



**AFRICA CO-OPERATIVE DEVELOPMENT  
STRATEGY 2017- 2020**

**The Alliance Africa**

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## LIST OF ABBREVIATIONS

AGRA – Alliance for a Green Revolution in African

The Alliance – International Co-operative Alliance

The Alliance-Africa- International Co-operative Alliance-Africa

AMU/UMA- The Arab Maghreb Union

AU - African Union

BSC – Balanced Score Card

CENSAD- The Community of Sahel-Saharan States

CFI – Co-operative Financial Institutions

COMESA - The Common Market for Eastern and Southern Africa

EAC – East African Community

ECCAS- The Economic Community of Central African States

ECOWAS - The Economic Community of West African States

IGAD- The Intergovernmental Authority on Development

KPI – Key performance indicators

NEPAD - The New Partnership for Africa's Development

SADC- The Southern Africa Development Community



## Foreword

The 21st century provides the African Cooperative Movement exciting and critical opportunities as the continent becomes the world's second fastest-growing region. The last one and half decades have proved that Africa can withstand global shifts and shocks, and continue the positive economic growth path. However, the threats of youth unemployment, weak job market, and growing inequality are the greatest challenges to our initiatives for sustainable development as projected in African Union (AU) Agenda 2063. The African Union (AU) Agenda 2063: *Africa We Want*, is to address these concerns by realizing an integrated prosperous and peaceful Africa, driven by its citizens and representing a dynamic force in the global arena. This Agenda is itself a challenge to the role and value of the Co-operative Movement in growing Africa's social and economic development.

The co-operative enterprises generate value that spreads far wider than the sector itself. It is an essential part of a larger supply chain; and a driver of business for other segments of the economy. The movement had more than 2.1 million people in Co-operative driven occupations outside of the sector, in addition to the 5.6 million jobs within the industry in 2015. But we are trading in an increasingly competitive marketplace and cannot take our position for granted. Standing still is not an option. It is our prerogative to be proactive to inspire and equip the next generation with talent, helping Co-operative businesses to start-up and grow and maintaining the Africa's competitiveness against other international markets.

We've based this Development Strategy on the principles adopted by the International Co-operative Alliance and AU Agenda 2063, and the wishes of the Co-operative industry in Africa. It is our position that the sector is developed for and by the movement, has a shared vision, and is action oriented, We believe that our sector is as vital to Africa's economy as the more traditional powerhouse private sector actors.

The AU and the Governments of Africa should now make the Co-operative sector one of its official industry strategy players to build on the Africa success story. The size, importance and competitive advantage of the Co-operative sector mean it merits this level of attention from African governments.

If the Movement and Government work together to support the Co-operative enterprises, the industry will realize sustainable growth and development, and inspire Africa's, and global performance of the distinct segments of the movement. This Development Strategy, therefore, aims to build strong linkages and draw on the synergy of the different parts - -agriculture, banking and insurance, housing, production and processing, and others- of the Co-operative industries behind common goals and to speak with one voice on the issues that cut across the sector. This is why; we have as the Theme for this Strategy **Inclusive Growth**. Sound policies and better infrastructure will drive Africa's growth by improving the conditions for social and economic development and by boosting investment, entrepreneurship and micro, small and medium enterprises. Towards 2020, inclusive growth means diversifying the sources of economic growth and opportunity in a way that promotes higher productivity, and transition to green growth, as envisaged by AU Agenda 2063.

As the movement and African governments, we invite everyone on board The Alliance - Africa ship towards accelerating Co-operative - driven prosperity in Africa

**Chairperson Africa Co-operative Ministerial Conference:  
Honourable Vincent T. Seretse**





### **Preface**

This 2017-2020 Development Strategy sets out the opportunities and challenges for the sector, our vision, and how we will achieve it, with recommendations for both the movement and African governments. The Alliance-Africa shall continue to implement the Co-operative Blue Print 2020 within the five thematic areas. The thematic areas include Engagement, Sustainability, Image and Identity, Co-operative Environment and Co-operative Capital, each with the following goal

areas: **Members Services, Regional Economic Integration, Education and Skills Development, Policy and Legal Framework, Accelerating Access to Finance, and Mobilizing and Leveraging Resources.**

Underpinning all this, we also identified three things that are fundamental to the future success of the co-operative enterprise in Africa: data; cultural environment; and research and innovation. We need a comprehensive, internationally comparable and consistent data set that adequately reflects the economic activity of the sector. Whereas all the African governments have a standard definition of what we mean by a Co-operative, they fail in providing guidelines on how it will be officially measured. During this plan period, the Co-operative movement will engage governments to ensure government information and database correctly reflects all parts of the sector and does not exclude the large proportion of the industry that exports goods and services. Diversity and innovation will define the future strategic growth of the cooperative movement. This requires that we build on our long history of excellence in the arts and culture, sports, and the talent it nurtures, to develop an ecosystem that brings together Co-operatives and culture with technology, research, and innovation.

In different African countries, a range of public and independent institutions provide a framework of support for new ideas, innovations, entrepreneurship and the development of talent that together help stimulate Co-operative investment and promote commercial success. This strategy provides the Alliance-Africa with the framework to engage these institutions in creating a wider and more accessible platform for Co-operative enterprises to inspire Africa's development effectively.

The recommendations for each area were informed by wider engagement with the sector and beyond. Consultation varied from questionnaires to in-depth interviews at The Alliance-Africa meetings in Maseru (Lesotho), Nairobi (Kenya), and Kigali (Rwanda).

These meetings brought together the movement, government, and academia. With the proposals set out in this Development Strategy, I feel confident that we will continue to secure the transformative power of Co-operatives in Africa's development.

**President; Mr. Stanley Muchiri**



## Introduction

The African Union, through Agenda 2063, envisions prosperous Africa with high-quality growth that creates more employment opportunities for all, and shares its wealth equitably among its people. Sound policies and better infrastructure will drive Africa's transformation by improving the conditions for development and wealth creation, boosting investment and entrepreneurship, and stimulating evolution and growth of micro, small and medium enterprises. The awakening created by the implementation of the ACDS bestows upon the Alliance-Africa the mantle to provide leadership to the Co-operative movement to ascend to a new level of human and enterprise potential development in Africa. More importantly, the integrative view of Participation, Sustainability, Identity, Legal Framework and Co-operative Capital reflecting a renewed Co-operative mission as a Co-operative federation has begun to successfully render the Alliance's leadership characteristics in Africa, and will be critical in the drive to realize AU Agenda 2063, and The Third Industrial Development Decade for Africa (2016-2025); which will only succeed on a sound institutional structure, system and strategy bringing together all the systems actors in Africa's economic, social and environment arena.

The cardinal rule of sustainable development is to build independent societies which manage their own social and economic independence. Only in that way can we build a world of "haves," one based not on economic dominance but economic interplay from which all can benefit. It is for this that the Theme for this Development Strategy 2017-2020 is **inclusive growth**. Towards 2020, inclusive growth for the Co-operative movement, means diversifying the sources of economic growth and opportunity in a way that promotes higher productivity, and the transition to sustainable development.

Inclusive growth intersects with a number of key Sustainable Development Goals (SDGs), adopted in September 2015 as part of the 2030 Agenda for Sustainable Development.<sup>1</sup> These goals "call for action by all countries, poor, rich and middle-income to promote prosperity while protecting the planet."<sup>2</sup> Among the SDGs closely connected to inclusion are objectives to: end poverty; achieve gender equality; "promote inclusive and sustainable economic growth, employment, and decent work for all" (a goal that is particularly germane to inclusive growth through Co-operatives); and reduce inequality within and among countries.<sup>3</sup> The Alliance-Africa will monitor efforts to reach the key targets associated with these SDGs as African countries implement the 2030 Agenda.

