



International  
Co-operative  
Alliance  
Africa

# INTERNATIONAL CO-OPERATIVE ALLIANCE AFRICA ANNUAL REPORT 2013

\*\*\*The Alliance Africa\*\*\*

November 2014

Nairobi



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## Abbreviations and Acronyms

CAK – Co-operative Alliance of Kenya
DEVCO – Development organized by the European Commission
DGRV – German Cooperative and Raiffeisen Confederation.
EAC – East Africa Community
EAFF – Eastern Africa Farmers Federation
EU – European Union
FAO – Food and Agriculture Organization
ICA – International Co-operative Alliance
ILO – International Labour Organization
PFA – Finance for Agriculture Project
RFP – Request for Proposal
RWFF –Rural Women Farmers Forum
SASRA – Sacco Societies Regulatory Authority
TFC – Tanzania Federation of Co-operatives
UN – United Nations

## Letter from our Chairman



The African Region was eventful in 2013. First, it saw a new Regional Director taking office in March. In addition, it hosted the Global Cooperative Conference and General Assembly in Cape Town, South Africa in November. It was the first time in 118 years of ICA. Africa had the largest delegation. The Conference was a huge success. Furthermore, the first ever continental roadmap, The African Cooperative Development Strategy 2013-2016 was developed, adopted, and launched at the conference of African Ministers and delegates from member countries one day after the Global Conference. The Strategic interventions for Africa are based on the five Pillars of the ICA global Blueprint: participation, sustainability, identity, legal framework and capital.

The African Cooperative development strategy had been developed as a build-up to gains realized in 2012 during the celebration of the UN international Year of Co-operatives. The enthusiasm and interest generated during the year gave us the encouragement to pursue a more pragmatic approach to the promotion and development of the co-operative movement touching in all social and economic facets of human development in the continent. The plan seeks to increase participation of members in co-operatives, and more specifically attract the youth and women.

I take this opportunity to call for support from all our development partners, governments', the cooperative organizations and their members to embrace the plan and facilitate in its full implementation. Financial resources will be needed to support implementation of the plan. Under the initiatives and outputs each activity has been allocated a budget line. I therefore appeal for engagement and involvement for all stakeholders in realizing the goals set for the plan.

Thank you  
**Stanley Muchiri**

## Letter from our Regional Director



It is a great honor for me to serve the African Co-operative movement at a time when the global economies have been going through a challenging time culminating in recession in some countries of the world.

Indeed co-operative enterprises worldwide have been born during or in times of crisis to provide solutions to human suffering. It's important to appreciate the role co-operative enterprises play in the economies of their countries and improvement of quality of life for their members.

As member-based and needs-driven institutions, cooperatives stand in contrast to the ever-changing and short lifespan of the Fortune 500 companies owned business enterprises which are mainly privately capitalised, hence, serve primarily the interest of the investor -shareholders.

Since most cooperatives are community based, investment in, and surplus revenue from, the cooperative stays within the local community. Every money invested in the local cooperative has a significant multiplier effect within the community.

Unlike the pure capitalistic ventures that would relocate and set base on markets and regions that assure them of maximum profits, co-operatives pledge their loyalty to the needs of the members and communities they serve. As a result they provide real solutions to the needs of the community thereby assuring long-term sustainability of the co-operative enterprises.

Our focus in the region remains the development of sustainable co-operative enterprises and that Alliance Africa will work with all countries within the continent to promote and establish cooperatives in all the sectors of the economy.

Thank you,  
**Dr. Chiyo B. Sifa**

### Our Vision

To be the African Leader in promoting a dynamic and democratic co-operative movement; leading the process of social transformation and sustained economic development and growth

### Our Mission

ICA Africa Region shall strive to promote, develop, protect and strengthen the cooperative movement in the region and provide effective and efficient services through partnership and collaboration

### Our Strategy

1. It will do this by; elevating participation within membership and governance to a new level; positioning co-operatives as builders of sustainability; building the co-operative image and securing the co-operative identity; ensuring supportive legal frameworks for co-operative growth; and securing reliable co-operative capital while guaranteeing member control.

### Our Board Members

1.	Mr. Stanley Muchiri	President
2.	Mr. Japheth Magomere	Member
3.	Fr. George Angala	Member
4.	Mr. Hassan Wakasuvi	Member
5.	Mr. Augustine Katarwa	Member
6.	Mottseki Mabejane	Member
7.	Dr. Yousif M. Yousif	Member
8.	Eng. Jibrin Bala Abuja	Vice President

