



**Ministerial
Conference
Technical
Committee (MCTC)
Meeting**

14 – 15 October 2010

Maseru, Lesotho

Meeting Documentation



Preamble

The Ministerial Conference Technical Committee (MCTC) has received country progress reports on co-operative development since the 8th ICA Africa Ministerial Conference held in Maseru in 2005. The reports covered all core agenda items as agreed in Maseru. In addition, the MCTC identified pertinent new issues that required addressing by the Ministers in the Ministerial Conference in Nairobi, Kenya 22-24 October 2009.

The co-operative development agenda is squarely located in the international development agenda wherein countries committed themselves, among other things, to meet the Millennium Development Goals (MDG). Attempts in meeting these goals are mixed in the region. The current global economic crisis has made it more difficult to adequately address issues like poverty, unemployment, and food security. However, despite the economic decline, some progress has been registered in some areas such as literacy rates, gender empowerment, and registered co-operative growth.

In an attempt to address the socio-economic challenges facing the region, governments are promoting regional integration through the establishment of trade blocs such as the Southern African Development Community (SADC), the Common Market for Eastern and Southern Africa (COMESA), the Economic Community for Western African States (ECOWAS), the East African Community (EAC), and the Southern African Custom Union (SACU). At the continental level, the African Union (AU) is becoming active in both economic and political matters. For instance, the African Peer Review mechanism (APRM) is the instrument put in place by African countries under the AU to benchmark performance on governance and social economic contributions.

Countries in the region agree on the importance of improving the lives of the people of this region. Positive growth in terms of GDP is partly a result of policies that promoted macro-economic stability (i.e. low inflation, fiscal stability). Consequently, we witnessed relative growth of co-operatives in numbers and membership. The co-operatives business model has greater appeal and governments are rediscovering co-operatives as a vehicle of economic empowerment. Many countries have created a conducive environment through the enactment of policies and legislation that promotes co-operatives (e.g., South Africa, Rwanda, Lesotho, Swaziland, and Botswana); we have seen an increased support in the form of programmes to support co-operative development, as well as restructuring and reform of co-operative training institutions.

However, these positive developments in the continent are being undermined by the following international developments - food and oil crises resulted in increase in prices of inputs affecting demand which in turn resulted in a negative impact on co-operatives development. The financial crisis had an immediate impact in African countries such as South Africa, Namibia and Botswana which experienced a reduced demand in mineral commodity exports. Other negative effects of the crisis include falling remittances and reduced flow of tourists which have contributed

Table of Contents:

Page 1:	Preamble
Page 2-7:	Recommendations
Page 8-9:	Communique
Page 10:	About the ICA & Meeting Information

to increased unemployment. The economic crisis in Africa has continuously depressed the demand for commodities resulting in high unemployment at the national level in general and the co-operative movements in particular.

Recommendations

Recommendations of the 9th ICA Africa Cooperative Ministerial Conference held in Nairobi, Kenya, 22nd – 24th October 2009

1.0 Structure and Organization of the Co-operative Movement

Whereas no uniform structure is to be recommended for the region, each country should continuously research on their existing structures to ensure their efficiency, relevance and cost-effectiveness to the movements in their countries.

Whatever structures are existing should conform to the policy and legislative instruments in the respective countries as long as they conform to the cooperative values and values.

All cooperatives who are eligible are encouraged to join ICA.

2.0 Co-operative Development Policy and Legislation

It is recommended that ILO Recommendation 193 continues to inform the basis for the policy and legislation review processes in the region.

The cooperative values and principles should be the cornerstone of all cooperative policies and legislations in the different countries. This is because they increase chances of cooperatives being recognized as a unique business model and enhance their resilience in times of crisis.

It is recommended that all countries should focus on completing the process of formulating the policies and review of their legislations to be in place before the next Ministerial Conference. In so doing wide consultations should be held with different stakeholders within the co-operative movement.

The aspect of sensitization of stakeholders and popularization of the policies also needs to be taken up. Translations and simplification of the Policies and Acts into local languages should be enhanced.