**Regional Director: Dr. Chiyoge B. Sifa**

## EXECUTIVE SUMMARY

### Introduction

The Africa Co-operative Development Strategy 2017 - 2020 is a strategic approach to the work of the International Co-operative Alliance, Africa (the Alliance Africa) within the co-operative sector development in Africa.

The Alliance Africa, one of four regional offices of the International Co-operative Alliance (The Alliance) was established in 1968, and is based in Nairobi, Kenya. The Alliance's other regional offices are in New Delhi, representing the Asia Pacific region; in Costa Rica, representing the Americas and in Brussels, representing Europe. The Alliance is a non-governmental co-operative federation representing co-operatives and the co-operative movement worldwide, and the Alliance Africa is charged with the responsibility of serving, uniting and representing member organizations and individuals in Africa. The Alliance Africa is headquartered in Nairobi from where it reaches out to the African continent promoting and strengthening autonomous and viable co-operatives throughout Africa.

### The Strategy

This Africa Co-operative Development Strategy 2017 - 2020 presents the way forward for co-operative enterprise development in Africa over the next four years. It is a result of a thorough process of review, consultation, research and refinement, and takes into account the changing so-cio-economic context and the gains made during the implementation of the Africa Co-operative Development Strategy 2013 - 2016, and 2012 - 2016, 2009 - 2012 and the proceedings of the 2008, 2010, 2012, 2014 and 2016 Regional Assemblies, the 2009, 2012 and 2015 Ministerial Conferences and the 2010 and 2011 Partners' Meetings. It applies the experiences and lessons of both the continent and international best practices related to co-operative enterprise development, while responding to perspectives raised by stakeholders within the Africa co-operative movement, governments, the private sector and civil society. Specifically, this strategy aims to address the Africa co-operative movement's special development goals to improve members' socio-economic situation by leveraging on the benefits of a co-operative enterprise.

The overall theme of this Strategy is ***Inclusive Growth***, a concept that advances equitable opportunities for economic growth with benefits incurred by every section of society, and the transition to sustainable development. In this regard, the Strategy is designed to broaden the co-operative space in order to enable access to economic opportunities for more people in Africa, while also protecting the vulnerable. Focus will therefore be on supporting all types of co-operatives because of their great impact in uplifting the socio-economic status of the populous, however special attention will be given to some co-operative sectors including agricultural, housing, banking and insurance, industrial, artisanal and worker based co-operatives as well as specialized sector co-operatives.

It is structured around the five thematic areas that are reflected in the Co-operative Blueprint 2020, each with the following goals:

1. Engagement: Elevate participation within the membership and enhance governance to a new level.
2. Sustainability: Support co-operative development and position co-operatives as builders of sustainability.
3. Co-operative Image and Identity: Build the co-operative message and secure the co-operative identity.
4. Legal Framework: Ensure supportive legal frameworks
5. Capital: Identify and secure reliable co-operative capital while guaranteeing member control.

The diversity of actors that the Alliance Africa has to engage with alongside co-operatives in implementing this Strategy is extensive and includes governments, nongovernmental organizations, multilateral and bilateral organizations as well as international development partners and the private sector.

### **Conclusion**

The implementation framework for this Strategy is led by a Regional Board that meets quarterly, a Regional Secretariat led by the Regional Director who manages a lean staff and Technical Assistants as well as a broad variety of stakeholders who will drive oversight, coordination, support and implementation arrangements.

## CHAPTER ONE: INTRODUCTION AND BACKGROUND OF THE STRATEGY

### 1. STRATEGIC OVERVIEW

#### 1.1 Emerging Trends

The first decade of the 2000s was Africa's most economically successful as the continent experienced growth of up to 5.8 percent per year, large enough to produce real gains even in the face of sustained population growth of about 2.7 percent per year. This growth put Africa second only to emerging and developing Asia. The main factors driving faster growth were high demand for Africa's exports, easy access to finance, macroeconomic reforms and an improvement in the business environment, which also saw poverty decrease from 58 percent at the turn of the century to 43 percent in 2012. Yet despite high growth rates, competitiveness in the region has remained low and so have levels of overall productivity. Low productivity undermines competitiveness and leaves countries vulnerable to adverse shifts in global economic conditions, as the continent experienced in 2015 when economic growth slowed to an estimated 3.4 percent, its lowest rate in 15 years except for the financial crisis and hardly higher than the rate of population growth.

The African Economic Outlook (2013) has estimated that about 13 million Africans per year are entering the labour force and the vast majority fails to find secure positions in the formal public or private sectors. In April 2015, the International Monetary Fund (IMF) with reference to UN data noted that Africa's underperformance in leveraging its talent is its undoing as its working-age population continues to expand to exceed that of the rest of the world combined by 2030. Both the UN and the AU in its Agenda 2063 emphasize need for Africa to focus on the creation of quality employment opportunities to realize sustainable development. However, factory activity in Africa has accounted for slightly less than 10% of the continent's GDP over the past fifteen years.

The manufacturing sector is widely considered to be the ideal industry to drive Africa's development due to the labor-intensive, export-focused nature of the business, yet growth has stagnated. In addition the continent has substantial natural resources pointing to potential for vibrant extraction industries. The Economist (2014) pointed out that few countries have been able to escape poverty without employing a significant amount of their people in manufacturing activity. The Africa Progress Panel also sees some degree of manufacturing development as a prerequisite for sustained high economic growth on the continent. However, Africa continues to be largely agrarian, with an economy that is underpinned by resource-driven growth and a large and expanding informal sector, a condition that challenges the future interventions by the Co-operative movement on the continent.

Nevertheless, by employing the 7<sup>th</sup> Principle of Co-operatives: Concern for Community, it is possible to

- a) Shift informal practices into formal productive initiatives and re-engineer agrarian and resource-driven practices into high value investment initiatives through supply and value chain technologies; and
- b) Enable Co-operatives overcome barriers to entry into capital intensive industries such as infrastructure, energy, utilities, mining and high quality manufacturing.

## 1.2 The Co-operative Movement in Africa

The International Co-operative Alliance (The Alliance) defines a Co-operative as “an autonomous association of persons united voluntarily to meet their common economic, social, and cultural needs and aspirations through a jointly owned and democratically controlled enterprise based on the values of self-help, self-responsibility, democracy, equality, equity and solidarity.” These kinds of associations indeed exist in Africa, although, fraught with many problems and obstacles, they show signs of transformation and steady growth and development in some fields. It is, however difficult to hazard the number of these associations due to the poor or lack of reliable national data. Some records<sup>4</sup> show that 40% of the African households belong to a co-operative entity.<sup>5</sup> Other sources indicate that for every 100 Africans, including children and the elderly, at least 7 are members of a Co-operative.<sup>6</sup> Even with these numbers, more than 30% of the Africans on the continent continue to languish in extreme poverty. It is for this reason that the United Nations Economic Commission for Africa (UNECA) has called for “successful African entrepreneurs and a strong and vibrant small enterprise sector to provide the innovation and productivity growth necessary for long-term poverty reduction”. And recently (June 30, 2016), the UN General Assembly declared the Third Industrial Development Decade for Africa (2016-2025) to reaffirm the importance of industrialization in supporting Africa’s own efforts towards sustained, inclusive and sustainable economic growth and accelerated development.<sup>7</sup>