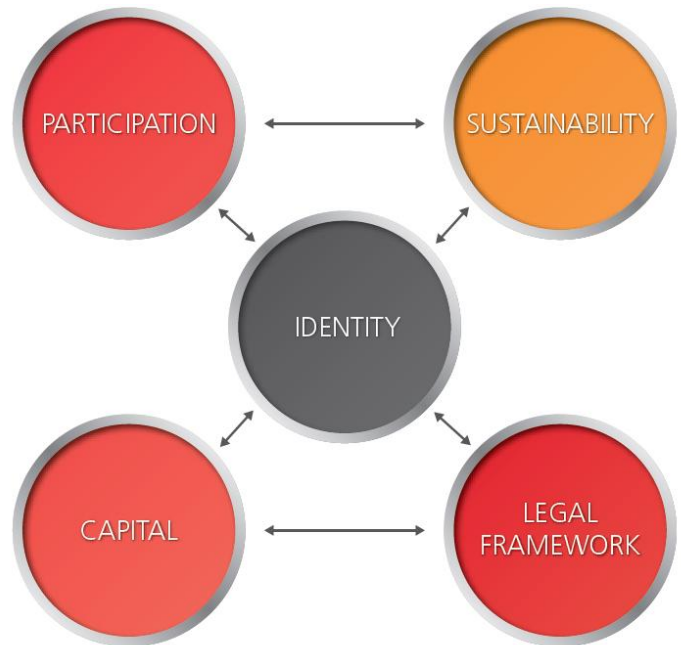
## About Us

The purpose of The Alliance Africa is to facilitate cooperative organizations and their members primarily to pursue their social, economic and environmentally sustainable interests effectively and efficiently through the co-operative business model. The Africa Co-operative Development Strategy is anchored on the blueprint 2020 vision and seeks to generate acceptable benefits to The Alliance Africa member organizations by the means of elevating participation within membership and governance to a new level; positioning co-operatives as builders of sustainability; building the co-operative image and secure the co-operative identity; ensuring supportive legal frameworks for co-operative growth; and securing reliable co-operative capital while guaranteeing member control.

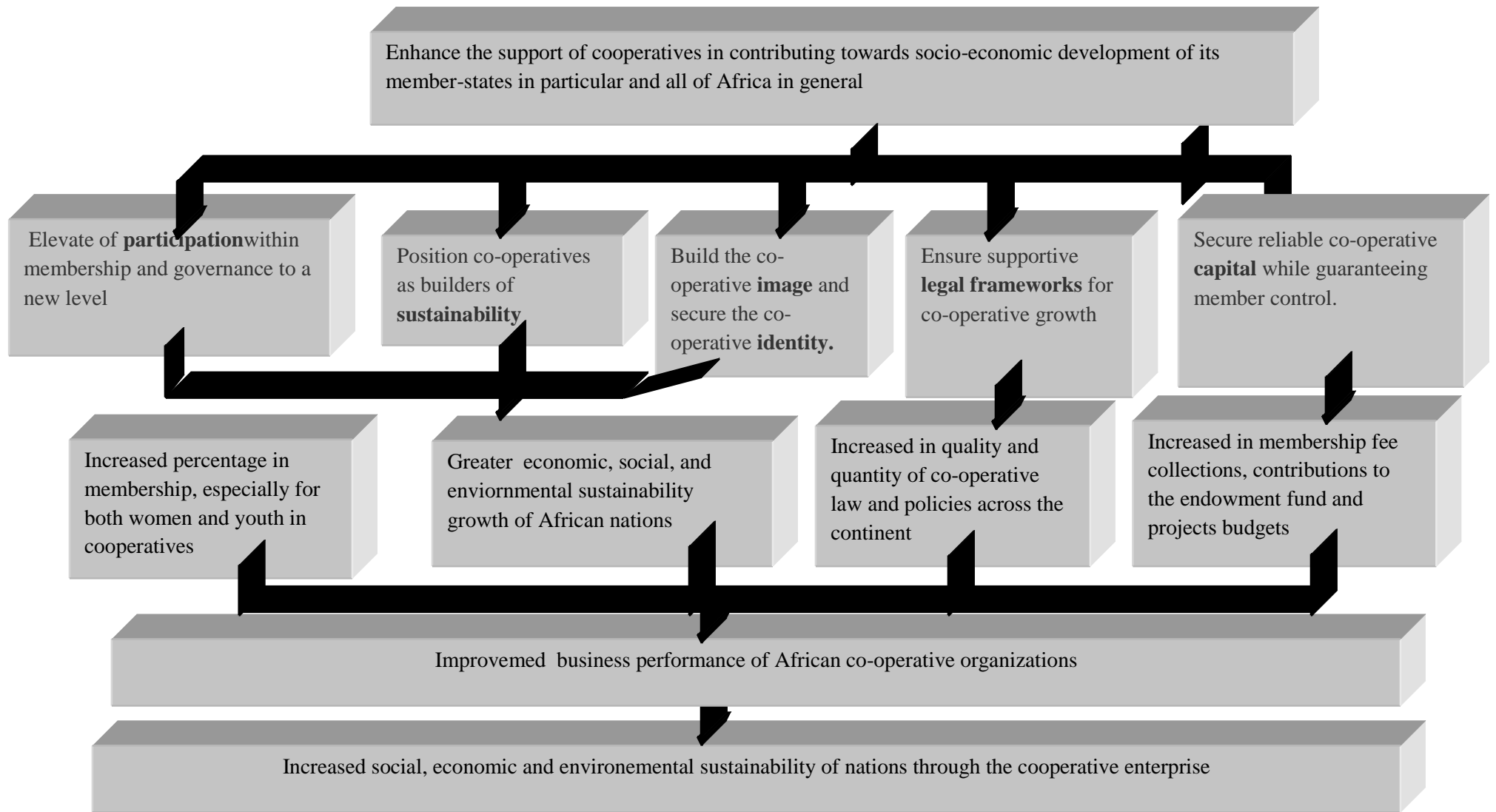
These include the following goals:

- i) Promote the Co-operative Movement Development in Africa.
- ii) Promote and protect Co-operative Values and Principles;
- iii) Facilitate the development of economic and other mutually beneficial relations between its member organizations;
- iv) Promote sustainable human development and to further the economic and social progress of people, thereby contributing to peace and security in Africa;
- v) Promote equality between men and women in all decision-making and activities within the Co-operative Movement;
- vi) To lobby for an enabling environment for co-operative development in Africa.

