

UN EXPERT GROUP MEETING NAIROBI 26-28 MARCH 2019

HARNESING THE POWER OF COOPERATIVES TO ACHIEVE SDGs:

SUCCESSSES, CHALLENGES, THE ROAD AHEAD:

Methods of compiling and Reporting on data by rural cooperatives and how to provide incentives for systematic recording and reporting on data: DATA TO DATABASE.

A case for Cooperatives and farmer groups in Teso region in Eastern Uganda

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DATA or relevant organized information is central to the seven principles of a cooperative and indeed for the cooperative being an instrument for Social Economic and other desired objectives.

We examine the **DATA** in the rural or peri urban context, moreover considering how instrumental this is in achieving SDGs for all. This demographic makes out more that 70% of most national population proportions and would be involved Agriculture and related sectors, singled out globally as the key to human survival, thriving and indeed development.

Whereas we universally accept from the UN resolution A/RES/72/143 that cooperatives in their various forms promote the fullest possible participation in economic and social development in local or rural communities and all people, including Women, Youth, Older persons, Persons with disabilities, Indigenous groups, and instrumental in eradicating poverty and hunger, and providing for essential life needs such as health, appropriate **DATA** and its use become fundamental to implementation of the resolution and achieving its objectives particularly in impact and sustainability.

DATA is critical to supporting implementation of International Cooperatives Alliance ICA vision 2020 and demonstrates cooperatives as leaders in achieving Economic, Social and Environmental sustainability, plus being a model of the people, by the people, for the people and country. **DATA** also underpins cooperatives as fastest growth form of enterprises, the latter being desired models of ensuring impact, and sustainability.

DATA or relevant information or **STATISTICS** is possibly the key desired area in strengthening understanding, resolve and strategies to eradicating **Rural poverty**.

The two key statistics are that **Rural** firstly hold by proportion the highest percentage of the **populations**. Secondly Rural is the biggest proportion of **production** in the key sector or Agriculture itself singled out as a key growth sector in targeting the eradication of poverty. Moreover Rural is entrenched in subsistence in most vulnerable economies or communities, subsistence being synonymous with poverty. Statistics are critical to dealing with poverty or its eradication, in understanding numbers and how they work.

As the Expert Group Meeting, EGM focuses on the provision of healthcare, in particular the UHC agenda, DATA is critical and indeed the three arguably most critical areas, *the linking of production or productivity to the provision, in innovative income sharing model, the structuring of affordability and then the integration of technology*, all of which are designed to ensure the achievement of SDGs with impact and sustainability.

The application of information ensures the Economic Social argument of cooperatives, ‘Make money while changing community’, or even ‘Change society and make money in the process’. The following are therefore ensured as in the saying ‘You can always improve what you can measure’:

Reduce or break the backbone of POVERTY

Create employment and build skills

Ascertain Food security (Zero Hunger) in all three aspects of Available Food, Nutritious Food and Healthy and Safe to eat Food.

Women Empowerment, leadership and access in set up

Social inclusion proportions

Cooperatives as enterprises in achieving sustainable and impacting SDGs

Uganda has continued to face challenges in reestablishing the cooperative movement since the collapse of the 1980s for the reason that whereas the top down approach was key in the setting up of cooperatives transiting from colonial rule, the government being instrumental as strategy to map out cash revenue products targeting the export markets ie coffee, Cotton tea, the struggle of these on the international markets relative to production in Uganda therefore saw less prioritizing of the cooperative movement.

Bearing in mind that cooperative movement, being rural based was easily destabilized when rural social movement escalated due to the internal wars the country faced. the resettling of the people and the destabilization of the focus and ability of production saw the decline of activity and imminently the shift to what had been championed as food crops that then become source of income, but could not then be adopted into cooperative movement for the reasons of weak economies of scale. .While the government adopted the model of local governance, the council (LC) system embedded in the rural community, this failed to attract production mobilization that could have translated to the re establishment of cooperatives.

The emergence of the current rural or peri urban farmer group models popularly known as Savings and Credit Organizations (SACOs) are slow or weak to translate to cooperatives as the focus is narrow or are targeting organization to consumption rather than production.