Studies show that the Co-operative movement in Africa has gone through four stages of evolution:

- a) **Stage 1: Colonial Period** experienced the evolution and development of what can be described as a **Top-down Approach Co-operative Movement**, which has left behind relics of British, French and Belgian Co-operative traditions. (i) The British promoted a unified Co-operative model which saw Co-operatives grow into powerful business ventures that, through vertical structures, controlled much of agricultural production, marketing and processing in rural areas, in particular with regard to export crops. (ii) The French introduced so-called "Sociétés Indigènes (which became Africaines) de Prévoyance" in the early 1920s as semi-public organizations officially formed to foster

<sup>4</sup> Many registered Co-operatives are dormant, and others which are active do not seek registration with the authorities, M D Kerre in **Industrializing East Africa through Co-operatives, Harnessing East Africa’s Industrial Potential, Co-operatives and the 2030 Agenda on Sustainable Development**, Nairobi February, 2016

<sup>5</sup> Co-operatives for People-Centered Rural Agriculture, ILO, 2011

<sup>6</sup> **Cooperating Out of Poverty: The Renaissance of the African Co-operative Movement**, Patrick Develtere, Ignace Pollet & Frederick Wanyama, ILO, 2008

<sup>7</sup> UN General Assembly, Third Industrialisation Development Decade for Africa 2016-2025, Thailand June 30, 2016

rural development, but in practice used to dominate the rural populations and collect taxes, with little economic and societal importance. (iii) The Belgian and Portuguese Africa did not experience Co-operative development activities during the colonial period.

- b) **Stage 2: Post Independence Era (1960-1985)** the newly independent governments employed Co-operatives to champion the concept of African socialism. In some countries Co-operatives received massive state support, both financial and technical; they were given marketing and supply monopolies for agricultural inputs and produce, carrying out government functions such as the management of the strategic grain reserve.
- c) **Stage 3: Era of Liberalization** Starting mid 1980s Africa experienced an era of structural adjustment, democratization, and commercialization, marking the end of government hold on and control of the Co-operative movement. The state assumed facilitative role instead, restructuring the Co-operative legal framework, and opening up Co-operative dominated sectors to other actors.

After so many years of co-operation, producer Co-operatives in Africa are still in the process of development to create economic security and stability of Africa's rural populations, the main contributor to the continent's economy. On the other hand, the financial services Co-operatives, especially the savings and credit Co-operatives have evolved very fast with a regional presence. All the other Co-operatives can only show local and or national presence. The Co-operative landscape to-date continues to suffer a triple-crisis, characterizing their exclusion from the formal development processes:

- **A crisis of identity:** Most Co-operatives exist in name only, not by nature. The various country Co-operative registries are yet to clean out this mess;
- **A crisis of environment:** the legal, institutional and administrative context continuous to prevent, not support, the emergence of genuine, self-managed growth-oriented Co-operatives;
- **A crisis of management:** Most of the existing Co-operatives are unable to survive without subsidies, state protection and government intervention.

Still the Co-operatives exhibit enormous potential for transformation. Value addition is an essential part of transforming Africa's Co-operatives, especially with their massive capacity as avenues for local economic and social development:<sup>8</sup> (a) development of industry to provide employment to the unemployed/under employed youth and marginalized; (b) sustainability and productivity management in farm produce and value chain management; (c) processing of produce to ensure marketing as well as maintaining price levels; (d) capital formation in promotion of a savings and investment culture; (e) decent work; (f) financial literary and financial inclusion; (g) democracy and capacity building by way of good governance and education; and (h) increased social cohesion.

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<sup>8</sup> In most of Africa, marginalized segments of the community have an opportunity of being represented in Co-operatives whereas in many other initiatives they are excluded.

In order to develop this enormous potential, there is need

- To establish the status of Co-operatives in Africa through a regional stock-taking/mapping exercise. This, we are aware, would be a daunting task indeed, but would be the first step towards a census of Co-operatives in Africa, cleaning up Co-operative registries, establishing a knowledgebase on the movement in Africa and institutionalizing data management and application, and formalizing the Co-operatives in national and regional accounting.
- To facilitate the development of Co-operatives in different sectors including agribusiness, infrastructure, mining, energy, professional services, utilities and manufacturing, from local to national to regional (continental) levels, along the savings and credit Co-operatives model

These proposals are especially important for African co-operatives in the interest of deepening knowledge on and competitiveness of Co-operative enterprise in socio-economic development as articulated AU Agenda 2063 – *The Africa We Want* and the Alliance Blueprint for Co-operative Decade 2011-2020. In addition, to realize the 3<sup>rd</sup> industrial decade, Africa ought to go beyond its traditional strategies. It is important to understand that during the implementation of the 1<sup>st</sup> and 2<sup>nd</sup> industrial decades, Co-operatives were not included in the implementation framework. This time round, deliberate effort should be made to engage Co-operatives in order to yield the expected results. Industrial and service Co-operatives are ideal entry points, and would be important vehicles to realize the objects of the 3<sup>rd</sup> industrial decade.

### **1.3 The International Co-operative Alliance**

The International Co-operative Alliance is a non-governmental co-operative federation representing co-operatives and the co-operative movement worldwide. It was founded in 1895. The Alliance maintains the internationally recognised definition of a co-operative in the Statement on the Co-operative Identity. Alliance represents 302 co-operative federations and organisations in 106 countries of which 47 are associate members. (24 February 2017).

The International Co-operative Alliance unites co-operatives worldwide. It is the custodian of co-operative values and principles and makes the case for their distinctive value-based economic business model which also provides individuals and communities with an instrument of self-help and influence over their development. The Alliance advocates the interests and success of co-operatives, disseminates best practices and know-how, strengthens their capacity building and monitors their performance and progress over time.

The Alliance consists of a 20-member governing board, a General Assembly, four regions (one each for Africa, Europe, Asia-Pacific, and Americas), sectoral organizations and thematic committees. Among the regions: Alliance Asia – Pacific, Alliance Africa, Co-operatives Europe, and Co-operatives Americas.

This Development Strategy seeks to build on the achievements of the International Year of Co-operatives and the resilience demonstrated by the co-operative movement since the great financial crisis. By pursuing the Strategy outlined in the Blueprint, the ICA aims to make 2011-2020 a Co-operative Decade of confident growth.

The framework below presents the Blueprint strategy, which captures the various roles of the Alliance and categorizes its results areas



#### 1.4 The International Co-operative Alliance-Africa Region

The Alliance-Africa is - one of the regional offices of the International Co-operative Alliance which serves, unites and represents Alliance's member organisations in Africa. The Alliance Africa promotes and strengthens autonomous and viable co-operatives throughout the region by:

- Serving as a forum for exchange of experience and a source of information on co-operative development, research, and statistics;
- Providing technical assistance for Co-operative development; and
- Collaborating with national governments, United Nations organizations, and African regional organizations.

The Alliance-Africa strives to promote and strengthen the Co-operative Movement in the region and provide services to co-operatives with the following objectives:

- a) Promote the Co-operative Movement in Africa.
- b) Promote and protect Co-operative Values and Principles;
- c) Facilitate the development of economic and other mutually beneficial relations between its member organizations;
- d) Promote sustainable human development and to further the economic and social progress of people, thereby contributing to peace and security in Africa;
- e) Promote equality between men and women in all decision-making and activities within the Co-operative Movement;
- f) Lobby for an enabling environment for co-operative development in Africa.

