<td>Secretary General</td>
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<td>Mdululi Thabile</td>
<td>Impumenelelo</td>
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<td>Manana Luke</td>
<td>Saphumula Sacco Society Limited</td>
<td>General Manager</td>
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<td>Ndioramuka Sylvester</td>
<td>UCSCCU</td>
<td>Chief Executive Officer</td>
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<tr>
<td>Mwongyere Solomon</td>
<td>CCA</td>
<td>Africa Region Field Officer</td>
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“The DE programme is a level platform for male and female Sacco cooperators to acquire skills and knowledge in the Sacco movement and develop a strong commitment to Saccos. Women are encouraged to make positive impact in the Sacco movement by encouraging fellow women to take up leadership positions in SACCOS. I am now more confident, determined and results oriented.

The Africa DE programme provided an opportunity for women to effectively contribute to the growth and sustainability of SACCOS in their countries and create awareness of the philosophy of savings and credit unions.

The DE programme gave me exposure to Premier SACCOS and inspirational leaders. The programme’s methodology is second to none, it makes one realize their full potential as a transformational leader. I learnt practical and applicable skills that I am already applying at my SACCO

"If you are struggling with Time and Resources management then DE Program is for you!!"

Testimonies from DE Participants

Farai Mtawa
Zimbabwe

"The inaugural DE Africa provided a new and fresh perspective to all the participants. It provided an awesome networking opportunity to focus on pertinent issues concerning the future of the movement in Africa and beyond. Inclusion of youth, ICT and women was underscored, with much attention concentrated on youth inclusion as they are the future leaders. This is in light of the fact that United Nations reports that youth and adolescents (1.8 Billion) make a quarter of the World’s population.

The youth, it would be argued are the highest users ICT. The sector thus has to embrace ICT in its quest to include youth. Youth have to be mobilized, trained and mentored into becoming leaders rather than mere followers within the Community, and the Cooperative sector is one vehicle that can be utilized to realize this dream. The future of our beloved AFRICA rests in the hands of our YOUTH! The DE Program is ahead in as far as inclusion of the youth is concerned."

Lame Sealesta
Botswana

"When I first heard about DE, I thought it was like any other training I have attended but my first day of participating in first African DE, my perception changed immediately because of arrangement, grouping us, facilitation and having mentors. As a young development worker I felt that DE training equipped me with necessary creative skills to impact in my projects and most especially young people who are majority in Africa to refocus there thinking and embrace SACCO movement for its sustainability. I will use the knowledge acquired to educate young people and use the training methodology used during the DE training. I will encourage young managers to apply for the program."

Solomon Mwongyere
Uganda

"If you are struggling with Time and Resources management then DE Program is for you!!"

"DE training equipped me with necessary creative skills to impact in my projects and most especially young people.."

Solomon Mwongyere

"Botswana The DE Program is ahead in as far as inclusion of the youth is concerned"

Lame Sealesta
WE DARED TO DREAM
Women SACCOS in Zimbabwe beat cultural obstructions to give women financial independence.

By Marjory Mhandu Chairperson WESACCO Society Limited Zimbabwe

Over the years the Zimbabwean financial sector has been dominated by commercial banks. In as much as they offer personal loans, they use rules applied to large corporations and demand collateral security in the form of title deeds which most women do not have to their name leading to very restricted lending and in turn financial dependency.

Culturally, women have for the longest time taken the back seat with most African countries, (Zimbabwe included) having male dominance in all aspects of life and more so the financial control. This explains why majority of the SACCOS in Zimbabwe have for the longest time benefited the male as compared to their female counterparts.

In 1999 however, a group of women “dared to dream”, they saw an opportunity to liberate themselves from financial dependency and to give themselves and other women a platform to save money and own property. This led to the birth of Women in Development Savings and Credit Union (WDSCU) that has members in Harare and ten other towns around the country.

With this they were able to spark an interest in other women and the ripple effect was the formation of WESACCO, registered by the Ministry of SMECD in March 2013. The new kid on the block! Based in the capital city Harare, the women members are united by their community bond. The SACCOS membership is diverse and comprises of women professionals, formally employed, self employed and house wives. These SACCOS have benefitted the Zimbabwean women a great deal because through them a number of women have discovered their potentials; the ability to pull funds together and get loans to run their businesses, it has encouraged a savings culture, has brought financial inclusion and above all created the sense of ownership and belonging which goes a long way in boasting the members morale and esteem.