The attempts therefore to reestablish the cooperatives from bottom up, instigated by local people is struggling and failing to attract government support while at the same time just that expectation of support from government is undermining self-autonomy drives. The chronic weak

area is the appetite, or skills to undertake formal recording or registration of information for purpose or organizing functional groups translating to cooperatives or operating as such

The government of Uganda is feeling the urgency and very recently announcement was made by the prime minister to reestablish the cooperative bank, being the instrument of liquidity and financial inclusion but was also the emblem for the cooperative activity and movement a whole. The president also launched the model of village registration and production units, at the recent national strategic planning meeting

We as **Teso PEDO** in Uganda are already implementing the new thinking, firstly in the **design of groups**, what we believe will ensure functional cooperatives, fit for purpose of empowering communities, subsequently in a wider yet local context, the achievement of SDGS. This includes strategic inclusive leadership of the JAG that will emphasize the right set up of both **demographic targeting** as well as **production objective**. The registration to membership therefore captures vital information that is critical to the functionality and production objective (as in registration form attached: Appendix 2)

We have emphasized the two aspects, the set up with the theme of **ACTIVITY** hence the Joint Activity Groups (JAGS) that will translate to cooperatives. The Administration and management, leading to producing and processes, in putting into place the leadership linking to our central office and national set up, easier to manage, with supervision down to the lowest units

The JOINT ACTIVITY GROUP (JAG):

The JAG with approximately 100 members shall have leadership targeting representation of the demographic, as well as operational focus. The leadership will support implementation of agreed production activities as well as monitor implementation or access to life essential needs such as health and education. The emphasis will be on development and productivity benchmarks.

The JAG leadership will supervise the disbursement of inputs and other resources to the members as well as the collection of produce for bulking or for the market.

The JAG forms the baseline stage of gathering information and making relevant for the objectives. The information includes the demographics the household formation, tools of production owned or accessible..

THE JAG MEMBERSHIP:

The **membership** is individual for the sake of productivity target plus the strategic roles each member of the household plays. We say every member a project. They register at \$3 per annum to membership and to assess services that include inputs and link to markets

The membership package then includes support to production pathway but crucially a **commerce platform** to ensure **income sharing** that targets savings, life needs and investments besides livelihood and consumption.

The members will be bankable, **using a bank** or alternative financial institutions and joining national economic data

We allocate funds to access to Essential Life Needs (ELN) such as health, Education, Housing, **safety nets** such as insurance, themselves revenue model structured.

The more they produce, with support, the more they are able to proportionately allocate to the above. The minimum savings to investment is about \$2 a week, making it \$104 per annum. By JAG or District, this is aggregated and match funded and re invested.

To each member would be a continual simple question we can ask each of ourselves: Are you productive or do you **EARN**? Do you **SAVE**, Do you **INVEST** to earn more

THE JAG AND REGIONAL FINANCIAL SUSTAINABILITY MODEL:

The JAG saves \$10,000 per year that draws matched investment funds linked to production.

In 2019 we are dealing with 10 JAGs per district in the TESO region, aggregating to 100 JAGs therefore 10,000 members. These will raise \$1,000,000 savings in a year. We require to match fund that with \$2,000,000, for liquidity in supporting their borrowing for production setting up production inputs and assets and other expenditure.

This will generate in the region an economy of \$5,000,000. Most of investment sectors and models are already proven in concept and market access secured.

Into 2021 we look to have 1000 JAGs per district that 100,000 members per district and therefore 1,000,000 members representing 20% of the population in the region. The annual savings of \$100Million, driving an economy of \$500,000,000. This is still modest as it represents value of just \$100 per head per annum for the region of 5,000,000 people

These forecasts represent achievement of most of the critical SDGs but as the activities are compounding, we are confident of achieving all the SDGs for this region in 5 years and would have franchised the models nationally and in Eastern African wide region

The critical achievement is Affordability and ability to enterprise, that are cornerstones for impact, quality of life and sustainability to achievement of SDGs

The Sub County Coordinator: (SCC)

The Sub County Coordinator and their own team supervises the JAGS in his assigned Sub County for compliance on agreed objectives, shared information to the District Manager as well as sharing relevant information from Top to the JAG members. The SCC plans trainings and any development benchmarks of the JAG with their committee.

The District Manager: (DM)

The District Manager supervises the several SCC under his assigned district, and also works with the district local government in harmonizing the district development programs with other development stakeholders.