3.0 Co-operative Finance

The conference recommended that all countries should work towards establishment of a com-



Attendees at the Ministerial Conference Technical Committee (MCTC) Meeting held in Kampala, Uganda 13-15 July 2009

Recommendations, cont.

prehensive and integrated cooperative financial system at country and regional levels. This includes SACCOs, cooperative banks and cooperative insurance, among others. This imposes the need to develop professional managers who can exercise a position of genuine leadership, based not on superior knowledge alone, but on superior knowledge of the needs of those being led. Governments should develop policies to facilitate these processes.

4.0 Gender

The conference recognized the continued gender imbalance within the cooperative movement and the need to redress it at all levels. Countries have already developed gender policies and the cooperative movement interventions to promote gender equality must be aligned to the national gender policies.

It was also recognized that the ICA has already developed and adopted the Gender Strategic Framework. It is recommended that the cooperative movements in the continent should expedite the implementation of the ICA Gender Strategic Framework which was adopted in the ICA Regional Assembly in Abuja, Nigeria in 2008.

5.0 Youth

The conference recognized the continued under-representation of youth within the cooperative movement, despite their demographic strength in the region. Some countries have already developed youth empowerment policies and strategies.

The conference recommended that all countries implement strategies and programmes for increasing youth participation in cooperatives.

The conference recognizes that in some countries there are special youth programmes and funds. Youth organized as cooperatives should be linked and supported to access opportunities provided by these programmes and funds. Where those programmes and funds do not exist, it is recommended that these be developed.

It is recommended that an ICA youth forum be formed to share experiences on youth empowerment and participation in cooperatives.

6.0 Member Empowerment

The conference recognized that member empowerment is critical for emergence of a vibrant and sustainable cooperative movement.

Member empowerment should be well articulated in the policies and laws and enforced.

Countries should design and fund member empowerment programmes.

7.0 Human Resources Development

A number of countries have recognized the need to have training institutions for cooperatives and are therefore in the process of establishing them. Others are looking at upgrading their institutions to provide relevant skills demanded by cooperatives.

The conference observed that member education and training in most countries is provided by diverse service providers (i.e. training institutions, the movement, the government, and consult-



Recommendations, cont.

ants). The content and cost still remain an impediment to members and leaders of co-operatives to access training and education on co-operatives.

The conference recommended that HRD institutions within the region should support each other and share experiences through building a network and professional associations of training and education institutions to provide quality programmes and to ensure effective delivery mechanisms.

8.0 Stronger Regional Collaboration

The conference has observed that there is lack of greater regional collaboration and trade among cooperatives.

The conference also recommended that the cooperatives should also take advantage of their regional preferential trade agreements.

The conference recommended that internal lobbying from the existing regional blocs should be intensified.

The conference recommended that countries collaborate on HRD training costs.

The conference recommended joint cooperative trade fairs and exhibitions to be introduced.

The conference recommended that countries collaborate on investments.

9.0 Information Communication Technology (ICT)

The conference observed that a number of cooperatives are not yet harnessing the advantages of ICT.

The conference recommended that cooperatives should embrace ICT.

The conference recommended that governments be encouraged to assist by providing cooperatives with infrastructure for ICT.

The conference recommended HRD institutions which train people in co-operative issues should also include ICT skills development in their curriculum.

ICA encouraged cooperatives to register with the. **coop** domain.

10.0 Research and Development

The conference recognised that research generates new knowledge which enables cooperatives to innovate and remain competitive in their operating environments.

Some research has been undertaken by ICA and other development partners, however at national level, there is little or no research undertaken by national apexes, governments and training institutions.

The conference also noted that there is absence of reliable data on cooperatives and recommended faster implementation of the CODAS system in all countries.

The conference recommended that those countries that are still lagging behind on research



Recommendations, cont.

need to put in place research programmes at national levels and also to use research findings to improve performance of cooperatives.

The conference recommended that ICA assist in capacity-building for research.

11.0 Concern for Community

The conference recognized that most countries have made progress in this area. Activities undertaken include co-operatives in waste management, tree planting, agro-forestry management, and getting involved in alternative sources of energy.