“It was a privilege to attend the Inaugural Africa DE Program held in Nairobi, Kenya in June 2014. The comprehensive program covered corporate governance issues, the seven cooperative principles.....”

The SACCOS like any other financial institution in Zimbabwe have had their share of challenges from the economic hardships and liquidity crunch suffered by the country, lack of confidence by the members, lack of regulation to limited liquidity to offer loans – the demands outweigh the availability of funds and loan delinquency.

THE INAUGURAL AFRICA DEVELOPMENT EDUCATORS’ PROGRAM

It was a privilege to attend the Inaugural Africa DE Program held in Nairobi, Kenya in June 2014. The comprehensive program covered corporate governance issues, the seven cooperative principles, succession planning, Sacco’s awareness programs, youth involvement and highlighted the gender and generational imbalances. The participants were exposed to how SACCOS operate in Canada and the USA and how they are technologically advanced.

Through this program, I realize that the issues we face as women in SACCOS in Zimbabwe are not unique to us and that there are feasible solutions to our issues. It is my hope to use the lessons I carry home from Manzoni, to better our women SACCOS, to advocate for not only the inclusion of women in the other SACCOS but to give them a voice. The dream moving forward is to have more SACCOS for women by women.
EIGHTEEN YEARS AND COUNTING
THE GROWTH OF THE GAMBIA
TEACHERS’ CREDIT UNION

Established in August 1996, The Gambia teachers' Union Cooperative Credit Union (GTUCCU) was created to provide members with access to financial services at a small scale and to compensate the inadequacy of Financial Services to members of the Education Sector workers. Eighteen years on, that effort is rewarding all workers in the Education sector by being the main provider of financial services albeit affordably and conveniently. We have exhausted our potential membership as prescribed by our common Bond with over thirteen thousand members at the end June 2014 with total retained savings of D177,522,805.79. To understand the context of our success, the savings herein quoted represents about a third of total savings mobilised by all Credit Unions in the Gambia.

THE GROWTH
We have increased our staff base and brought our services to the grass-roots. We have embraced technology by using software developed by the National Association in association with the Irish league for credit Union funds (ILCUF) which enables us keep and access records swiftly. The ILCUF has been supporting Credit Union development in the Gambia since its revival in 1992 and GTUCCU on its part, continues to benefit from enormous support from the Irish National Teacher Organization Credit Union which leverages us in IT and infrastructure. We have also diversified our products and this has seen the Government of Gambia entrust management with the school improvement grant provided by the World bank intended to fund Primary School Education in the Gambia. We thus have seen a steady growth over the years and are keen to adopt any other techniques that will catapult our growth further.

THE ADE EXPERIENCE
GTUCCU took part in the inaugural ADE in June 2014 at the Manzoni Lodge in Nairobi. I have to admit that that was by far the most intense program I have had a chance to be part of. It was intense in content but extremely relevant for all Cooperative activists particularly those involved in financial Inclusion. I can safely conclude that the problems holding the development of the cooperative movement in Africa were adequately addressed within the objective and thorough continental context. That way participants (36 of us) diagnosed impediments to cooperative growth and development and solutions explored in teams and during plenary to equip us with appropriate techniques and wherewithal to address the issues in order to reverse the negative trends. Being a trainer for The national Association of Cooperative credit Unions of the Gambia (NACCUG), the methodology used during the DE training and the way they were linked to development issues in Africa, further enriched my vocabulary and increased my confidence. Often taken-for-granted developmental issues like gender sensitivity, the Role of the youth in Cooperatives, Effective succession planning, the significance of Legislation , the relevance of IT to development etc were discussed from the global angle and the mix of participants added diversity in the context which made the course even more relevant and the experience more rewarding.

MY PERSONAL GAINS
The DE training re-focused my training package and increased my network of activists. DE leaves you with an indelible mark inflicted on you by each participant due to the apt, relevant but interesting group assignments that accompany the lesson delivery. Within a week, boundaries are broken and relationships built around the seven principles. I left Nairobi with the feeling that my out reach capacity was enhanced already. I am on record that Africa DE was the best thing that happened to me in terms of capacity building in Cooperative activism so far and I want to encourage everyone volunteering or employed especially by financial cooperatives, to participate at least once.