## Our Pillars



## Our Theory of Change





## Our Milestones since 2012

It is exactly one year since The Alliance Africa together with the regional co-operative movement and the ministers in charge of co-operative on the continent launched the Africa Cooperative Development Strategy 2013-2016. The office is dedicating its efforts in implementing and encouraging member countries to re-align their national co-operative strategies to the regional one. However, this process has been slow and hampered by insufficient funds for the office to support the process of re-alignment at country level. We continue to appeal to our members and all stakeholders for the need for all to remain committed and to participate in the full implementation of the Strategy.



The Alliance Director General (R) next to him The Alliance Africa President during the launch of the Africa Co-operative Development Strategy 2013 – 2016, November 2013, Cape Town South Africa.

## Participation

The Alliance Africa Region is focusing on inclusiveness. Objective One of our Strategy is to raise participation within membership and governance to a new level. To this end, The Alliance Africa has been able to increase the membership base as well as its continental representativeness. We are currently at 33 members from 17 countries.

To encourage membership drive and remain relevant to our members, both the Regional President and the Regional director embarked on various trips.

The Following are the different trips affected by both the Regional President and the Regional Director to represent the Alliance Africa:

The Alliance Africa President, Mr. Stanley Muchiri, accompanied by the Regional Director,

Dr. Chiyoge B. Sifa visited Rwanda in May 2013 to brief the Chair of the Africa Ministerial Co-operative Conference, Hon. Kanimba Francois, Minister of Trade and Industry, on the harmonization of the Strategic Plan and the Global Alliance Blue Print. This was a follow up to the 10<sup>th</sup> Africa Co-operative Ministerial Conference. During the visit to Rwanda Mr. Muchiri was also joined by the Regional Board Member, Mr. Augustin Katararwa.

The Regional Director used her visit to Rwanda to appeal for the country to appoint the Alliance-Africa focal person as per the board resolution in Dar salaam and to follow up on the collaboration between the Alliance-Africa and the regional blocs. As a result, Miss Tumukunde Aimee Ange Marie of NCCR was appointed the country ICA focal person for Rwanda and the MC chair, Hon. Kanimba Francois signed letters seeking collaborations with the AU, NEPAD, SADC, EAC, COMESA and ECOWAS. So far, the regional office and COMESA signed an MOU.

In order to include West Africa in the leadership of the Regional Office in Africa, the Board decided that the Regional Director visit Nigeria and meet with co-operative representatives from the sub region with a view to conduct an election for the Western African Board member and subsequently for the regional Board approval. Alhaji Jibrin Bala, Chairman of Co-operative Federation of Nigeria (CFN), was elected at the meeting held during the Regional Director's visit to Nigeria on 29<sup>th</sup> May 2013.

The Regional Director accompanied by then Strategy Manager, Mr. Francis Munyao participated in the Canadian Co-operative Association Partners Forum held in Accra, Ghana, in May, 2013. They used the occasion to meet with the secretary general of our lost member Ghana Co-operative Council and discussed about their comeback strategy.

The Regional Director visited Brussels in June 2013 by the invitation of the European Commission Social Policy Dialogue to discuss among other things, possible collaboration and partnership. ICA-Africa was co-opted as a member of the forum and the director will be attending meetings every year.

The Regional Director also attended the Co-operative day celebrations on July 1st in Durban, South Africa, honoring the invitation from the South African member SANACO.

She also visited Burundi in August 2013 to attend the EAFF annual conference and met with prospective member and ministry of agriculture officials on same occasion.

The Regional Director returned to Tanzania in August in Morogoro courtesy of TFC to attend the TFC general assembly and annual conference.

The Regional President, Mr. Stanley Muchiri attended all the global board meetings planned for 2013 and 2014, namely the meetings in Moscow- Russia, Seoul-South Korea, Cape Town-South Africa, Beijing-China, Brussels-Belgium and Quebec- Canada and represented the interests of the continent and its members effectively. The Regional Director accompanied the president to all Global Board meetings except the Brussels-Belgium Meeting.

The Regional Director as a committee member of the EU-Africa social actors was invited to Brussels in March to prepare a joint declaration to the EU-Africa Heads of states summit which took place in April 2014. For the very first time, the heads of the states, in their final communiqué, acknowledged the important role of civil society organizations including co-operatives and promised to engage with them in all social, economic and political matters of their respective continents and countries. We urge all our members to seize this opportunity and quote this declaration by their head of states in requesting support from their governments.

