

Strategies for Revival of Cooperatives in Uganda

1.0 Introduction

A cooperative is both an enterprise and, a membership based and driven organization. The prime purpose of all the cooperatives is to meet the needs of their members not to make a profit for shareholders. Much of the surplus earned by cooperative enterprises is used for social purposes. In some cooperatives, members also receive dividends on the amount of their trade with the society, not the size of their shareholding. Cooperatives are governed on the principle of one member one vote.

1.1. Cooperatives in the global arena

As a source of credit, food, social protection, shelter and employment cooperatives play an important role. The United Nations estimated (in 1994) that the livelihood of 3 billion people was made more secure by cooperatives. At least 800 million are members of cooperatives and 100 million are employed by them

1.2 Why are cooperatives special?

The essential characteristics of a cooperative is that it is a democratic organisation engaged in the market place ,providing goods and services .It is nevertheless based on people ,not on capital or government direction. In its essence it can never escape, even if it wanted to, the capacity of members to exercise control when ever they wish to do so (Ian McPherson).

1.2 Why cooperatives revival?

Cooperatives continue to be an important means, often the only ones available where by the poor, as well as those better off but at perpetual risk of falling back into poverty have been able to achieve economic security and an acceptable standard of living and quality of life (ICA, 1996).

3.0 Revival strategies

The following strategies should be employed to in the revival process of cooperatives.

i. Strengthening of primary cooperative societies into strong and viable rural producer organisations

- Convening of special general meetings at primary cooperative societies
- This helps streamlining leadership build confidence and build ground for mobilization of active membership
- Streamlining of records and creation of standard accounting system
- Updating of membership and recapitalization of the cooperatives
- Mobilization of new membership and sensitization of the public about the role of cooperatives in development
- Mobilize people to form new co-operative societies that suit their common interests.
Undertake a funds mobilization drive for the revitalization process
- Undertake leadership training programme in governance and entrepreneurship, and strategic planning With the view of developing vision, mission and business plans for their respective societies and also run their societies democratically.

- Support external audit to ascertain status of the cooperatives
- Help and guide cooperatives recruit qualified staff in the management of cooperatives
- Support cooperatives undertake enterprise selection in line with the country agricultural zoning and based on return on investment and marketability of the enterprise
- Rebuild the co-operative-image through publicity campaigns

ii. Agricultural production and productivity enhancement

- Pre-season planning and enterprise selection

- Promotion of contract farming with farmers through ACES and unions
- Identify input suppliers and link them to primary cooperative societies
- Train farmers according to enterprises selected.
- Promote bulk procurement of inputs
- Train farmers in improved input usage
- Promote water harvesting for livestock and irrigation
- Promote farm mechanization
- Organize study tours and exchange visits.
- Train farmers in HIV& gender

iii. Diversification of Co-operative Enterprises beyond commodity marketing

- Conduct feasibility studies to establish viable co-operatives
- Generate and disseminate literature on viable cooperatives through seminars and workshops, among others.
- Carry out study visits to facilitate learning from co-operatives' best successes.
- Promote collaboration among co-operative societies to harness synergies

iv. Establish viable and sustainable marketing system to ensure improved market access, Quality Assurance and Competitiveness

- Institute a mechanism for market information delivery to the households
- Upscaling of cooperative based information system
- Support bulk marketing and advance handling and processing practices that conform to international quality requirements through Co-operative Enterprises.
- Work with training institutions both public and private to provide business and entrepreneurship skills that promote private sector development and competitiveness.
- Support through a public-private partnership acquisition of marketing infrastructure such as warehouses, cold storage facilities and transport facilities.

v. Improve access to financial services through deepening and widening approaches by promoting safe, sound and sustainable SACCOS.

- Provide SACCOS with start up kit support

- Facilitate mobilisation of new members and share capital
- Carry out external audit
- Carry out exchange visits
- Leadership training
- Management staff training
- Standardise systems and monitoring mechanisms
- Facilitate opening of SACCOS branches to promote outreach
- Support the re-establishment of the cooperative bank for the movement to ensure improved access and sustainable delivery of rural financial services and value chain financing.
- Support cooperatives to access affordable agricultural credit from possible sources through inventory credit by linking Production and marketing cooperatives with SACCOS.

- Promote establishment of warehouse receipt system and link them to the cooperative societies for collective marketing.

- Strengthening of monitoring and supervision function at the department through continuous training

- vi. Legal Reforms to facilitate the cooperative movement to operate and develop**
 - Review and amend the Co-operative societies Act Cap 112

- vii. Regulation to enhance good governance, compliance to laws and standards**
 - Disseminate the co-operatives code of best practice document.
 - Register new co-operatives.
 - Monitor and evaluate co-operative societies' activities
 - Deregister and liquidate non-compliant co-operatives.

- viii. Enhance cooperative education and training**
 - Carry out a comprehensive co-operative training needs assessment

- Review the status of Kigumba Co-operative College with a view to improving its role in co-operative education.
- Design, finance and implement a comprehensive member education and training programme.
- Restructure the cooperatives syllabus.
- Develop a suitable cooperatives curriculum in collaboration with Ministry of Education and Sports.
- Develop teaching/learning materials to facilitate delivery of member education.
- Establish a framework for impact assessment, monitor and evaluate education and training programs.
- Hold public lectures and panel discussions on co-operative issues
- Translate and disseminate co-operative education materials and information in English and local languages.
- Carry out study visits to areas of high co-operative success.
- Strengthen District Commercial/Co-operatives Offices through provision of technical, human and financial resources

ix. Enhance Research and development in cooperative sector

Promote and support innovations and value addition initiatives

X.Co-operatives and Sustainable Natural Resource Use

- Promote afforestation through co-operatives.
- Mobilize and sensitize members on the values and means to environmental sustainability.

xi. HIV/AIDS and malaria

- Hold mass campaigns at grassroots on behavioral change
- Promote community awareness, management of HIV/AIDS, care & support of the sick.
- Engage co-operators in joint planning of interventions against HIV/AIDS and malaria

Conclusion

All communities in Uganda should interest them selves in forming and actively join Cooperatives if they are to attain rooted growth, development and later on, create wealth. I wish to reiterate that, The Cooperative Development Department will make every thing possible to support the formation growth and development of cooperative organizations in, the entire country. More deliberate effort will also be undertaken to ensure that the institutions are able to create value; benefits to the members hence assist individual house holds to generate and create wealth.

References

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