The DE program will help me refine my strategies in order to grow my Credit Union in terms of membership and other vital indicators. I will use my new experience and the methods adopted to communicate during my advocacy and recruitment of new members at the micro level while working with other activists particularly in the National Association.

My advocacy will largely be targeting Government Institutions and those in positions of authority for Cooperatives to be seen as a tool for developing Countries and peoples to use as a weapon to eject from poverty. This will see GTCCU grow further and will also allow us sustain what we have achieved so far.
For a first time visitor to Gakinjiro, home to artisanal workshops and hardware shops, the gigantic new buildings along the Kinamb-Kagugu road might give one the impression that city moguls have turned their interests to the flourishing neighborhood.

That is just a wrong impression. Cooperatives of hardware traders, workshop owners and other small and medium enterprises are the magic behind the new booming real estate development. One of them is Cooperative de commerçants de materials de construction (Copcom) that deals in hardware including metal work and carpentry.

“Gasabo District lent us this plot in 2004 when we relocated from Gakinjiro in Nyarugenge District, but we were not comfortable working in a disorganised manner. We knew we could be chased away if we did not comply with the city master plan,” said Emile Ndahumba, the cooperative’s president.

The 321 member Copcom that includes 70 women came together in 2010 and put in place a committee that started collecting contributions for a project to construct a mega structure.

The three-storey 420-room complex that is in the completion stage costs Rwf4 billion. Each member contributed Rwf6 million towards the construction and the rest was a loan from the Development Bank of Rwanda (BRD).

“In July we shall relocate to this building. Everyone will occupy their room, and we shall start to service the eight-year loan where each of us will be paying Rwf150,000 per month,” said Ndahumba, adding that a hundred extra rooms will be available for rent.

“We have trust in our leadership in managing our projects,” said Jean Sibomana, a member of the cooperative who deals in electrical hardware. The man in his 40s left Kayonza District in 2004 and joined Copcom. He invested Rwf1.5m in hardware, now he has managed to build a house worth Rwf20 million and a car. “When we relocate to this building, I will start going to Dubai to purchase hardware, because not only does this building have enough space, but it also convinces clients that we are serious businessmen,” he said. “It is a dream come true. At first we had many pessimists, but we now believe the sky is the limit,” said Ndahumba, revealing that more projects were in the pipeline.

Cooperatives of hardware traders, workshop owners and other small and medium enterprises are the magic behind the new booming real estate development.”

Ndahumba said they are looking at building a modern workshop, where they will recycle the metallic products currently being exported to regional firms. Other successful cooperatives have cropped up close to Copcom and have also erected buildings. They include Adarwa, a cooperative of timber dealers and Duhahirane that houses foodstuff dealers.

Also at the finishing phase is the magnificence Soprocogi building, a cooperative of 12 investors. Elsewhere in Kigali, the spirit is the same. In Muhima and Nyarugenge sectors for example, major projects are flourishing. One of them is Muhima Investment Company (MIC) occupying a plot that used to host the Human Rights Commission.

Philbert Haragirimana, the MIC chairperson said the company brought together 85 traders now operating from Quartier Matheus in the traditional city central business district. Their contributions varied between Rwf25m and Rwf100m.

The project includes in the first phase, a nine-storey building for both business and apartments and will cost about Rwf11.5bn, and later a 12-storey office block. Another successful investment is Kigali Investment Company (KIC) that also gives advice to upcoming businesses.

The company consists of ten members who came together and collected an estimate Rwf4bn (over Rwf400m per individual) and borrowed Rwf9bn. They built a seven-storey building with 580 rooms at Kigali City Market in Nyarugenge District that was unveiled in 2012. “We have recovered a big portion of the loan and we will finish in the next four years,” said James Rudasingwa, the company spokesman.

This is another mega project by KIC and it is divided into two phases. The first phase, whose plan was tabled in the City of Kigali one-stop centre and is expected to start in the next two months, will cost Rwf800m and will be entirely financed by the company.
Nkhotakota — Dwasco Savings and Credit Cooperative (SACCO) in Nkhotakota has began picking up by making a profit of MK1.2 million in 2013 after it made a loss of MK31 million in 2012. This was revealed during its 20th Annual General Meeting (AGM) held in Dwangwa in Nkhotakota.

In addition, its assets have increased by 14 per cent and the membership has also increased by 62 per cent.