In addition, The Regional Director attended the second HavestPlus global forum in Kigali in March. The forum though global, united the key players both governmental and non governmental entities in Africa and beyond. In the forum, the Regional Director advocated for the partnership with Agricultural co-operatives in Africa and concerted efforts for all stakeholders for all to achieve the desired outcome.

Furthermore, the Regional Director visited Morocco in April 2014 on the invitation of the Social and Solidarity Economy Network for Africa and used the opportunity to meet and discuss regional matters and commitment to the Alliance with the Alliance-Africa members from Morocco and Egypt as well as potential members from central and western Africa countries that were present. Alliance Africa is working to create presence in all the sub-regions of Africa. It is our hope that the numbers will translate into increase capacity for the Regional Office.

The Regional Director was a panelist at the symposium co-organized by Friedrich Ebert Stiftung, ILO and DGRV in September 2014. The meeting focused on the co-operatives and sustainable development goals: the case of Africa.

Same month, the Regional Director visited Kigali, Rwanda to attend the 1st Rural Women Farmers Forum (RWFF). The Consultative Forum brought together smallholder women farmers groups and networks from various Africa Countries including countries where ActionAid is implementing its Public Finance for Agriculture Project (PFA) and Regional Farmer Organizations/ movements to better understand the daily realities and challenges facing smallholder women farmers across Africa.

Moreover, she visited Arusha, Tanzania for opening remarks to the workshop on Access to Agricultural Finance and Market opportunities for economic development, an event co-organized with We effect, East African office and which will bring together participants from all the 5 Eastern African countries.

She took part in the annual Policy Forum on Development organized by the European Commission DEVCO, in Brussels on October 2014.

The Regional office was as well invited to the UNDRIT, IFAD and FAO joint meeting in Addis Ababa, Ethiopia in October 2014 to discuss contact farming; Prof. Esther Gisheru from the Co-operative University College of Kenya represented the office as the Regional Director was preparing the Regional Assembly.

Other upcoming meetings before the end of the year where the regional office is invited or involved include: A continental meeting on the human rights to be held in Marrakesh, Morocco, in November 2014. The EU commission sponsored stakeholders meeting for the African Members of the Policy Forum on Development where the Alliance Africa is the local organizer for the meeting and finally the UNDESA and UNhabitat sponsored Co-operatives Workshops where the office provided the list of invitees and the Regional Director will present and give opening and closing remarks. Both meeting will take place in Nairobi, Kenya both in December 2014.



## Sustainability

The Alliance Africa key strategic objective for this pillar is sectorial development. The major sectors to be addressed are:

- Agriculture
- Cooperative finance organizations (banks and insurance),
- Housing
- Specialised sector Co-operatives (health, education, utilities, roads, consumer/ retail, information communication technologies and appropriate technologies
- Industrial artisan and worker based Co-operatives

The Alliance Africa, together with the FAO is in the final stage of preparing the Request for proposal (RFP) for a possible Africa Agricultural Co-operatives Organization with the following objectives:

- Network all agricultural co-operative organisations
- Conduct baseline surveys on the challenge facing the sector in the five sub-regions
- Promote the establishment of agricultural value chain co-operatives in the sub-regions in order to increase food security; and improve production and distribution of agricultural products
- Promote and encourage agricultural co-operatives, especially in all sub-regions and transitional economies, and help find assistance for their establishment, when requested
- Survey the problems which concern agricultural co-operatives in different countries and to make recommendations regarding potential solutions
- Link to organisations interested in food and agricultural production, including farmers organisations
- Encourage Fair Trade practices in agricultural commodity trading
- Mobilise co-operatives and farmer organisations into regional commodity networks
- Organise farming certification

This is a follow up on the Memorandum of Understanding signed between the President of the International Co-operative Alliance (ICA) and the Director-General of Food and Agriculture Organization of the United Nations (FAO) In October 2013. ICA and FAO **jointly** shared their convictions that: eradicating

hunger sustainably will require a significant increase in agricultural investments and an improvement in their effectiveness.

In reference to the MoU, Article 2, Areas of Cooperation, paragraph number 2, ICA and FAO will develop a joint publication, articles, press releases and other forms of communication materials as deemed mutually beneficial. It is therefore envisaged that the preparation and implementation of this proposed Concept Note will be part of the implementation of the MoU.

Similar initiatives for the housing and banking continental studies are also contemplated by the office.

## Communication (Identity)

Communication is the fundamental support system for developing our identity, our principles and values as Co-operatives. The Alliance is working to reposition the organization for effective and efficient voice for the Co-operatives in Africa.

The Alliance Africa facilitated the official tour of Lesotho State Minister and his delegation to Rwanda for an experience sharing as well as other cadres of the ministry of Co-operatives of Lesotho to Kenya for a three week attachment with SASRA with the same motive.

The change of logo and acronym (The Alliance) for the global Co-operative in Cape Town necessitate a similar action at the regions. The office has been popularising the new acronym and logo through regional events which is presented as follows:



Furthermore, the regional office organized a joint workshop in May for both co-operatives leaders and government officials across the continent as a way of providing services to its members as well as capacitating them while encouraging dialogue within the two parties. The workshop was a success with 40 high level participants from 7 African countries, namely Botswana 2, Ghana 1, Kenya 28, Namibia 2, Nigeria 2, Tanzania 3

and Uganda 3. Our Partners ILO and FAO were also in attendance.

