

## TERMS OF REFERENCE FOR THE ALLIANCE AFRICA AGRICULTURAL CO-OPERATIVE ORGANIZATION (AAACO)

### A. BACKGROUND AND RATIONALE

The Alliance Africa aims at operationalizing the Alliance Africa Agricultural Co-operative Organization (AAACO) following a resolution from the International Cooperatives Conference held in Nairobi, Kenya from 12-14 May 2014 that lobbied for the establishment of an Agricultural Federation of Co-operatives in Africa and a follow-up consultative meeting held on 23 May 2017 in Casablanca, Morocco which brought together representatives of agricultural co-operatives from across Africa. Both of these meetings established the need of the formation of an Alliance Africa sectoral organization in agriculture.

In light of this and in recognition of sustainable development goal no.1 and 2 as well as AU's Agenda 2063 of the Africa We Want, the consultative meeting held in Casablanca, Morocco agreed to have the organization established as a federation with the name The Alliance Africa Federation of Agricultural Cooperatives (AAFAC). It was envisioned that AAFAC will exist to safeguard the interests of agricultural co-operatives, to pursue best agricultural practices and research into the latest developments in the agricultural co-operative movement, to promote mutual understanding and economic collaboration between the agricultural co-operatives (crops and animals, horticulture, forestry) on the one hand, and other types of co-operatives (e.g. consumers', fisheries, insurance, housing, etc.) on the other, both worldwide and at local level.

However, the proposed name of AAFAC will not suffice since the existing by-laws of the Alliance Africa only cater for a sectoral organization and not a federation. Article 10 of the Alliance Africa rules approved by the Regional Board on 28<sup>th</sup> October 2016 and the Regional Assembly on 31<sup>st</sup> October 2016 states that sectoral organizations may be established in areas of economic and social activity of cooperatives as considered desirable. Sectoral organizations shall have their own assemblies and elected bodies made up of representative organizations in the pertaining sector.

From the fore-going it follows that the Alliance Africa agricultural sectoral organization cannot be referred to as a federation. To have it as a federation will require amending the Alliance Africa by-laws which is a lengthy process since the laid down procedures of approval of getting approval from the regional board, general assembly, global board and the Global Assembly will be needed. Such a process might take too long before this dream of an agricultural sectoral organization can be realized. Consequently, the proposed name of the sectoral organization will be the Alliance Africa Agricultural Cooperative Organization (AAACO).

The establishment of AAACO is a recognition of the significant role of agricultural cooperatives in the attainment of Africa's food security, poverty alleviation and the opportunity to mainstream women and young people in agricultural cooperative business models. Cooperatives bring together individuals for their economic, social and cultural betterment. The cooperative will also create consistency and continuity in the region within the agricultural sector reducing the rate of failure, increase production and income to farmers while reducing post-harvest losses in agricultural co-operatives. Good and prosperous agricultural co-operative businesses will in turn result into improved food security and reduced hunger, enhanced social cohesion, job creation, reduced crime, availability of essential products and services to communities, and increased economic growth of the communities.

An Executive Committee will be formed to operationalize the AAACO. This executive committee will be coordinated by the Alliance, Regional Office for Africa.

## **A. OBJECTIVES**

1. To secure approval by the Regional Board for AAACO to be constituted as a fully-fledged sectoral organization of the Alliance Africa.
2. To secure approval of the proposed statutory provisions for this sectoral organization.

## **B. PROPOSED STATUTORY PROVISIONS**

### **1. Name and Status**

- 1.1 The name of the sectoral organization is the Alliance Africa Agricultural Cooperative Organization (hereinafter referred to as AAACO).
- 1.2 The organization is constituted as a sectoral organization of the Alliance Africa, in accordance with the Bylaws<sup>1</sup> of the Alliance, which permits Regional Board and General Assembly to establish sectoral organizations where appropriate.

### **2. Objectives**

#### **2.1 Overall objective:**

The overall objective of AAACO could be to safeguard the interests of its member organizations and promote good understanding and economic collaboration between agricultural cooperatives on the one hand and the farmer and other types of cooperatives (e.g consumer, fisheries, insurance, housing, e.t.c) on the other, both globally and at local level.