An elected Regional Board and Regional Office, consisting of a Regional Director supported by a team of professionals, manage the Alliance-Africa Region. Its current memberships stand at 30 from 20 countries. The potential for growth and the span for expansion is core to this Strategic Plan.

#### 1.5 Purpose of the Strategy

The Africa Co-operative Development Strategy 2017-2020 presents the way forward for Co-operative enterprise development in Africa over the next four years. It is the result of a

thorough process of review, consultation, research and refinement, and takes into account the changing socio-economic context and the gains made during the plan periods 2013-2016, and 2009-2012, and The Proceedings of the 2008, 2010, 2012 and 2016 Regional Assemblies, the 2009, 2012 and 2015 Ministerial Conferences, and the 2010 and 2011 Partners Meetings. It applies the experiences and lessons of both the continent and international best practices relating to Co-operative enterprise promotion, while responding to perspectives raised by stakeholders within the African Co-operative movement, the governments, the private sector, and civil society. In particular, the strategy aims to address the African Co-operative movement special development goals to improve members' socio-economic situation by leveraging on the benefits of a Co-operative enterprise.

### **1.6 Defining the Strategy Scope**

This integrated Strategy is designed to address the developmental needs of both existing and potential Co-operatives in Africa at all tiers, which includes primary Co-operatives, unions, and federations, as well as key support and regulatory actors in the Co-operative movement on the continent.

The present Strategy focuses on all types of Co-operatives, because of their great impact in uplifting the socio-economic status of the populous. However, special mention has been given to some specific Co-operative sectors due to the prevailing current member-states needs such as agricultural Co-operatives, housing Co-operatives, banking and insurance Co-operatives, industrial, artisanal and worker based Co-operatives as well as specialized sector Co-operatives.

### **1.7 Strategy Development Approach**

The following sources have been utilized to develop the strategy document:

1. Case studies of Alliance global:
2. Feasibility study report by Ernst and Young on Alliance-Africa and Ericson consulting firm
3. Subject matter expertise:
4. Stakeholder discussions in the African Co-operative system and at the head office: Including General Assemblies, ministerial conferences, member forums, partners meetings and surveys.
5. Africa Co-operative Development Strategy 2013-2016 Audit Report

### **1.8 Macro Analysis of Alliance-Africa**

Africa is the world's second-largest and second-most-populous continent. At about 30.2 million km<sup>2</sup> (11.7 million sq miles) including adjacent islands, it covers six percent of the Earth's total surface area and 20.4 percent of the total land area. The continent includes Madagascar and various archipelagoes. It has 54 fully recognized sovereign states ("countries"). With more than one billion people, it accounts for about 15% of the world's human population.

From 1995 to 2005, Africa's rate of economic growth increased, averaging 5% . The continent is believed to hold 90% of the world's cobalt, 90% of its platinum, 50% of its gold, 98% of its chromium, 70% of its tantalite, 64% of its manganese and one-third of its uranium. As the

growth in Africa has been driven mainly by services and not manufacturing or agriculture, it has been growth without jobs and without reduction in poverty levels. In fact, the food security crisis of 2008 which took place on the heels of the global financial crisis has pushed back 100 million people into food insecurity.

Although it has abundant natural resources, Africa remains the world's poorest and most underdeveloped continent, the result of a variety of causes. According to the United Nations' Human Development Report in 2003, the bottom 25 ranked nations (151st to 175th) were all African.

Poverty, illiteracy, malnutrition and inadequate water supply and sanitation, as well as poor health, affect a large proportion of the people who reside in the African continent. In August 2008, the World Bank announced revised global poverty estimates based on a new international poverty line of \$1.25 per day (versus the previous measure of \$1.00). 80.5% of the Sub-Saharan Africa population was living on less than \$2.50 (PPP) a day in 2005, compared with 85.7% for India.

The new figures confirm that sub-Saharan Africa has been the least successful region of the world in reducing poverty (\$1.25 per day); some 50% of the population living in poverty in 1981 (200 million people), a figure that rose to 58% in 1996 before dropping to 50% in 2005 (380 million people). The average poor person in sub-Saharan Africa is estimated to live on only 70 cents per day, and was poorer in 2003 than he or she was in 1973 indicating increasing poverty in some areas. Some of it is attributed to unsuccessful economic liberalization programs spearheaded by foreign companies and governments, but other studies and reports have cited bad domestic government policies more than external factors.

A study led by Professor Calestous Juma showed that Africa could feed itself by making the transition from importer to self-sufficiency. "African agriculture is at the crossroads," says Dr. Juma. Juma also states, "We have come to the end of a century of policies that favored Africa's export of raw materials and importation of food. Africa is starting to focus on agricultural innovation as its new engine for regional trade and prosperity."

Nevertheless, the sustained socio-economic expansion of Africa can only be guaranteed through increased home grown solutions such as social economic enterprises anchored in the African culture and the Co-operative business model prove to be one such enterprise.

### **1.9 SWOT Analysis of the Alliance Africa**

The existing membership is drawn from 30 co-operative organizations in Africa from 20 African countries. These institutions are confined in individual countries and lack regional orientation thus not benefiting from the advantages of regional networking Secondly, they are at different levels of national co-operative development.

In the management of its activities, the Office has approached the market as a homogenous unit, wherein development programs are managed and disseminated to all member organizations without considering their unique nature and state of individual member organizations, their developmental needs and the uniqueness of the countries' economies. This state of affairs could be explained by low staffing at the regional office and lack of sub regional presence.

Secondly, the co-operative agenda has not found a better place in the changing business environment in Africa where key policy decisions are driven at the various trading, political such as the African Union (AU) and economic blocs deliberations viz; The Arab Maghreb Union (AMU/UMA), The Community of Sahel-Saharan States (CENSAD) The Economic Community of Central African States (ECCAS) The Intergovernmental Authority on Development (IGAD), The Common Market for Eastern and Southern Africa (COMESA), the East African Community- (EAC), the Economic Community of West African States- ECOWAS, The Common Market for Eastern and Southern Africa (COMESA) and Southern Africa Development Community –SADC.

The co-operative sector on the other hand is faced with several challenges including low human resource capacity, weak economic base, extensive external financial dependency, lack of internal capacity and occasional bad governance among others. Despite these challenges, the sector has a high potential of growth.

The capacity of Alliance Africa to deliver on its strategic plan will depend on how it manages the internal as well as the external environment.

These aspects are examined in table 1 below;

**Table1: Alliance-Africa SWOT Analysis table**

| SWOT                 | DESCRIPTION  |
|----------------------|--|
| <b>Strengths</b>     | The foundation of the strategy will be based on the strengths of the Regional Office. Alliance Africa has a strong brand within the sector in Africa; It is associated with inclusiveness of the sector players and is viewed as the regional focal point of co-operative policy initiatives. Alliance Africa has established strong linkages with governments and policy makers on the continent. It also boasts of strong ties to co-operative institutions, researchers and development partners interested in developing the sector in Africa. –   |
| <b>Weaknesses</b>    | To build on the strengths, the Office will have to overcome some of the weaknesses affecting its activities. These include Extensive external financial dependency as it has been relying on member subscription and development partner support over the years, Limited staff capacity to effectively initiate and manage activities on the continent, as well as establish physical presence. The general methodology of development activities has been a homogenous approach to co-operative development without due consideration of the uniqueness of co-operatives in different regions in Africa |
| <b>Opportunities</b> | Among the opportunities abound to Alliance Africa include the linkages with the economic development initiatives of the regional economic blocs. This will enable the office to develop programs and influence policy favorable to the development of co-operatives taking into consideration the unique economic activities of these regional institutions.   |
| <b>Threats</b>       | Relevance to the members will justify their participation in Alliance Africa’s activities. This will be determined by the benefit the individual co-operative member gets from trickledown effect because of the programs of Alliance Africa.  |

## 1.10 The Alliance-Africa 2013-2016 Co-operative Development Strategy

On December 31, 2016 The Alliance-Africa Co-operative Development Strategy 2013-2016 (ACDS) came to an end. A recent audit of the implementation of the Strategy reveals some achievements of the set goals and priorities.