### Co-operative Finance

The secure and increased Africa Co-operative Capital base is dependent on internal and external mobilization and collaboration. This is true for both the Alliance Africa as well as its members. Hence, the office is engaged in various activities for this end, one being the Africa Endowment Trust Fund. The aim of the Africa Endowment Trust Fund is to propel The Alliance-Africa to a fully-fledged financially viable organization. The office remains focused on this objective and remind our members of their responsibility towards the office capitalization.

### Africa Endowment Trust Fund Progress

Capitalization towards the endowment trust fund started in the year 2008 with a contribution of **USD 262**. Since then the fund has grown from **USD 235,526.74** from our last Annual meeting in 2012 to a total of **USD 457,251.37** as at 31 October 2014 with governments contributing USD **438,267.42** and the Co-operative movement **across** the continent **USD 16,850** as shown below:

#### Government contribution

	Country	Contribution(USD)	Percentage
1	Kenya	39,218.65	39.22
3	Swaziland	5,287.47	5.29
4	Tanzania	34,164.6	34.16
5	Namibia	79,980	79.98
6	South Africa	100,000	100
7	Botswana	100,055	100
8	Nigeria	39,561.70	39.56
9	Rwanda	40,000	40
	<b>TOTAL</b>	<b>438,267.42</b>	<b>8.765</b>

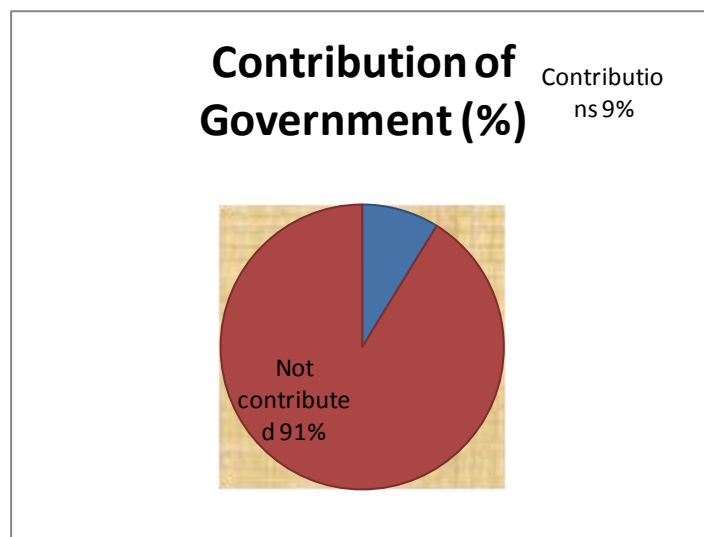


Figure 1

The total USD **438,267.42** represents **8.765%** of the total amount expected that is, USD 5M from the office to be financially strong. These contributions come from only 9 out of 54 African countries.

### Member contribution

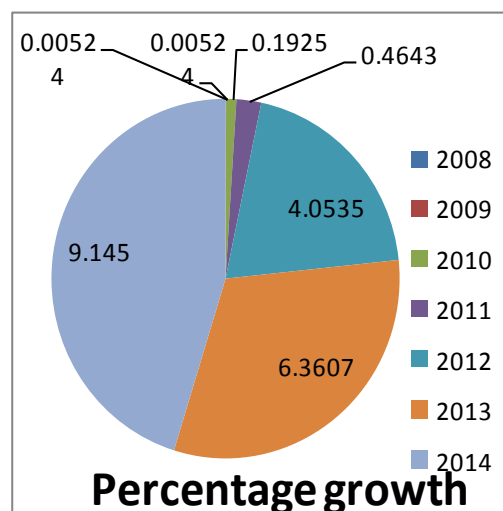
The office has a total number of **32** member organizations spread out in **17** countries in the region. Out of the 32, 6 have contributed towards the fund as at 31 October 2014.

	Member organization	Contribution (USD)
1	Nigeria collections	262
2	Uganda Co-operative Alliance	2,948
3	Tanzania Federation of Co-operative	975
4	MUCCOBS	975
5	Nigeria National Petroleum Corp	6,420
6	CIC Group Kenya	5,000
	<b>TOTAL</b>	<b>16,850</b>

### Annual Percentage growth

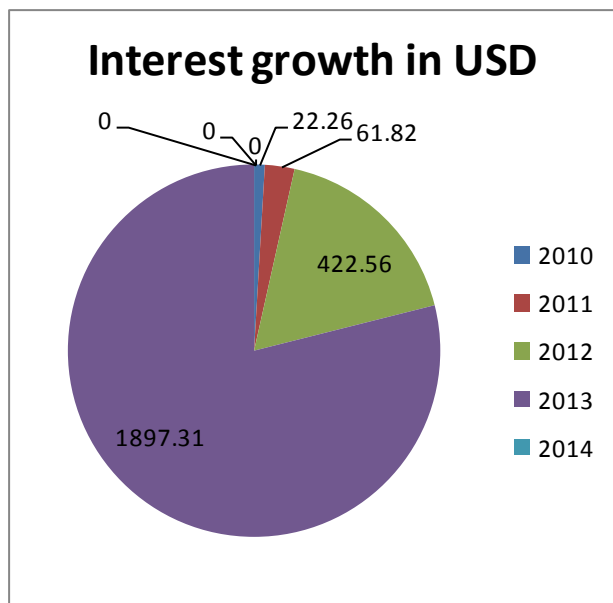
Year	Amount (USD)	Percentage of the USD 5 Million required
2008	262	0.00524
2009	0	0.00524
2010	9,627.88	0.1925
2011	23,219.12	0.4643
2012	202,679.74	4.0535
2013	318,038.65	6.3607
2014	457,251.37	9.1450