Dwasco SACCO Vice Board Chair Steve Chalimba said during the last AGM, the first thing that came as a priority was how to bring back the glory of the once mighty Dwasco SACCO and reinvent the wheel of economic recovery plan for the sinking ship.

“The board immediately introduced and embarked on improving the SACCO operations with its new policies that attracted membership growth to 3,165. The board also came up with an immediate change on loan disbursement with limitations to all members to cover their loan portfolios,” he said.

Chalimba also said the board emphasized on the need to follow and stick to statutory policies of Reserve Bank of Malawi directives, Malawi Union of Savings and Credit Cooperatives (MUSCO) policies and Malawi Revenue Authority requirements.

“These have resulted into a positive statement of financial position from a loss of MK31 million.

It is our sincere hope that the board will address with keen interest any other problems and issues affecting the SACCO and go along way with its strategic plan in place.

“There are concerted efforts from the board to recover, sustain and make the SACCO operate profitably, vibrantly and transparently,” Chalimba said.

MUSCO Financial Cooperative Development Coordinator Venge Tembo said Dwasco SACCO is going in positive direction which has brought confidence in its members and this is expected to continue.

Venge advised Dwasco SACCO to comply with 2011 Financial Cooperatives Act in order for it to excel to enviable level.

“The Act stipulates that each SACCO should have enough capital for running business, enough liquid funds and should properly manage credit which is their main source of income.

Above all, each SACCO should have a governance structure which is transparent and accountable to its members,” Venge said.

Lefani Kaluzi, who was one of the pioneers of Dwasco SACCO in 1993, advised fellow members present during the AGM, to adhere to loan payment schedules and to take loans from SACCO only for investing in assets that will result into economic benefits to their families.

“Members should also not over-trust management but they should frequently be monitoring what management is doing to avoid fraud which may lead to downfall of the group,” Kaluzi said.

Dwasco SACCO is payroll-based and it involves several companies in Dwangwa.
The Canadian Co-operative Association (CCA) Women’s Mentorship Program is an annual training program for women leaders SACCOs that provides a unique opportunity for professional development through education and practical training for staff working on day to day operations of a SACCO or CU.

Since 2002, 192 women leaders from 19 countries in Africa and Asia improved their knowledge and skills on a full range of issues related to day-to-day operations of financial cooperatives, built networks and increased their confidence as leaders.

Directors have indicated the following impacts as a result of their manager participating in the program:

- Increased membership
- Improved liquidity/profitability
- Improved reputation of credit union in local community
- Reduced loan delinquency
- Expanded operations/new branches
- Professionalization of operations
- New products and services for members
Women alumnae have attributed many impacts and changes in their communities as a result of participation in the mentorship program, including:

- more children (including girls) attending school (due to new loan products “school flexi loans”)
- more community members (including women) have access to credit (e.g. group loans from women, character criteria for loans)
- improved standard of living
- social responsibility initiatives in communities (e.g. loans for unemployed youth, sponsoring a school or community events)
- improved awareness of gender sensitivity/women’s leadership issues

**TESTIMONIALS**

**Alumna (Uganda)** - "My exposure to the CCA Women’s Mentorship Program helped increase my self confidence and gave me fresh energy to manage the SACCO and also let members trust the SACCO more than before. We realized that women leaders can effectively run SACCOs.

**Alumna (Ghana)** – “The mentorship program has increased my confidence ... I can now speak and express my thoughts and opinions freely without fear of being intimidated”.

**Alumna (Kenya)** - “I have received more than I expected. The classwork experience – with the combination of learning from women from all over the world and the Canadian facilitators from credit unions – has been the best of any learning experience. I wasn’t sure what to expect from the placement, but now that I have gone through it, it’s the best thing about this program. I saw how a new CEO completely turned around a credit union, and now the employees say they wouldn’t work elsewhere. I learned about staff committees and the importance of appreciating staff and treating them like people. Learning about relationships is a new skill for me: it’s not always money that motivates staff; I learned about the importance of staff training.”

**Testimonial from Sylvester Kadzola, CEO, Malawi Union of Savings and Credit Co-operatives (MUSCCO)**

“There can be no question about the significance of this program. The program has benefited us immensely in terms of expanding the managerial horizon of our ladies savings and credit co-operative Managers. When they get back you literally see them completely transformed, they develop the right attitude as managers, their work ethic, sense of responsibility and commitment to their co-operative goes up and when you interact with them you feel their sense of self confidence. Many thanks to you Laurie for all you do to prepare these ladies so that they can get the most out of this once in a life time opportunity.”
Fully paid members of ACCOSCA are eligible to apply to be part of the CCA women’s mentorship program and be part of this unique professional development opportunity.