*“First and foremost the achievements by the Africa Co-operative Development Strategy 2013-2016 (ACDS) were mixed. As the functions of people and Co-operative networks are sussed out, co-operative development management engineers and scholars are busy using the information to design new interventions, products and services that enable them to better understand natural evolution and growth of Co-operatives and their contribution to human development. Unknowingly, the activities of The Alliance-Africa over the four-year period of the Development Strategy, marks an active era into the Co-operative movement in Africa.”*

Most of the success is in the fields of re-awakening the Co-operative idea in development in Africa, by rallying the political leadership leading to a 29.4% growth in membership to the Alliance-Africa from 17 to 21 countries.

The ACDS had five Pillars *Participation, Sustainability, Identity, Legal Framework and Co-operative Capital*, which also serve as principles. The summary of the implementation findings is that progress towards the goal of:

- **Participation** has been the renegotiation of space for Co-operatives in social, economic and environmental development at local, national and global levels manifested in attendance at local, regional and global Co-operative events.
- **Sustainability** has been an increase in the Endowment Trust Fund contributions, which facilitated the acquisition of permanent office. However, over the four year period the co-operative movement in Africa projected to mobilize USD 44 million but was difficult to account for National budgets allocated to C-operatives development and how much co-operatives within the region spent on the same. Hence, we were only able to account for the Alliance-Africa contribution for the period which was 2.6 per cent of the total amount.
- **Identity** has been Alliance-Africa’s active engagement in regional and global Co-operative development.
- **Policy and legal framework** has seen aggressive participation of African governments through their ministers and ministries of Co-operatives in the activities of the movement and in the Africa Ministerial Co-operative Conference (AMCC).
- **Co-operative capital** is insignificant. The goals for financial resources to implement the strategic plan have not been met nor exceeded.

Between March 2014 and May 2016 The Alliance-Africa held four high level thematic workshops and two Africa Ministerial Co-operative Conferences (AMCC). These fora have brought together policy-makers, Co-operative leaders and other key stakeholders from member countries and organizations to discuss and debate how to position Co-operatives in

the region's social, economic and environmental development agenda. Common findings of these fora are the Co-operative Movement has a critical role to play in increasing Africa's productivity and competitiveness by informing policymaking and advancing its implementation.

Key among them:

- involve the Co-operative movement in educational curricula to improve understanding of Co-operatives and youth employability;
- harmonize regulations across regions to boost trade and deepen integration because integration is not an end in itself, but a means to reinforce competitiveness through trade and diversification ;
- promote sustained, long-term collaboration between the public sector, Co-operative movement and the academia to fast-track development through diversifying the sources of economic growth and opportunity in a way that promotes higher productivity, inclusive growth and the transition to sustainable development

The ultimate goal of the recommendations of the fora is to see African economies engage Co-operatives as the main vehicles to improve standards of living through transitional targets and improving efficiency of production in the economy of the region and its management. The Co-operative model has human development at its core, being based on ethical values and principles.

## CHAPTER TWO: GUIDING PRINCIPLES, STRATEGIC VISION, AND MISSION

### 2.1 Guiding Principles

The Blueprint for a Co-operative Decade is a strategy for both the global co-operative movement and the Alliance. Over the course of 2015 to 2016, the Alliance revisited the Blueprint to ensure that the way it diagnoses the global context remains current. It compared this to an analysis of the context conducted by the Board in March 2016 (Global SWOT Analysis). This showed convergence and unity around the major challenges and opportunities that we identify as the context shifts. At its midpoint, the Blueprint remains a forceful strategic direction for both the movement and the Alliance.

#### Plan for Phase II of the Blueprint

|                        |   |
|------------------------|---|
| <b>Engagement</b>      | <ul style="list-style-type: none"><li>• <b>Establish co-op model as central in a collaborative economy</b></li><li>• Position co-ops as democratic means to leverage collective voice</li><li>• Innovate participation in co-ops</li></ul>  |
| <b>Sustainability</b>  | <ul style="list-style-type: none"><li>• Accentuate co-op achievements in sustainability</li><li>• Leverage global attention on UN SDGs to co-op advantage</li><li>• Make sustainability central to co-op operations and marketing</li></ul>   |
| <b>Identity</b>        | <ul style="list-style-type: none"><li>• Position co-ops as values-driven, people-based enterprise model of choice</li><li>• Espouse co-op model in education and media</li><li>• Lead with our co-op identity in communications, marketing, branding</li></ul>                          |
| <b>Legal Framework</b> | <ul style="list-style-type: none"><li>• Advocate the co-op model</li><li>• Assess legal frameworks from a co-op perspective</li><li>• <b>Respond to legislative / regulatory changes &amp; demutualisation in a concerted way</b></li></ul>   |
| <b>Capital</b>         | <ul style="list-style-type: none"><li>• Develop clear proposition for investment in / financing of the co-op economy</li><li>• Develop the co-op as an asset class for impact and patient-capital investments</li><li>• <b>Maximise financial co-ops' financing of co-ops</b></li></ul> |

The Alliance-Africa will build on its achievements and comparative advantages as a member-driven and private sector-led regional institution with distinctive African character, and valued global linkages. This Strategy will position The Alliance-Africa as African Leader in promoting a dynamic and democratic Co-operative movement and in provision of effective and efficient services through partnerships and collaboration.

To support Africa's development, The Alliance-Africa will continue to be the voice for Africa Co-operatives in global discourse, engaging in strategic partnerships, with greater capacity to disseminate knowledge and lead new policy initiatives at global, regional, national and local levels. In addition, it will be the foundation for effective Co-operative and small business development assistance, with an ambitious agenda focusing on social transformation, and sustained economic growth and integration.

The audit of the 2013-2016 Development Strategy has revealed that The Alliance-Africa has strong visibility in Africa, but that it needs to be grounded in provision of tangible products to its stakeholders through a long-term program horizon and strategy.

## 2.2. Theme

The Theme for Africa Co-operative Development Strategy 2017-2020 is **inclusive growth**; this is designed to broaden the Co-operative space to enable access to economic opportunities for more people and the African countries, while protecting the vulnerable.