The global ICA has established a Committee on Climate Change on Co-operatives and is requesting the region to be involved and participate.

The conference recommended that cooperatives should continue practicing the concern for community principle since they are people-centred organizations for effective resource management and sustainability.

12.0 HIV and AIDS

The conference observed that most countries reported that HIV/Aids is still a threat to the co-operative movement.

The conference recommended that strategies and measures for mitigation are still needed to be put in place or implemented. These strategies would help to consolidate the trend of reducing the prevalence of HIV/AIDS as reported in most countries.

13.0 Relevant taxation for Cooperatives

The conference recognized that taxation is a government requirement and that companies and individuals pay taxes to the government to enable it to primarily finance national economic and political developments and regulate economic market forces

The conference recommended that governments be urged to provide cooperatives with the tax regimes that recognizes their unique nature, level the playing field and that the taxation system should be fair.

14.0 Auditing Standards and Procedures for Cooperatives in the region

The conference observed that the process of auditing has widened the scope covering financial, social and environmental.

Cooperatives have only concentrated on financial audit

The conference recommended that cooperatives also introduce social audits in order to capture member value-addition.

15.0 Capacitating the ICA Regional Office

Recommendations, cont.

The conference has recognized the important role played by the ICA Regional office and the lack of capacity to effectively deliver services to its members.

The conference agreed to the principle of supporting the ICA Regional office financially by both government and the cooperative movement. An indicative figure of an annual figure of US\$20,000 will be debated voluntarily by the respective countries. Written requests will be sent by the chairperson of the Ministerial conference with an indicative figure and also attaching the budget of the ICA office, including time frames.

16.0 Monitoring and Evaluation Mechanism

The conference recognized that there is a need to monitor and evaluate the implementation of the recommendations of the ministerial conferences.

The conference recommended that the chairperson of the ministerial conference should be mandated to take up the role of monitoring and evaluation together with ICA Africa.

The conference also recommended that the Ministers meet on their own a year and a half from this meeting.

The conference also recommended that the MCTC should meet every year to review progress and report to the current chairperson.





Communique

We the Ministers responsible for co-operative development in Africa, assembled here in Nairobi, Kenya in compliance with the Gaborone Declaration of 1984 and the decision of the 8th ICA African Ministerial Co-operative Conference held in Maseru, Lesotho in 2005;

HAVING CONSIDERED AND ADOPTED

The Progress Report on the implementation of the strategies agreed upon for the period 2005 – 2009 as prepared by the meeting of the Ministerial Conference Technical Committee held in, Kampala, Uganda from 13 – 15 July 2009 and presented to us at Nairobi, Kenya on 23rd October, 2009 and the statements of the Ministers responsible for co-operative development in the region.

HAVING NOTED THAT

Significant progress has been made in achieving the strategies set out in 2005 – particularly in the areas of policy and legal reforms, gender, youth as well as cooperative finance and human resource development, and that further efforts and action are still required – especially in the areas of research, regional integration, HIV/Aids, strengthening national structures and Information and Communication Technology:

CONVINCED THAT

Co-operatives are suitable and effective organizations for mobilization of human, social and financial resources for sustainable human and economic development and contribute to poverty reduction;

REALISING THE NEED

To reposition co-operatives to realise their full potential as vehicles for driving African Socio-economic recovery through innovation.

RECOGNISE THAT

The main challenges facing co-operatives include the various global crises such as the economic crisis, food and oil crisis, and climate change; HIV/AIDS, widespread poverty and issues of leadership, management, member empowerment, market access and declining external support;

COMMIT

Ourselves to support the implementation of the strategies

Communique, cont.

that have been formulated for the period 2009 – 2012.

Creating an enabling environment for the implementation of the Strategies.