In recent years, there have been several new African countries represented – including Botswana, The Gambia, Swaziland, and Zimbabwe.

The next program will be for one month during May/June 2015. After a 2.5 week classroom training program participants are hosted in a credit union for 1.5 weeks to job shadow and receive mentoring from and General or Branch Manager.

Topics in classroom training include loan assessment, credit scoring, loan tracking and delinquency control, mergers/amalgamations, human resources, marketing, governance, operational risk, and general leadership issues among others.

Thanks to the Department of Foreign Affairs, Trade and Development, Canada bursaries to cover the full or partial costs of the program will be available for selected participants.

**Application Process**

Women general managers of established community financial institutions are encouraged to complete an application form (through ACCOSCA or on our website). All applications must be received by December 15, 2014. The Selection Committee will inform successful applicants by mid-January 2014.

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For more information, contact Laurie Tennian, mentorship program manager at laurie.tennian@coopscanada.coop

http://www.youtube.com/watch?v=xwdCi6hAjkQ

SAVING FOR THE FUTURE

At the launch of South African Savings Institute (SASI) over 10 years ago, the then Minister of Finance, the Hon. Trevor Manuel emphasized the need for a strong savings culture with a resulting high savings rate to boost the economic growth of our country.

In the ensuing years SASI has used the four guiding principles of Research & Advocacy, Debate around key aspects of saving, Education and Information provision and promoting awareness through various campaigns to fulfill this mandate, a decade of working tirelessly albeit on a shoe-string budget to get South Africans to embrace the savings habit. For those South Africans who did develop this habit, the global credit crunch with its resultant job losses meant having to fall back on such savings. Unfortunately for those who did not, it has meant untold hardship. Clearly the benefits of a high savings rate in any economy cannot be disputed and these include a reduction in external dependency and the improved financial health of citizens both now and during retirement.

Despite our continuing dismal savings rate, we firmly believe that our voices have been heard particularly by government through their commitment to providing an enabling environment for savings with the Social Security and Retirement Reform initiative, the National Financial Education Framework, the protection of consumer rights under the new Consumer Protection Act and the substantial increase in allowable tax deductions and tax concessions particularly with a view to encouraging private savings, both short and long term.

We are further encouraged by the role that financial Institutions have played over the last decade, in general by expanding their product base as well as their approach to providing services to potential clients and in particular by their willingness to partner with SASI in driving home the savings message. Indeed it is for reasons like these that SASI, despite being thinly funded, is encouraged to continue the work that the founding members had such a passion for. May I add that this passion continues to burn brightly in the hearts and minds of our current Board, CEO and staff members, to whom I will be eternally grateful for the ongoing support and guidance that I enjoy.

My vision for SASI going forward is a continued partnership with both government and business that will take our savings rate to levels that will ensure that we are at par with other emerging nations.

An Overview of Savings in South Africa

While government and corporates are saving, individual South Africans are not and the trend appears to be getting worse each year. The fundamental reason for this differential lies in consumer behavior and a number of measures need to be adopted to develop a savings culture in this country. Education is a core strategy and campaigns have to be directed at helping people to understand the importance of savings. As more people move into gainful employment, families begin to have more money that can be directed towards savings. Therefore, job creation is seen by government as a key vehicle for encouraging savings.

Saving is all about discipline and the manner in which they live so they can accommodate the redirection of income into a savings scheme. After a few years, people will get used to the idea.

Implications for South Africa

The effect of a low savings rate on the economy as a whole can be interpreted in exactly the same way at household level.

“If a household is not saving enough to fund its needs, whether it is consumption or investment, it will have to borrow…..”

Source: SASI
KAPIRI MPOSHI district commissioner Beatrice Sikazwe has challenged cooperative societies in the district to reposition themselves to operate as business enterprises and not as seasonal entities in order for them to meet members’ needs and aspirations.

Speaking when she officiated at the commemoration of the 92nd International Cooperative Alliance and the belated 20th United International Day of Cooperatives under the theme “Cooperative enterprises achieve sustainable development for all” in Kapiri Mposhi on Thursday, Sikazwe noted that most cooperative societies in the district existed only for purposes of accessing farming inputs under the government’s Farmer Input Support Programme and become inactive off the farming season.