## 2.3 Vision

*Our Vision is Social transformation and sustained economic development.*

## 2.4 Mission

*Our mission is to be the African leader in promoting a dynamic and democratic Co-operative movement and to provide effective and efficient services through partnerships and collaboration.*

The table 2: summarizes the strategic interventions in relation to their key objective and rational

**Table 2: Strategic Interventions**

| RATIONAL  | KEY OBJECTIVE   | STRATEGIC INITIARIVES   |
|---|---|---|
| <p><b>1. Engagement</b><br/>Uniting the movement is one of the Alliance’s main roles as it seeks to <i>elevate participation within Membership and governance to a new level.</i></p> | <ul style="list-style-type: none"> <li>• Implement institutional engagement strategy</li> <li>• Secure members in under represented geographies/sectors</li> <li>• Improve member engagement and networking</li> <li>• Diversify representativeness to Alliance governance (i.e.; gender, age, religion. Etc.)</li> </ul> | <ul style="list-style-type: none"> <li>• Share innovative engagement models &amp; tools</li> <li>• Share good practice on meeting diverse member needs ( multi-stakeholder)</li> </ul>                    |
| <p><b>2. Sustainability</b><br/>Support co--operative development. Position co-operatives as builders of <b>sustainability</b></p>  | <ul style="list-style-type: none"> <li>• Measure impact ( global level)</li> <li>• Lead cliamte change policy</li> <li>• Deepen existing influence in UN SDGs forum</li> <li>• Make Aliiance effiecient &amp; effective</li> </ul>  | <ul style="list-style-type: none"> <li>• Lead in sustainable business pratice &amp; measurement</li> <li>• Increase market share of co-ops in global economy ( through C0-ops to Co-ops trade)</li> </ul> |

|  |  |   |
|--|--|---|
| <p><b>3. Co-operative Image and Identity</b></p> <p><i>building the co-operative message and securing the co-operative identity.</i></p>     | <ul style="list-style-type: none"> <li>• Steward co-op heritage and legacy</li> <li>• Work with co-op businesses in consultancies</li> <li>• Communicate the value of co-ops to all audiences</li> </ul>   | <ul style="list-style-type: none"> <li>• Use the COOP Marque &amp; Domain</li> <li>• Join the global marketing campaign</li> <li>• Recruit future co-op leaders (youth)</li> </ul>                                |
| <p><b>4. Legal Framework</b></p> <p><i>Ensuring supportive legal frameworks.</i></p>   | <ul style="list-style-type: none"> <li>• Secure existing influence in G20 process</li> <li>• Secure influence towards the World Bank group and OECD</li> <li>• Secure influence towards AU and RECs, Africa Development Bank (ADB)</li> <li>• Attract and recruit governmental membership</li> </ul> | <ul style="list-style-type: none"> <li>• Formalise resources for ad hoc defensive needs</li> <li>• Regularise data and reporting on employment and other impact areas</li> </ul>                                  |
| <p><b>5. Co-operative capital</b></p> <p><i>identifying and securing reliable co-operative capital while guaranteeing member control</i></p> | <ul style="list-style-type: none"> <li>• Implement lending capacity of GCIF</li> <li>• Share capital strategies and tools</li> <li>• Espouse collective ownership of global co-op holdings</li> <li>• Examine inter co-op financing potential</li> </ul>   | <ul style="list-style-type: none"> <li>• Implement new subscription formula</li> <li>• Diversify sources of stable, long term funding</li> <li>• Leverage development grant for alliance effectiveness</li> </ul> |

## CHAPTER THREE: INSTITUTIONAL IMPLEMENTATION FRAMEWORK

### 3.1 Institutional Arrangement

Implementing these strategic interventions will be an extensive undertaking. Varieties of governmental and non-governmental actors are well-positioned and willing to contribute to the implementation of the integrated strategy. This section reviews the diversity of actors, and outlines the approach to be taken by the Alliance-Africa as a whole to strengthen and guide the needed coordination of actors' activities in the years ahead. It concludes with an implementation framework through which the implementation of the Strategy will be coordinated.

Collaborating with the regional economic and trade organizations will enable Alliance- Africa to match its programs to the existing economic development agenda. Alliance- Africa will work with the existing members in their respective regions to boost this strategy.

**All interventions should be demand-driven and responsive to the needs and perspectives of the Co-operative organizations, members and leaders in Africa.**

#### **Co-operatives**

Co-operatives at all tiers throughout the region are the primary stakeholders in this strategy. It is for the Co-operatives, and the men and women who are members of them, that will ultimately determine whether Co-operative enterprise is the most participatory and sustainable business model while upholding the identity and reflecting the image of a true cooperation and autonomy in its capital structure with empowering legal dispensation.

#### **Government Organizations**

The key internal stakeholders of Co-operatives from government organizations are the national government Co-operative bodies. Alliance-Africa will support each implementing office to develop a detailed action plan and delivery framework through which its implementation activities will be undertaken.

The key external stakeholders of Co-operatives from government organizations include the national Ministries and institutions of higher learning such as Co-operative colleges and universities.

#### **Non-Governmental Organizations/Multilateral/Bilateral Organizations**

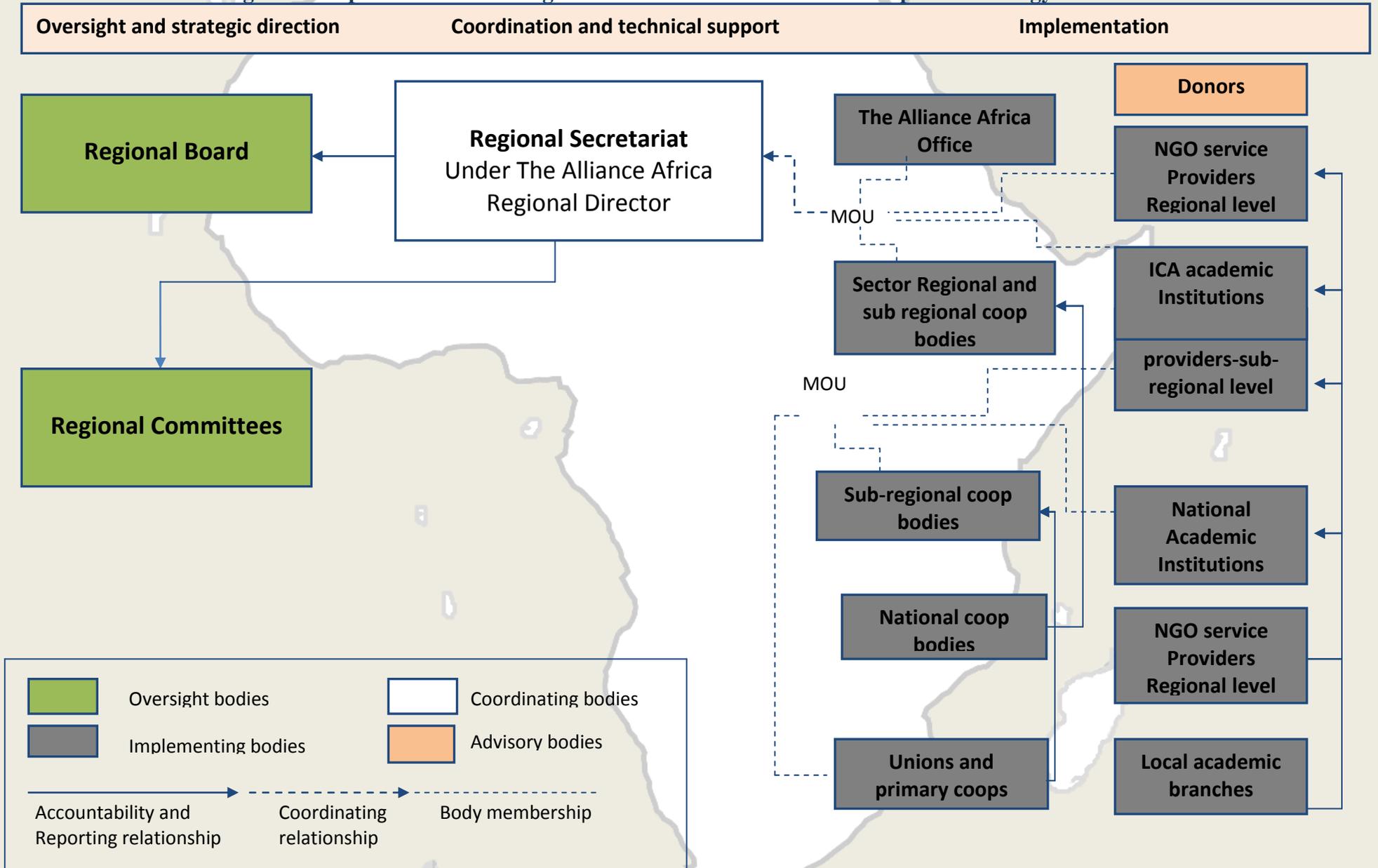
There are many non-governmental organizations (NGOs) that provide support to Co-operatives in various forms. These NGOs serve several functions, including as donors, implementers, and researchers