Below is a graphical representation of the information above;



The bank interest received per annum from the fund has grown from USD 22.26 since inception to cumulative USD 2403, as shown in the table below.

Year	Interest earned in USD
2010	22.26
2011	61.82
2012	422.56
2013	1897.31
2014	Awaiting year close
<b>Total</b>	<b>2403</b>



Membership subscription Stands at about 50% payment. Our members are yet to be paying their subscriptions on time. We continue to build on expanding membership and discourage cessation of members to increase our subscription.

### Policy

The Alliance-Africa is the focal reference for Co-operative policy. It is our responsibility to ensure the development of Co-operative policy and legal framework within the region. We are encouraging countries to inform us of their policy plans so that we can give support. Currently, we are supporting the efforts to adapt the Kenyan devolved co-operative policies and laws through the Co-operative Alliance of Kenya (CAK).

The Alliance-Africa was invited to the expert meeting organized by EAFF to advice the process on the comments from member countries on The EAC Co-operative Societies Bill, 2014. The East African Legislative Assembly (Assembly) is an Organ of the East African Community (EAC); established under Article 9 of the Treaty for the Establishment of the East African Community. EALA is in the process of enacting a law on co-operative societies in the EAC. The EAC Co-operative Societies Bill, 2014 is intended to harmonize national co-operative laws in the EAC Partner States, and to provide a framework for co-operatives to exploit the EAC regional integration agenda. The Assembly has therefore scheduled Public Hearings to

take place in each of the EAC Partner States in a bid to involve East African citizens in the legislation process.

However, we have also received informal feedback on the OHADA law, which encompasses the co-operative law for most of the francophone countries from Central and West Africa that it may be violating the co-operative principles and some country such as the Mali has promulgated its new co-operative law after the publication of the OHADA Law.

### Governance

Although no members meeting was held in the period under review, the Regional Office continued communicating with the members to keep them abreast of the activities and events both globally and regionally. The office also engaged members on recruitment of more new members and the question of sustainability of the regional office. As a result, our new member from Nigeria, the NNPC, contributed about USD 6,420.00 to the Endowment funds.

Africa, for the first time, hosted ICA General Assembly held in November, 2013 in Cape Town, South Africa. The Regional Director worked with staff at the ICA Global office, the South African Department of Trade and Industry (DTI) and our member SANACO to prepare for the big event that was held at the Cape Town International Convention Centre.

At General Assembly held in 2013 in Cape Town, there were elections for the Global Board. The Regional Office informed the members of the same and asked those interested in standing to do so as well as to inform the Regional Office and the Regional Board. However, the African candidates were unsuccessful.

## Africa Co-operative Ministerial Conference

The African Co-operative ministerial conference has remained to be an effective forum for lobbying governments to create an enabling environment for co-operatives to thrive. During the Alliance Global Conference and General Assembly, a Special Ministerial Conference was convened to validate and launch the Africa Co-operative Development Strategy 2013-2016.

The 10<sup>th</sup> Co-operative Ministerial Conference held in Kigali, Rwanda, in 2012 addressed various challenges/constraints facing the development of co-operative movements in Africa that member countries should address. In order to monitor effectively the implementation of the Kigali recommendations, the Ministers directed the Regional Office to come up with monitoring indicators to be deployed in monitoring the implementation of the recommendations made.