The DM works with the office on appraising the information, activity and programs of the district carrying out mappings.

Remuneration shall be facilitation costs of tasks assigned plus On Target Earnings (OTE) to incentivize commitment

The CENTRAL OFFICE: TESO PEDO

The office supervises the District Managers, and linking all districts to the national ministry of Cooperatives, supporting the national mapping

The office also links the relevant stakeholders in sector development and value chain development actors, processes and operation of the agreed programs.

The Office set up of the Projects Development Managers, Marketing Manager, Technical Manager, and the Office Administration and Finance all support the matters that arise from implementation of the activities.

Every stage has opportunity to appraise the information and link to overall objective of production.

In re thinking or considering Rural statistics the following three key aspects need to be addressed

DATA gaps what information is both necessary and important

Data availability and consistency, available to who as per DATA protection

Data Usability in consumption.

SUCCESSSES:

- People are assembling, as a result of need to join hands and minds or due to pressure of demand to formalize group activity, hence the emergence of SACOS, contributing in ideas and resources, savings, and undertaking projects. Almost every village has a SACO. There are existing thriving cooperatives, societies and Unions
- People desire it and feel it is important, again from the known past of cooperatives of due to the highlight of benefits from what is already evident. One of the widest conversation, deep and regular across the demographics, is relating development and to the establishment of cooperatives in any form.
- UN and this program, the governments, acknowledge the vital role of the cooperative movements, and we hail the efforts.

CHALLENGES:

Literacy levels, skills to collect and use information is very low within a lot of communities, and weak provision of **training** to that effect

Understating the **need to record**, is often a challenge, including establishing a mindset and therefore organization that enables a well-structured operation of the groups. The direct benefit to the members is often threatened, often be it only in the mind or indeed inevitably by security or political fears, making the autonomy and independence of the cooperative to seemingly be unachievable.

Understanding the **need to share** and leverage the information often likewise undermines the enthusiasm for the fear of stolen information or ideas for the wrong reasons.

Data consumption, **Under usability** including **weak linkages**. Whereas Numbers work, which numbers do we need anyway, and having those numbers what can we do. There is strong evidence of scaling, diversifying and positive activities, because the statistics indicate a positive pathway, but often .failure to take advantage, or indeed take a wrong advantage

Weak Affordability of tools and mechanisms, liquidity and connectivity and structuring due to low development of organization

UN agenda linking to national agenda is often not a priority or is under subscribed. The UN SDGs ought to be each nations fundamental SDGs and funded and implemented as such.

Empowering grassroots. Whereas our objectives are to end rural poverty and indeed acknowledge the role of rural engagement, often most countries don't look at the rural economy or communities as formidable assets for development. The programs to empower the rural economy is therefore undermined and needs to be re addressed These can be ranging from organizational support, training , availing tools all the way to developing infrastructure to link production to markets, power for production, environment and technology integration

THE ROAD AHEAD:

Continual efforts: We must continue this effort, develop Expert groups that link key stake holders get together often, to highlight, to hail, to celebrate successes but above all to target the above challenges in innovative ways

Knowledge sharing and exchange is paramount, dedicated platforms, and

National integration of SDGs to National development agenda must be the push of the UUN in appraising the UN National support with all other UN agencies like WFP, FAO, ILO

Hail, inspire influence the **rise of social economic pathways**, encourage social enterprise development

Support the **tackling of bottlenecks** such as:

Liquidity and funding gaps. This is a chronic problem to cooperatives and rural groups due to many reasons from being perceived as risky to not having well equitable assets , yet the need for liquidity is all the critical matter in sustaining production or often to acquire vital assets. Often what could suffice is t guarantee liquidity and need the muscle of the big stake holder t do this

Social policy frameworks. To continue to lobby for central governments t build into their national planning and activities in various ministries the policy framework with the SDGs at that entre of interest or outcome,

Training, Skills development and resources for set ups and establishments in Rural contexts, sharing best practices. In this context data collection tools and training in using efficiently and effectively

Ultimately What does success look like? Do statistics for Cooperatives support and show:

- Connectivity?
- Functionality, fit for purpose
- Productivity numbers aggregated
- Link to Essential life Needs such as health

Appendix : Member registration form.

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