#### **2.2 Specific objectives:**

The specific objectives as proposed during the follow-up consultative meeting held on 23<sup>rd</sup> May 2017 could be to:

---

<sup>1</sup> International Co-operative Alliance. 2013. Bylaws. Article 23(j).

- 2.2.1 Pursue research into the latest developments in the agricultural cooperative movement;
- 2.2.2 Promote and encourage agricultural cooperatives across the African continent, and help find assistance for their establishment, when requested.
- 2.2.3 Document best practices and lessons learned to improve agricultural co-operative practices around Africa;

### 3. Activities

- 3.1 Survey the problems which concern agricultural cooperatives in different countries in Africa;
- 3.2 Formulate and make known to member organizations recommendations for the solutions of these common problems, both on a national and international level;
- 3.3 Improve the distribution of agricultural products;
- 3.4 Take concrete action for preserving the environment;
- 3.5 Exchange experience on specific activity fields by hosting international meetings such as seminars and workshops;
- 3.6 Organize and seek sponsorship for thematic issues in agriculture that are of mutual interest for member organizations;
- 3.7 Liaise and coordinate with other regional thematic committees, sectoral organizations, regional organizations and any organs of the Alliance Africa as appropriate;
- 3.8 Carry out any specific task within the field of agriculture which shall be recommended by the Regional Board;
- 3.9 Recommend and suggest such tasks to other organizations and bodies.

### 4. Membership

- 4.1 Membership to this sectoral organization could be open to national and regional agricultural cooperatives affiliated to the Alliance Africa, either directly or through their national cooperative federations, unions or organizations;
- 4.2 Non-members of the Alliance Africa may become members provided they apply first for the membership to the Alliance Africa;
- 4.3 Withdrawal of membership will follow the Alliance articles of associations, by laws and rule and regulation of the Alliance Africa;
- 4.4 An Executive Committee consisting of no more than 7 members could be established that will be charged with the responsibility of planning and organizing activities of AAACO;
  - 4.4.1 Each sub-region of the Alliance Africa could have the right at least to one seat on the Executive Committee plus one chair and the regional director or her/his representative..
  - 4.4.2 Each sub-region could be represented by a Vice-Chairman based on the recommendations of the sub-region for a term of four years;

- 4.5 The functions of the executive Committee could be:
  - 4.5.1 To prepare the general policy and work plan, implementing the objectives of the AAACO. It could also prepare the standing orders for meetings;
  - 4.5.2 To give an annual report on its activities to the members' meetings;
  - 4.5.3 To present the annual accounts and make proposals for the budget to the Regional Board;
  - 4.5.4 To decide on admission to AAACO membership. In case of dispute, an appeal can be made to the Alliance Africa Regional Board.
- 4.6 Should a representative of a member organization become ineligible to serve, the position could be filled by the member organization for the duration of the remaining term of office;
- 4.7 The term of office for members of the Executive Committee is four years. Members are eligible for re-election;
- 4.8 The Executive Committee may establish ad hoc committees to deal with specific issues as it deems appropriate;
- 4.9 The Alliance Africa endeavors that the Executive Committee is gender balanced.

## **5. Meetings and Reporting**

- 5.1 The Executive Committee will meet as necessary, but at least annually. Meetings may be held in person, via telephone or through other electronic means.
- 5.2 The Executive Committee takes note of the Regional Assemblies, in alternating years, and the General Assembly meetings, in setting its agenda.
- 5.3 The Executive Committee reports regularly to the Regional Board, through the Regional Board member that ensures liaison between the Committee and the Board.

## **6. Secretariat and Financing**

- 6.1 Participation in meetings and activities will not be remunerated.
- 6.2 The Executive Committee shall provide an annual work plan and budget to the Regional Board for funding consideration.
- 6.3 The Regional-Director shall appoint staff to assist the Executive Committee in coordinating its work and in securing external funding of its activities.

## **C. CONCLUSION**

The need for a sectoral organization on matters affecting agricultural cooperative development cannot be over-emphasized. AAACO is envisaged to give African agricultural cooperatives a voice in the markets that currently tend to be dominated by corporate agriculture, secure better prices for their products and thus better incomes which in turn will contribute to eradication of extreme poverty in Africa.