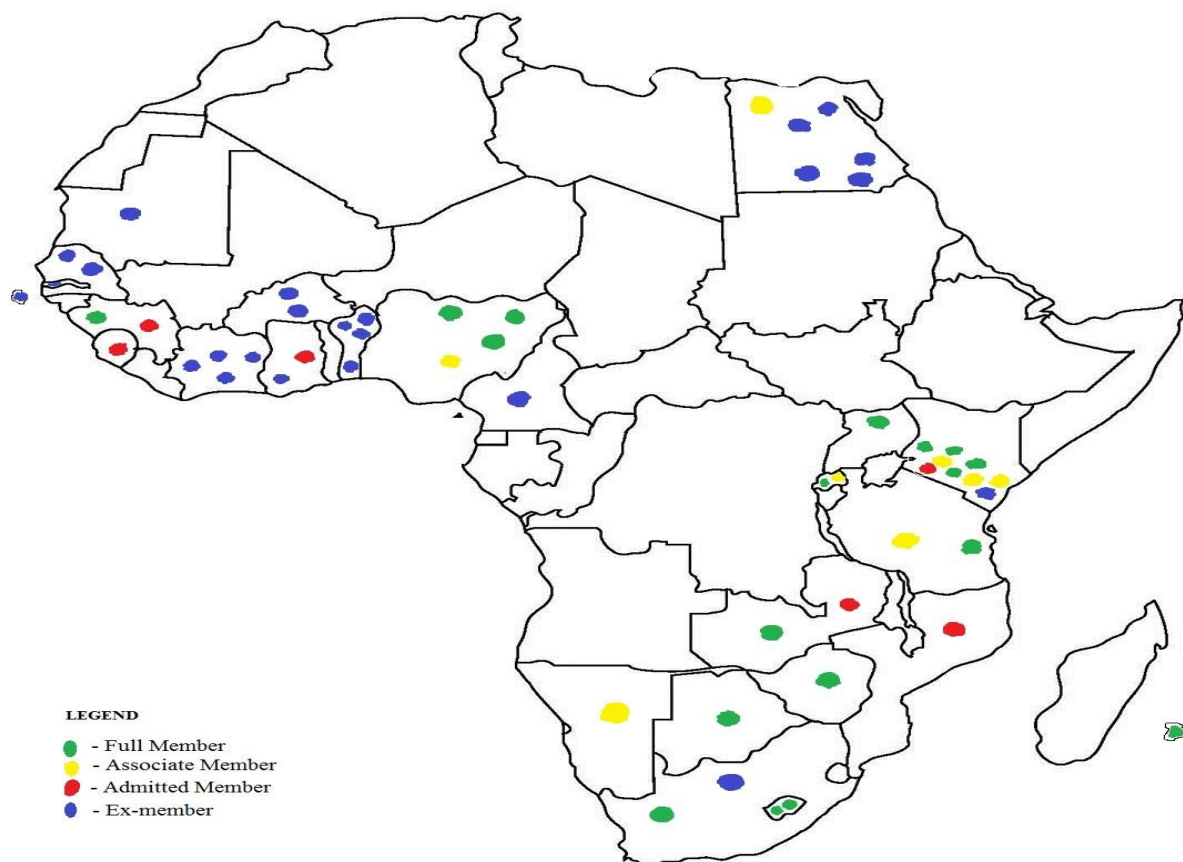
## Membership

The region has had increased enquiries from potential members wishing to join the Alliance emanating from the various regional visits. This has translated into additional 6 new members. The office has also made an effort in retaining membership with only two members at the brink of cessation this year.

The Monitoring and implementation framework developed by the office was adopted as well at the Special Ministerial Framework in Cape Town, South Africa. The MCTC meeting was held at the Co-operative University College of Kenya on 27<sup>th</sup> September, 2013. The meeting was attended by 18 participants from 7 countries to prepare for the special Ministerial Conference in Cape Town.

The 10<sup>th</sup> Africa Ministerial Conference recommended that the Regional office should apply for Observer status in African Union and all Regional Trading Blocks in order to champion for the Co-operative Voice in every policy decision making body within the continent. The process has been initiated through the current Chair of Ministerial Conference Hon Francois Kanimba Minister for Industry and Trade in Rwanda. The regional secretariats have following-up on some.

ICA-AFRICA MEMBERSHIP MAP



## Capacity Building Programme

The regional office has continued to support capacity building initiatives for member organizations through training of staff in specialized areas. In May 2013 the regional office in collaboration with China Coop, ICA Asia and Pacific and ILO organized a workshop in China focusing on Export Market development for Co-operatives in Asia and Africa. The office facilitated two members of staff one each from Uganda Co-operative Alliance and Tanzania Federation of Co-operatives to attend the said training.

### 7<sup>th</sup> and 8<sup>th</sup> Joint Rural Finance Thematic Workshops

The regional office under the Advocacy and Co-operative Renewal project held a rural finance workshop in Nairobi, Kenya and Arusha, Tanzania respectively in 2013 and 2014. The workshops were attended by more than 140 participants from 8 African countries.

Additionally, the office facilitated the training of other two Members of staff one each from Kenya and Ethiopia (as prospective member) to attend another workshop in China.

Furthermore, twenty three participants were recruited to attend training on co-operative enterprises in Israel drawn from Kenya, Tanzania, and Uganda under institutional collaboration with NISPED in Israel. This year, the participant countries were expanded to include Southern African countries.

## Co-operative Development Support Programme

The regional office implemented two projects under the period in review supported by two development partners: the Swedish Co-operative Centre now called WE EFFECT, and the Canadian Co-operative Association (CCA). The two partners are supporting capacity building and co-operative renewal in the region. Both projects are ending December 2013 and the office has engaged the two partners to consider an extension. The CCA project was coming to an end by 30<sup>th</sup> September 2013; however the office renegotiated for an extension up to 31<sup>st</sup> December 2013. Only we effect renewed the collaboration with the office as from January 2014 to December 2016.

In addition to partner support, the regional office has been supported by members through staff secondment. Francis Munyao, Strategy Manager, was re-seconded to the regional office through the support of the Co-operative Insurance Company of Kenya CIC until December 2013.

Mrs. Lydia Fayanjuola from Delta State, Nigeria was seconded through the auspices of the Nigeria Co-operative Federation (CFN). However, she went back for her country in July 2014 due to financial problems.