She said out of 1,234 primary cooperative societies registered in Kapiri Mposhi district, only 441 were enterprising all-year-round while others were none enterprising or defunct.

Sikazwe challenged cooperative societies to develop capacity to support and maintain their sustainability by integrating other business dimensions besides farming. “Most cooperatives are operating as fertilizer clubs and not as business enterprises. Cooperatives should operate all year round to ensure that they maximize on opportunities other than farming to generate income for their sustainability,” Sikazwe said.

She said the government had developed measures aimed at invigorating cooperative societies, noting the significant role they played in rural development and the agriculture sector at large.

Sikazwe said the government had formulated and approved the National Cooperative Development Policy, reviewed the Cooperative Society Act number 20 of 1998 and intends to revamp the cooperative bank.

And Sikazwe said the government had increased the number of farmer beneficiaries of maize seed packs by 10 per cent from 23,118 last season to 25,765 this farming season and by 367 per cent of groundnuts packs from 300 last season to 1,400 packs in the 2014/2015 farming season.

She said cooperatives could be used as engines for economic development if well managed.

“That’s why government has since 2002 implemented the Farmer Input Support programme mainly through cooperatives,” Sikazwe said.

Meanwhile, Kapiri Mposhi District Cooperative Union chairman, Clement Moyo, has asked the government to increase the number of farming input packs from four to eight per small-scale farmer.

Moyo observed that small-scale farmers were failing to graduate from FISP because of the few number of fertiliser and seed packs they accessed under the arrangement.

He also appealed to the government to work on feeder roads in the district to enable smooth transportation of agriculture produce and farming inputs.
Increasing youth participation in SACCOs is not a phenomenon unique to African SACCOs. SACCOs across the world are attempting to gain access to that elusive group of 18-35 year olds who deem cooperatives “old-fashioned”. Some SACCOs have seen great success in attracting this market, others have not.

A successful youth engagement strategy should be two-fold. The first part of the strategy includes engaging youth at the membership level to ensure sustainable growth of each individual SACCO. Certainly, members of this segment may not be profitable when they join a SACCO but as they move through the financial lifecycle, they do so with their SACCO. When they are in financial distress or need financial assistance, the first place they will turn is the SACCO who has been there for them throughout their life. Attracting this market is essential to African SACCOs, especially considering there will be 200 million youth in Africa by 2045. That is a large segment of the population to miss as the current SACCO membership ages. The second part of a successful youth engagement strategy includes engagement of this segment at the board or senior management level. Cooperatives across the world have great traditions of exceptional leadership and institutional knowledge from senior management and board members. These cooperative leaders have spent years cultivating the reputation and success of cooperatives and have seen the movement through its highs and lows. The lessons learned from their experiences are immeasurable. They are lessons which cannot be taught in a classroom or book but in a mentorship or learning capacity, they can be passed down and utilized by the future leaders of the cooperative movement. That being said, this process goes both ways. Our current cooperative leaders can also learn new, innovative ideas and be given a fresh perspective on the cooperative movement from our youth managers.

So what next? How do cooperatives, SAACOs in particular, engage youth in not only leadership roles within the cooperative
structure but also in local cooperatives? Let’s turn to our Canadian credit union movement for some examples of youth engagement strategies.

A national initiative supported by Credit Union Central of Canada is the National Mentorship Program. In its fifth year, the seven month program matches a mentee with a mentor in a senior management or executive position at another credit union in Canada. Participants apply for one of two streams, either leadership or business/agricultural lending. Throughout the program, mentors share their knowledge and experiences with their mentee. The mentorship program is very well received with many mentee/mentor pairings staying in touch long after the program ends.

An initiative among Saskatchewan credit unions to engage youth leaders within the credit union system is Saskatchewan Young Leaders (SYL). SYL’s main initiative is to provide leadership development and networking opportunities for the next generation of credit union leaders. SYL is also a source of ideas for Saskatchewan credit unions on youth related initiatives and provides a deep understanding of youth as members and employees within the marketplace. SYL is not unique to Saskatchewan; there are a number of credit union young leader programs throughout the country including, but not limited to: Alberta Young Leaders, Manitoba Young Leaders, Chinook Young Leaders, and National Young Leaders.