The Ministers responsible for cooperative development present here in Nairobi on this 23rd day of October two thousand and nine are as listed below:

BOTSWANA

Mphetlhe Boniface G.
Deputy Permanent Secretary
Ministry of Trade & Industry

EGYPT

H.E. Ambassador Saher Hamza
Embassy of Egypt to Kenya

KENYA

Hon. Joseph Nyagah
Minister for Co-operatives
and Marketing

LESOTHO

Hon. Khotso Matla
Assistant Minister of Trade & Industry,
Co-operatives & Marketing

MALAWI

Hon. Stephen Kamwendo
Deputy Minister
Ministry of Trade & Industry

NAMIBIA

Hon. Katali Henry Isak
Deputy Minister
Ministry of Agriculture, Water and Forestry

NIGERIA

- Mohammed Ahmed Kontagora
Director-General
Niger State – Ministry of Investment,
Commerce & Co-operatives
For Hon. Commissioner for Commerce, Investment
and Cooperatives
- Mr. Frederick Otujinrin
Lagos State
For Honourable Commissioner for Agriculture and Co-
operatives

RWANDA

Hon. Monique NSANZABAGANWA
Minister
Ministry of Trade & Industry

SOUTH AFRICA

Jeffrey Ndumo
Chief Director
Department of Trade & Industry

SOUTHERN SUDAN

Hon. Peter A. Sule
Minister
Ministry of Co-operatives & Rural Development
Southern Sudan

JUBA

SWAZILAND

Hon. Ntuthuko Dlamini
Minister
Ministry of Public Works
And Transport (For Minister of Commerce, Industry
and Trade)

TANZANIA

Kasuga Peter Gwido
Director
Ministry of Agriculture, food
Security & Co-operatives

UGANDA

Hon. Gaggawala Wambuzi
Minister
Ministry of Tourism, Trade
And Industry

ZIMBABWE

Hon. Sithembiso G.G. Nyoni
Minister
Ministry of Small & Medium Enterprises & Co-operative
Development

ZAMBIA

Hon. Daniel Kalenga
Deputy Minister
Ministry of Agriculture & Co-operatives

ZANZIBAR

Khamis Ussi Ali
Registrar of Co-operatives
Ministry of Agriculture, Livestock & Environment
Department of Co-operatives

More Information

Meeting Venue:

Lesotho National Convention Centre (LNCC)

Currency:

Lesotho's currency is Maloti and is equivalent to South African Rand which is also a legal tender in the country. US\$ = LM 7.4

Immigration:

Participants requiring visas to enter Lesotho where there is no Lesotho Embassy/High Commission will be required to send details of their passports so that arrangements can be made to have the visas issued on arrival.

Contact Person :

The contact person in the local committee is:

Mrs. Puleng Rampa-Shale
Government of Lesotho, Department of Co-operatives
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Tel: 266 58501216

About Lesotho:

You may wish to visit the following websites to learn about Lesotho:

Tourist Information: email touristinfo@ltdc.org.ls or visit www.ltdc.org.ls
About Lesotho: www.lesotho.gov.ls

About the ICA

ICA is an independent, non-governmental association which unites, represents and serves co-operatives worldwide. Founded in 1895, ICA has 242 member organisations from 91 countries active in all sectors of the economy. Together these co-operatives represent more than 800 million individuals worldwide.

ICA Africa is a regional office of the International Co-operative Alliance. It serves, unites and represents ICA's member organisations in Africa.

The new 4 Year Strategy Plan for ICA Africa aims to reposition the ICA as a relevant and sustainable apex organisation for the regional co-operative movement. The activities of the Strategy Plan are grouped under four main Strategic Objectives which are shared by all component parts of the ICA:

- Membership
- Influence
- Development
- Governance

ICA Africa promotes and strengthens autonomous and

viable co-operatives throughout the region by:

- serving as a forum for exchange of experience and a source of information on co-operative development, research, and statistics;
- providing technical assistance for co-operative development;
- collaborating with co-operative development agencies (main partners include the Swedish Co-operative Centre and the Canadian Co-operative Association), United Nations organisations and other international (e.g. ILO's COOPAfrica project), and African regional organisations

Its activities include:

- capacity and institution building;
- policy development, advocacy, lobbying, representation and networking;
- research and knowledge management;
- rural finance;
- agricultural marketing; and
- promotion of women in co-operative development.



INTERNATIONAL CO-OPERATIVE ALLIANCE Regional Office for Africa

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