## Financial Report

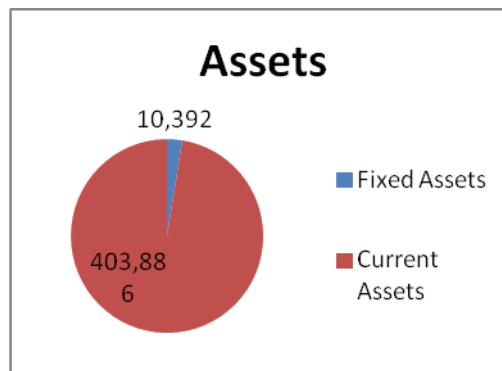
### ICA-AFRICA FINANCIAL STATEMENTS FOR YEAR ENDED 31<sup>ST</sup> DECEMBER 2013.

#### Statement of financial position

##### 2013 (USD)

Fixed Assets	10,382
Current assets	403,886
<b>Total assets</b>	<b>414,268</b>
Intercompany	321,080
Provisions	318,039
Deferred liabilities	4,400
Funds and reserve	(229,251)
<b>Total liabilities</b>	<b>414,268</b>

#### Asset Representation



#### Statement of comprehensive income

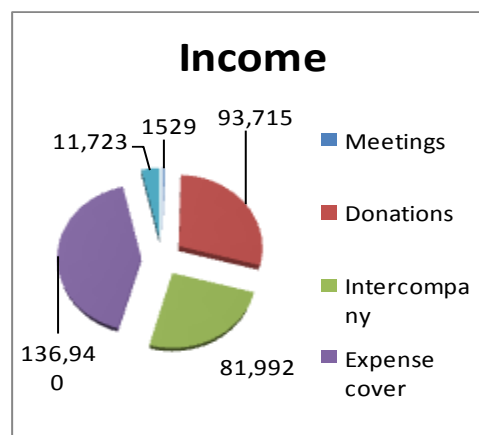
##### Income

Meetings revenue	1,650
Contribution and donations	102,455
Expenses cover	147,772
<b>Total income</b>	<b>251,877</b>

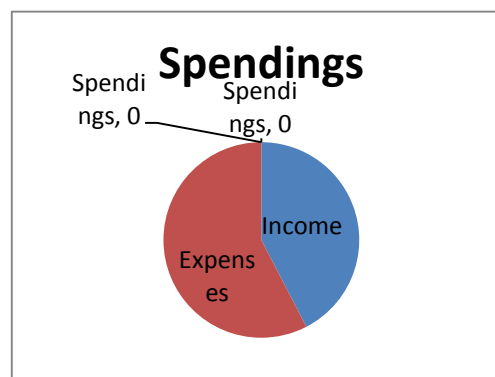
##### Expenses

Personal expenses	170,465
Premises expenses	12,475
General office expenses	15,672
IT and telecom expenses	9,205
External services	91,009
Meeting expenses	46,353
Depreciation and bad debt	(5,039)
Financial expenses	2,050
<b>Total expenses</b>	<b>342,190</b>
<b>Profit/ (loss) of the year</b>	<b>(90,313)</b>

#### Income 2013 was as follows: (Total 251,877)



#### Expenditure vs. Income



## A call to Action

In the past two decades, with liberalization of agricultural commodity trade and other economic sectors in Africa, majority of members in Africa experienced declining financial fortunes hence impacted on their ability to meet membership subscriptions. As a result there has been a marked decline in resources available to the regional office for efficient delivery of services to member organizations and stakeholders in the region.

To mitigate the financial challenges The Alliance Africa Members Forum held in May 2008 and subsequent Regional Assembly in November 2008 and October 2010 took account of both historical and current constraints and considered the establishment of an Endowment Trust Fund as the most appropriate intervention that would address the financial sustainability and autonomy issues of Alliance-Africa.

In a resolution of the Africa Co-operative Ministerial Conference held in Nairobi in 2009, African ministers resolved to capacitate the regional office through a five year plan in which each country through their appropriate ministries in-charge of cooperative development would contribute USD 20,000 annually for five year. So far a number of governments have fulfilled their commitment and contributed towards capitalization of the Endowment Trust Fund.

The 10<sup>th</sup> ICA Africa Cooperative Ministerial Conference held in Kigali, Rwanda on 24<sup>th</sup>-25<sup>th</sup> October 2012, agreed in principle to capacitate the Regional Office for Africa (ref. Resolution 15 of Recommendations and Resolution on Capacitating the ICA Regional Office as quoted below)

### Capacitating the ICA Africa Regional Office

- 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 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.

The establishment of this fund will have far-reaching benefits both to the Regional Office as well as to the members of the co-operative movement in Africa. It will confer to the co-operative movement in Africa more flexibility in responding and adapting to changes within the global movement and have the prerequisite resources to facilitate the championing of co-operative development agenda in the region.

The Alliance Africa thanks Governments that have fully or partially paid their contributions towards capacitating the regional office. The office appeals to the rest, Governments, co-operators, co-operatives, and partners as well wishers to contribute towards the Africa Endowment Trust Fund.

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