My home credit union in Saskatchewan, members at the Board and District Council level. Each year, one grade eleven student (about 17-18 years old) from each of our 12 Districts is invited to sit on their local District Council and to attend Board planning sessions. These members are invited to participate, discuss and learn about the credit union system. In addition, they provide our Board and District Councils with feedback on initiatives from a youth perspective. Once the youth delegate’s year on the District Council is complete, they receive a bursary to go towards their post-secondary education.

Servus Credit Union out of Alberta engages its youth membership through their Young & Free Program. Each year, a new “spokester” is appointed who then engages Servus’s youth members through social media, contests, and activation events throughout the province. The spokester blogs about financial literacy (as well as other fun topics, like how to survive winter in Edmonton) to help Servus’ other youth members learn about financial products and services. In addition to the spokester, Servus members between 17 and 25 are given a free chequing account. The Young & Free program is in its seventh year and is one of Servus’ fastest growing segments.

Are the results of these youth engagement strategies immediate and financially tangible? Of course not. A proper youth strategy takes time and effort to manage and maintain to full fruition. Youth engagement is a long term and overarching strategy to continue the growth and relevancy of the cooperative movement.

“SACCOs across the world are attempting to gain access to that elusive group of 18-35 year olds who deem cooperatives “old-fashioned.”“
COOPERATIVE societies play an increasingly important part in the economic life of many countries. Cooperation has existed ever since the early human beings discovered that working together, they could accomplish their tasks much more easily and effectively. Thus the historical foundations of modern cooperatives can be traced to the ancient Egypt and Babylon, the ancient China, the Roman Empire, the activities of the Aztecs in South America before the Spanish advent and conquest, and those of the American Indians as well as to the traditional African notion of working together for mutual benefits.

Historically, cooperatives were associated with the poor, after the Rochdale Pioneers and were conceived as antidotes to exploitation. The underlying logic here is that strength comes from unionisation, a phenomenon some refer to as “brotherhood” economics. In 1844, the pioneers of cooperative societies laid down some laws and principles to make cooperative societies work among the people, especially the underprivileged. The pioneers were known as Rochdale equitable pioneers in Manchester, England. These same laws and principles are being reviewed and mortified by the highest cooperative body, the International Cooperative Alliance, even up till today. The principles are open membership, democratic administration, limited return on surplus, strict cash trading, education for all members, political, religious and ethnic neutrality, sales at prevailing market price and sales of pure and unadulterated goods. By their present structure and operation, cooperatives are colonial creation, the history of cooperatives, however, antedates colonialism and the incorporation of Nigeria into the capitalist system. Cooperatives have their roots in traditional social organisation, especially with regard to labour and savings. Thus, traditional Nigerian society had labour cooperatives and loans cooperatives. The more significant of these indigenous cooperatives even during colonialism, are the farmer cooperatives which existence are wholly independent of government support and initiative. These indigenous cooperatives emerged in response to and reflected objective material conditions. They were also run democratically.

The origin of modern cooperatives is, however, traced to colonialism. The important place of cooperatives in the decisive march towards self-reliance cannot be overemphasized, practical experiences from countries such as China, India, South Korea, Indonesia, Zimbabwe, Tanzania, Cuba etc. have clearly revealed that through effectively mobilized and organised farmers’ cooperatives, immense benefits can be realised. From a more practical point of view, cooperatives constitute an ideal method for enhancing the productivity and living standards of the rural population.

Cooperatives are capable of doing this by encouraging grass-roots democracy and the reduction of inequalities at the local level cooperatives are essentially democratic and participatory institutions, which can easily provide a platform for teaching the peasants the art of democracy, the value of self-help, the inherent superiority of mobilising their own collective efforts and resources for solving their own problems and the value of egalitarian and democratic sharing of benefits.

The weaknesses of Nigeria’s cooperative movement are largely manifested in other developing countries as well and vice versa. Despite the high potential in the cooperatives, there are typical problems which militate against their ability to deliver the goods. These include contextual ignorance, the basic nature of cooperatives relationship with the state, colonial vestiges of cooperatives, dampening of the spirit of self-help and minimum support from financial institutions.
Ignorance of the basic factors which have paved the way for the emergence of cooperatives around the world is responsible for the misguided expectations of their role. Cooperatives arose as a negation of capitalism and the evils of property and existing political power. Cooperatives cannot achieve their given aims if the environment inhibits the operation of their inherent principles. The proper relationship is one in which the cooperatives have the elbow to mobilise their cooperative features in given sectors, for example, in such areas as small-scale enterprises in agriculture, industry, supplies, processing and handicrafts.

