



FINAL COMMUNIQUE

FROM

**THE CONSULTATIVE MEETING ON THE DRAFT
MODEL LAW ON COOPERATIVES FOR AFRICA**

ORGANISED BY

**THE PERMANENT COMMITTEE ON MONETARY AND FINANCIAL
AFFAIRS OF THE PAN-AFRICAN PARLIAMENT IN COLLABORATION
WITH THE INTERNATIONAL COOPERATIVE ALLIANCE-AFRICA**

ON

**29 - 30 AUGUST 2023
NAIROBI, KENYA**

OUTCOME DOCUMENT OF THE CONSULTATIVE MEETING ON THE DRAFT MODEL LAW ON COOPERATIVES FOR AFRICA ORGANISED BY THE PERMANENT COMMITTEE ON MONETARY AND FINANCIAL AFFAIRS OF THE PAN-AFRICAN PARLIAMENT IN COLLABORATION WITH THE INTERNATIONAL COOPERATIVE ALLIANCE-AFRICA, NAIROBI, KENYA 29TH TO 30TH AUGUST 2023

1. The Permanent Committee on Monetary and Financial Affairs of the Pan-African Parliament (PAP) organised, in collaboration with the International Cooperative Alliance – Africa (ICA-A), a Consultative Meeting on the Draft Model Law on Cooperatives for Africa, in Nairobi, Kenya, on 29 – 30 August 2023.
2. The Consultation brought together Members of the PAP Committee on Monetary and Financial Affairs, Parliamentarians and Government Officials from the Republic of Kenya, Representatives of the African Union Commission’s Departments, United Nations agencies and representatives of Civil Society Organisations, particularly the cooperative movement from Eastern, Southern, Northern, Western and Central Africa as well as the Diaspora. The aim was to ensure that the proposed Model Law on Cooperatives for Africa incorporates the views and aspirations of key cooperative development stakeholders in Africa, in line with the mandate of the Pan-African Parliament, which is to “ensure the full participation of African peoples in the development and economic integration of the Continent.”
3. To that end, the Consultative Meeting sought to achieve the following objectives:
 - (i) Identify the gaps and areas of improvement in the draft Model Law on Cooperatives for Africa;
 - (ii) Gather stakeholders’ views and recommendations for addressing the identified gaps and insufficiencies;
 - (iii) Discuss and share best legislative and policy practices and developments in the management and regulation of cooperatives;

- (iv) Promote stakeholders' ownership of the draft Model Law on Cooperatives for Africa and their commitment to the subsequent steps leading to its final adoption.
4. The Consultative Meeting was officially opened by **Mr. Steven Otieno (Advisor, Cooperatives from the Kenyan President's Economic Transformation Secretariat)** in the Executive Office of the President. He was standing in for Mr. Patrick Kilemi, Principal Secretary, State Department of Cooperatives in the Republic of Kenya. In his remarks, he highlighted the resilience of cooperatives in enhancing agricultural production, healthcare services, digital economies, and affordable housing. He noted that the model law is a step in the right direction as it would enhance governance in cooperatives with key emphasis on issues of leadership succession; dispute settlement mechanisms; use of ICT in managing and regulating cooperatives; and women and youth participation in cooperatives. He added that, cooperatives are a platform for promoting trade within the Continent and should therefore be promoted and strengthened through an enabling legal and policy framework. He urged the participants to comprehensively and critically examine and improve the draft model law so that it can effectively serve African cooperatives and the peoples of Africa at large.

Hon. Mohamed Muntaka, Chairperson of the Committee on Monetary and Financial Affairs highlighted in his remarks the genesis and work of the PAP and that the formulation of the model law is squarely within its mandate and functions particularly in relation to enhancing socio-economic development. He also described the process of model law making within the Pan-African Parliament noting that the consultations on the proposed model law on Cooperatives in Africa is a critical step that would help the Parliament propose to the African Union a document that can be used in uniformity across the Continent by cooperatives, thereby promote socio-economic growth, which is a key aspect of the goals of AU's Agenda 2063. He also thanked ICA-A for being instrumental in the process of developing the model law and told the

participants that all the comments given will be painstakingly considered and incorporated into the draft law to get the best out of the process.