NGO support often includes capacity building through training and business development, and financial assistance in the form of revolving funds, seed money provision, etc. Key issues observed during the preparation of this strategy with the provision of support by NGOs include lack of coordination, limited duration and focus on short term problems.

### 3.2 Implementation Framework

To coordinate and manage the implementation of the integrated Strategy, the key governmental and non-governmental actors in the Co-operative sector must be well consulted and coordinated. The following framework will be utilized to achieve the consultation and coordination at the various levels:

Figure 2: Implementation arrangements for Alliance- Africa Development Strategy 2017-2020



The implementation framework consists of the following structures and roles:

### **Regional Secretariat**

While the Regional board meets quarterly, a Regional Secretariat at the Alliance-Africa will coordinate implementation on a day-to-day basis and will be based at the Alliance -Africa offices. This Secretariat will coordinate the implementation of various strategic objectives at regional level, implementing the annual and more detailed work-plans overseen by the Regional SC. The Regional Secretariat will initially consist of 2 managers and 3 officers/ Technical Assistants who are Alliance-Africa staff who are accountable to Regional Director and report on a day-to-day basis.

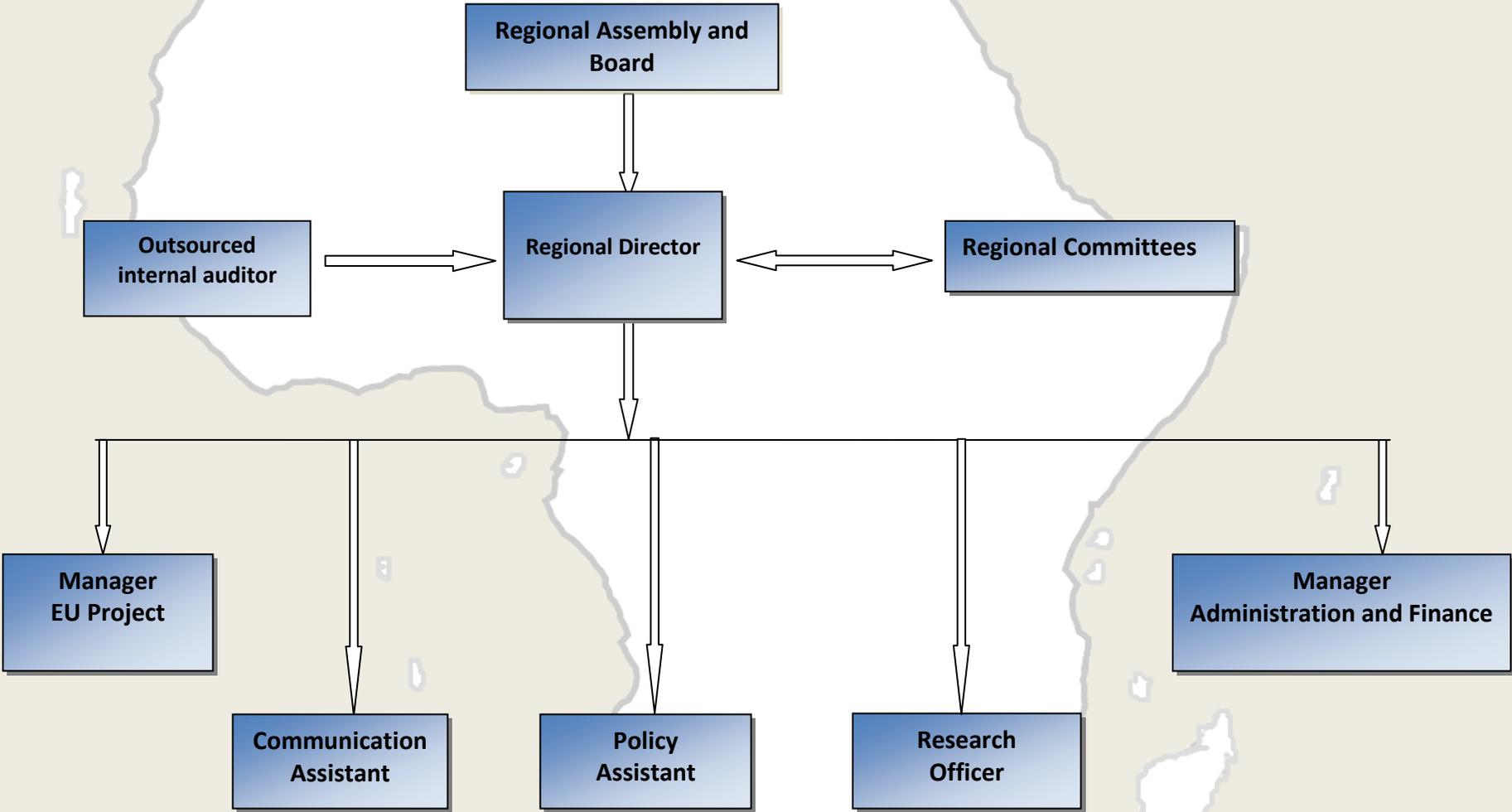
The six initial members of the Regional Secretariat will include:

- **Manager Office Administration and Finance** – this member will coordinate all implementation activities associated with administration and finance of the office.
- **Project Manager**– this staff member will coordinate all implementation activities associated with EU Project.
- **Research Officer** – this staff member will coordinate all implementation activities associated with research.
- **Communication Assistant** – this staff member will coordinate all implementation activities associated with communication.
- **Policy Assistant** – this staff member will coordinate all implementation activities associated with policy.

Ground implementation will be executed by a variety of Co-operatives at all tiers, governmental and non-governmental partners, the regional secretariats will coordinate these activities and track progress toward milestones and deadlines.

In summary, the implementation arrangements for implementing this Strategy involve a broad variety of key stakeholders, who will drive oversight, coordination, support, and implementation of the various activities required to realize the Strategic vision. These implementation arrangements are conveyed in Figure 3:

**Figure 3: ALLIANCE- AFRICA- Strategy Implementation structure**



## CHAPTER FOUR: MONITORING AND EVALUATION

This Development Strategy has closely taken into consideration the positive as well as negative experiences of the Co-operative movement recorded internationally and locally to develop strategic objectives that will be applied in Africa's unique context to deliver benefits to its members throughout the region.

Systematic, regular and objective monitoring and evaluation (M&E) of progress with the overall Strategy and its different components is critical. Decades of support to Co-operatives has a mixed record of success both in Africa and around the world, and the Strategy laid out here must be monitored for effectiveness and efficiency throughout the implementation process and course corrections must be made accordingly.