A policy of positive support, not tolerance, by the government will encourage the cooperatives in such areas without hindrance. Many forces have combined to dampen the development of self-help in the cooperatives. Philosophy apart, the practice is the enthronement of paternalism. As long as governments give the cooperatives the impression that they (cooperatives) are there to be helped, they will not try to be self-reliant. As a result, patronage alternates with interference and perpetual apprenticeship. If the cooperatives are made to realise that they must eventually stand on their own, the hope for self-reliance will be greater.

Viewed from the dynamic vantage viewpoint, cooperatives have great potential which can be tapped if the necessary funds and technical assistance are forthcoming.

It is imperative that the promoters of cooperatives emphasise, right from the start, the business content or nature of cooperatives, as can be seen from their historical development in many countries. Stemming from this, cooperatives should endeavour to employ the right personnel, adopt proper methods of monitoring and evaluation, strive after self-responsibility and self-government, mount productive ventures to make the societies self-supporting and serve as excellent avenues for the channeling of input and finance to borrowers. This is because of their numerous hierarchical organs, their widespread nature in every state and community and their field staff strength.

The Nigerian Constitution guarantees equality of opportunities to both men and women. By this act, it removed from women certain traditional and man-made obstacles in their social and economic lives. One issue that dominates the contemporary discourse in this respect is promoting women’s participation in the cooperatives. Ensuring women’s participation in Nigerian cooperatives is part of the national action in women’s liberation which is not only political, but legal, socioeconomic and educational.

In order to ensure that women actually participate in the cooperatives, they should embody in their by-laws that a certain percentage of their members should be women; that the women should occupy strategic positions in the society; that women should be well represented in the executive of each society and management committees, where applicable; and that women should be given the same opportunity as men in attending conferences, workshops and other educational courses.

“The cooperatives cannot achieve their given aims if the environment inhibits the operation of their inherent principles.......”
ADE core staff while visiting a youth project funded by NCBA prior to commence of ADE
Grace

Grace Dludlu, Chairperson SASCO – Swaziland during ADE graduation

Lois Kitsch, Program Director, NCUF, one of the facilitators with a youth participant from Ghana Ernest Aidoo
Sylvester Kadzola WOCCU director and CEO MUSSCO, one of the mentors, gives his contribution during the training.

Mike Beall President and CEO NCBA, one of the facilitators presenting on Co-operative principles.

Regulators at the 4th Regulatory Roundtable workshop in Manzoni Kenya.
Chief Joseph Alla receives his certificate of participation from ACCOSCA Board chairman Doctor Hlongwane at the 4th Regulatory Roundtable Workshop.

Participants during the SACCO examiners training.

Part of the ADE core staff and graduates break a leg during the auction night.
Amb. Elkanah Odembo, Mike Beall CEO & President of NCBA and Sylvester Ndiroramukama CEO UCSCU

Team Madiba with their mentor Kathy Chartier, President & CEO Members Credit Union - USA
## ACCOSCA CALENDAR OF EVENTS 2015

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<tr>
<td>14th-20th Feb 2015</td>
<td>Africa Development Educators Johannesberg, South Africa</td>
<td>Application should be received by November 30th, 2014</td>
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<td>16th - 17th Mar 2015</td>
<td>Pre - SLF Workshops Harare, Zimbabwe</td>
<td>Strategic Planning</td>
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<td>SACCO Operational Management (Focus on Innovative techniques for sustainability)</td>
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<td>SACCO Finance Management</td>
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<td>3rd-6th June-2015</td>
<td>Regulatory Round Table, Accra -Ghana</td>
<td>Invite only</td>
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<td>3rd-7th Aug-2015</td>
<td>Performance Management Mombasa, Kenya</td>
<td>Ideal for personnel at operational level</td>
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<td>26th-27th Oct-2015</td>
<td>Pre -SACCA Workshops</td>
<td>Saving &amp; Loan Administration</td>
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<td>Managing Growth Strategy</td>
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<td>BOD Governance</td>
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<td>28th - 30th Oct 2015</td>
<td>16th SACCA Congress Venue TBC</td>
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For More Information, please contact us on:
Email: info@accosca.org
Phone: 2540202714648/9
www.accosca.org