Mr. Gereger Mesfin Gebreslassie, Regional Board Member, International Cooperative Alliance-Africa expressed appreciation for the wide participation despite tight schedules. He noted that the world is going through unprecedented challenges in social and economic spheres which necessitate adoption of new strategies and measures and that cooperatives are ideal organizations because they are resilient and drivers for shared prosperity and inclusive growth. However, for them to play their role meaningfully, they need enabling legal frameworks making the proposed model law an important milestone in Africa. He further observed that, despite existing operational variations in various jurisdictions, cooperatives in Africa face common challenges and that the proposed model law has the potential to address them and thereby strengthen the cooperative movement in the Continent.

5. During the two-day Consultations, the deliberations focused on all parts and articles of the draft Model Law on Cooperatives in Africa, resulting in several invaluable inputs and proposals made by the participants, which will be incorporated and refined in the draft Model Law on Cooperatives in a technical session by the drafting Team, prior to its validation by the PAP Committee on Financial and Monetary Affairs and subsequent submission to the PAP Plenary.
6. Of the core contributions received, it is worth highlighting, among others, the following:
 - I. **On the Method of Proceeding:**
 - i. The Conference adopted to proceed on a clause-by-clause basis with the draft Model Law being projected and clauses discussed, and resolutions thereof made in plenary.

- ii. To facilitate the capturing of wider views and comments, the participants also resolved to use the Menti.com online facility where delegates could type in their suggestions and proposals generally, and on each clause.

II. On the Draft Model Law:

After the conclusion of the discussion session, the consultative meeting increased the number of the drafting team members which now has seven members namely: Mr. Clement Mavungu, Dr. Alphonse Mbuya, Mr. Mahamat AbdelSadick, Mr. Bobby Mkangi, Mr. Brian Kapotwe, and Ms. Cassandra Sosome, supported by Ms. Helen Sabwa, Clerk to the PAP Committee on Finance and Monetary Affairs. The Consultative meeting directed the following to be done by the Drafting Team with respect to the comments that were given:

- i. The interpretation article/section should be relocated to appear at the beginning of the document to logically anticipate the content of the draft Model Law.
- ii. Additional words and phrases should be identified and included after considering the draft Model Law in its entirety.
- iii. Unless it is expressly necessary to state thresholds in terms of periods, quantum or numbers), the draft Model Law should be drafted in a more generic way so as to accommodate and permit jurisdictional thresholds and nuances.
- iv. Where there are jurisdictional variations on the use and interpretation of certain concepts, the draft Model Law should be drafted in a manner that accommodates the variations.
- v. The Drafters shall ensure interpretative accuracy in the instances where variations were noted as a result of translations between versions of the draft Model Law in different languages (French, Arabic, and Portuguese), noting that for avoidance of doubt, English is the original language of the document.

- vi. Further to the generality that the draft Model Law is a guide, explanatory and guiding notes that explain the importance and relevance of provisions should be provided in the introductory parts of the model law rather than in the substantive provisions.
 - vii. To ensure that the document reflects the realities of the African cooperatives, particularly those in rural areas.
 - viii. Any other editorial comments made on the platform should be considered for integration into the document by the drafting team.
 - ix. To consider comments that were submitted by other stakeholders and ensure they are highlighted in the model law for verification purposes.
 - x. To ensure documents and instruments referred to in the model law are properly referenced.
 - xi. To ensure all cross references in the model are are proper and accurate.
7. The PAP and the ICA-A commended all participating Civil Society Organisations and African citizens as well as Government representatives for their active participation and invaluable contributions and expressed hope to see them engage with the subsequent stages of formulation of the Model Law on Cooperatives for Africa.
8. The Technical Committee of the Africa Ministerial Cooperative Conference (TCAMCCO) expressed gratitude to the PAP and all parties involved in the drafting of the document and the resulting collaboration amongst various stakeholders.
9. The participating organisations, institutions and personalities expressed deep appreciation to the PAP and the ICA-A for involving African citizens and civil society in this important exercise and pledged to stay ready to engage with the process of formulation of the Model Law on Cooperatives for Africa.
10. The PAP, the ICA-A and all participants expressed gratitude to the Government and people of Kenya for their hospitality which permitted the successful holding of the Consultative Meeting.

**Adopted in Nairobi, Kenya
30 August 2023**