

THE ROLE OF POLICY AND LEGAL FRAMEWORKS IN SECURING DATA

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Background

- data is simply the facts of events or activities in an organization before they are organized in a form that can be used and the interpretation of the raw data provides the information
- information is the end result of the analysis of the available raw data
- the value of information, its importance as a development tool is still being undermined
- the extent to which information users are able to use the information determines the usefulness of information as a development resource
- information by itself is worthless and cannot solve problems. Information has power only when used and applied effectively i.e. data only becomes useful when it is collected for an intended purpose by the end user

Information system

- information systems management supports the collection, manipulation, storage, distribution and utilization of information sources
- the development of a IS should consider amongst others the information needs, stakeholders, tools and indicators, distribution channels
- ideally to be a two-way process – top-down and bottom up
- requires awareness creation and training programmes

Rationale

- **co-operatives are important economic vehicles in many national economies; they form the backbone of many local communities where people rely on the co-operative way of doing business as essential to their economic survival.**
- **ICA blueprint for a co-operative decade**
 - **for the co-operative business form to become “the acknowledged leader in economic, social and environmental sustainability; the model preferred by people and the fastest growing form of enterprise”**
- **there is lack of reliable information on co-operatives**

Policy and legal frameworks

- **Public international law**
 - 1995 ICA Statement on the Identity of Cooperatives
 - 2001 UN Guidelines
 - 2002 ILO Recommendation 193
- **National legal provisions**
 - audit provisions / financial reporting
 - Non-mandatory provisions to be contained within cooperative constitutions

2001 UN Guidelines

- to provide advice and guidelines to governments in the development of national policies
- specific guiding provisions on the use of co-operative information for awareness purposes
- governments should acknowledge both “quantitatively and qualitatively” the special contribution co-operatives make to their national economies and society
- highlight the importance of applied research in order to amongst others improve the efficiency of co-operatives and that could affect public policy
- highlights the need to improve statistical data on co-operatives and to work with co-operatives to ensure the dissemination of co-operative information

Recommendation 193 (2002)

- **constitutes the nucleus of co-operative public international law**
- **argument for its legal binding status**
- **its purpose is to serve as a guide to countries in the development of new legal and policy frameworks for co-operatives**

Recommendation 193 (cont.)

- **Role of Governments: national policies must,**
 - **8(1) (e) develop the technical and vocational skills, entrepreneurial and managerial abilities, knowledge of business potential, and general economic and social policy skills, of members, workers and managers, and improve their access to information and communication technologies;**
 - **8(1)(k) promote the dissemination of information on co-operatives**
 - **8(1)(l) seek to improve national statistics on co-operatives with a view to the formulation and implementation of development policies**

Recommendation 193 (cont.)

- identifies management information services and the access to information and public relations services as two of the support services governments should assist co-operatives in accessing
- International Co-operation (institutions and organizations involved in co-operatives)
 - encourages the compilation and utilisation of research material and other data on co-operatives and their development
 - should also be facilitated through access of co-operatives to national and international data, such as market information, legislation, training methods and techniques, technology and product standards

Co-operative principle: Education, training and Information

- they inform the general public – particularly young people and opinion leaders – about the nature and benefits of co-operation
- in order to inform members of the public about the benefits of co-operation, data collection that can verify the benefits becomes critical
- a means to create awareness of the benefits of cooperation
- co-operatives need to implement this principle more actively

Legal and policy instruments

- **Public international law provides the over-arching framework that recognizes the need for provisions relating to information on cooperatives in national laws**
- **Question (1): to what extent has this been articulated in national laws?**
- **Question (2): where there are existing provisions relating to information and data collection - through audit tools; why is there still a lack of available information**
- **Question (3): where there is information, what is being done with this?**

Policy and legal framework

- **Question (1): to what extent has this been articulated in national laws?**
 - necessitates an analysis of existing policy and legal frameworks
 - would most likely be covered by audit provisions in most laws
 - audit provisions should go beyond financial auditing but include management and social audits
 - Social audits are important in order to provide evidence of the non-financial performance of co-operatives and co-operatives should be developing the principles and standards for such audits (ICA, 2013: 18)

Policy and legal framework

- **Question (2): where there are existing provisions relating to information and data collection - through audit tools; why is there still a lack of available information**
 - audits that provide information on all three are widely lacking and this can be attributed to failing implementation procedures/mechanism
 - information transfer should be a dual process
 - source and end users are both to benefit to make the information system function more effectively
 - at the source, people need to be made aware of the value of the information and should be provided with training on how to capture reliable information

Policy and legal framework

- **Question (3): where there is information, what is being done with this?**
 - data only becomes useful when it is collected for an intended purpose by the end user
 - analysed or interpreted
 - trained or informed on how to use the data and to analyse it for the development of the co-operative

Which legal instrument?

- in articulating any policies it is important that these are realized in practice through implementing tools / available resources
- in laws certain provisions requiring compliance need to be enforceable or else they become weightless provisions that fail to deliver on their objective
- the choice between which instrument (the constitution, laws, regulations, model bylaws etc.) to use is determined by the principle of cooperative autonomy and the rule of law
- provisions in secondary legal sources (regulation, decrees etc) need to be based on an existing provision in the law to which it relates

Which legal instrument?

- the drafting/revision processes of laws are long, costly and cumbersome
- frequent changes of the law not only consume resources but they also affect public opinion about the value of a law and do not match the long-term perspective of co-operative development, for which legal stability/continuity is vital, and they meet the inertia of administrators
- UN Guidelines provide that any legal provisions (laws, regulations and administrative practices) should impact positively on the co-operatives ; so the legal framework should not be too onerous on the co-operatives
- laws are only effective when there are the necessary institutional support mechanisms and resources in place

Going forward...

- **some suggestions for the short term:**
 - identify existing legal provisions and assess to what extent it is possible to include provisions on data and information management within secondary pieces of legislation such as regulations and decrees
 - assess the possibility of including such provisions in the non-compulsory provisions of the constitutions of co-operatives
 - identify existing provisions relating to data collection / information management and assess existing restraints to their implementation

Going forward... (cont.)

- ◉ **some suggestions for the long term**
 - ◉ agreement on a set of measurement indicators
 - ◉ develop guidelines for the development of information management systems for co-operatives
 - ◉ not a standard one-size-fits-all model; should recognize the realities on the ground (literacy levels, access to ICT infrastructure etc.)
 - ◉ develop guidelines on the development of tools (data capture and analysis)

Thank you

[Adapted from full paper in which sources are cited]