The success of this Strategy will be assessed against the Co-operative sector transformation impact of increasing participation, sustainability, positive image, identity and legal framework as well as capital. This Strategy is predicated on producing a single outcome: efficient and effective Co-operatives at all tiers that provide effective and sustainable services to their members. The achievement of this outcome will be measured closely through a series of indicators that will be measured at baseline levels in 2017 and monitored periodically to track progress toward this outcome. These indicators will be refined by end of 2019, and include key measures of effectiveness (e.g., membership levels, total turnover, Number of successful projects, knowledge transfer probably, research output gender impact) as well as efficiency and sustainability (e.g., financial, social and environmental performance).

### **Key assumptions of the strategic plan**

The following assumptions are to be met to guarantee the success of the strategy;

- Global economy will continue to come out of recession
- There will be decreasing civil unrest and wars in Africa
- No major natural and environmental disasters in Africa
- The developmental partners and government will support the strategic plan.

## Action plan for Output 1

|  |  |  |
|--|--|--|
| <b>Impact</b>  | Increased social, economic and environmental sustainability of nations through the Co-operative enterprise         |  |
| <b>Outcome</b>   | Efficient and effective Co-operatives at all tiers that provide effective and sustainable services to many members |  |
| <b>Output 1</b>  | <b>Elevate Engagement within membership and governance to a new level.</b>   |  |
| <b>Indicator/target</b>  | <b>Key milestones</b>  |  |
| <ul style="list-style-type: none"> <li>· Increased percentage in membership, especially for both women and youth in Co-operatives               <ul style="list-style-type: none"> <li>• To be in the top echelons of Co-operative digital infrastructure (Baseline: ICT use, World Economic Forum, Global Competitiveness Report)</li> <li>• Moving to a higher place in global business regulation rankings (Baseline: World Bank Ease of Doing Business Report, Alliance Doing-Co-operative Business Report)</li> <li>• Improved industry feedback on government procurement processes and increased numbers of Co-operative industries businesses winning contracts (Baseline: Government Procurement Framework Contract Listing)</li> <li>• Increased contribution to employment and gross value added growth from Co-operative clusters identified as powerhouse clusters (Baseline: Co-operative Ministry Statistics and Official Labour Market Statistics).</li> </ul> </li> </ul> | Number of national and regional plans reviewed – recommendations made  |  |
|  | Number of surveys and initiatives undertaken   |  |
|  | Number of sub regional structures and offices formed   |  |
|  | Information sharing and availability   |  |

| Action plan   | Year       | Budget Annual in USD   | Source of Funds                      |
|---|------------|------------------------|--------------------------------------|
| 1. Capacitate the National Apex bodies and review annually Country Co-operative development plans   | 2017-2019  | 56,814.87<br>14,274.81 | EU (79.92%)<br>Co financing (20.08%) |
| 2. Carry out continuous country research to identify gaps that exists in development of the Co-operatives in the areas of focus especially in underdeveloped sectors to create the necessary impetus. | 2017,2018  | 60,032.74<br>15,083.30 | EU (79.92%)<br>Co financing (20.08%) |
| 3. Develop linkages with development partners interested in development of Co-operatives and related fields in the region.  | 2017-2020  | 25,510.06<br>6,409.44  | EU (79.92%)<br>Co financing (20.08%) |
| 4. Lobby for enabling environment for co-operative development  | 2017-2020  | 48,870                 | We Effect                            |
| 5. Create a think tank for Co-operative development in the region. Coordinate regional programs in research and leadership development.   | 2018, 2019 | 8,692.56<br>2,184.02   | EU (79.92%)<br>Co financing (20.08%) |
| 6. Develop and coordinate exchange programs and study visits.   | 2017-2020  |                        | MARSHAV, JCCU,<br>KOREA              |
| 7. Coordinate and push for shared Co-operative curriculum development in institutions of higher learning in the region.   | 2017-2020  | 918.68<br>230.82       | EU (79.92%)<br>Co financing (20.08%) |
| 8. Creation of a data base of active development partners   | 2017       | 6,452.92<br>1,621.31   | EU (79.92%)<br>Co financing (20.08%) |
| 9. Development of an active data base of active experts   | 2019       | 12,905.84<br>3,242.61  | EU (79.92%)<br>Co financing (20.08%) |
| 10. Development of an active information platform.  | 2017-2019  | 0                      | EU Global                            |
| <b>Total budget</b>   |            | <b>263,243.98</b>      |                                      |

## Action plan for Output 2

|   |  |  |
|---|--|--|
| <b>Impact</b>   | Increased social, economic and environmental sustainability of nations through the Co-operative enterprise         |  |
| <b>Outcome</b>  | Efficient and effective Co-operatives at all tiers that provide effective and sustainable services to many members |  |
| <b>Output 2</b>   | <b>Position co-operatives as builders of sustainability.</b>   |  |
| <b>Indicator/target</b>   | <b>Key milestones</b>  |  |
| <ul style="list-style-type: none"> <li>• Greater economic, social, and environmental sustainability growth of African nations</li> <li>• Representation of Co-operatives in regional coordination and development institutions</li> <li>• Increased intra-African trade</li> <li>• Opening up space for Co-operatives cross-border activities</li> <li>• Co-operative-public procurement relations</li> <li>• Africa a Co-operative common area</li> <li>• Increased value of Co-operative goods and services exports (Baseline: Government Economic Estimates)</li> <li>• Alliance-Africa to have helped 5,000 individual Co-operative businesses to export per year by 2020. As a sector, to increase number of Co-operative businesses exporting by 20% (Baseline: Alliance-Africa Performance and Impact Monitoring Survey)</li> <li>• Increased Africa share of the global market for inbound international</li> </ul> | Increased in number of all agricultural coop organizations assisted and capacitated                                |  |
|   | Number of all financial, insurance and banking co-operative organizations networked                                |  |
|   | Increased in number of all housing coop organizations assisted and capacitated                                     |  |

|   |  |                       |                                      |
|---|--|-----------------------|--------------------------------------|
| investment bids (Baseline: Alliance-Africa Survey)<br>• Alliance Domestic and Foreign Direct Investment Compliance Criteria developed and implemented.                                | Increased in number of specialized co-operatives assisted and capacitated                |                       |                                      |
|   | Increased in number of all artisanal co-operative organizations assisted and capacitated |                       |                                      |
| <b>Action plan</b>  | <b>Year</b>  | <b>Budget</b>         | <b>Source</b>                        |
| Global Activities   |  |                       |                                      |
| 1. To Improve entrepreneurship through co-operative business training   | 2017-2019  | 54,714                | We Effect (Activity Budget 2019)     |
| 2. Assist in the gathering input for financial and agricultural co-operative development in Africa. Secure support of ILO, FAO, and related institutions.                             | 2017-2020  | 15,016.77<br>3,772.98 | EU (79.92%)<br>Co financing (20.08%) |
| <b>Agricultural Sector Development Activities</b>   |  |                       |                                      |
| 3. Encourage links between organizations interested in food and agricultural production, including farmers' organizations. Support sharing appropriate technology and latest research | 2017-2020  |                       | EU (79.92%)<br>Co financing (20.08%) |
| 4. Mobilize co-operatives and farmer organizations into regional commodity networks. E.g. Regional Commodity  | 2017-2020  |                       | EU (79.92%)<br>Co financing (20.08%) |

|   |                |                         |                                       |
|---|----------------|-------------------------|---------------------------------------|
| Exchange  |                |                         |                                       |
| 5. Organize farming certification and standards   | 2017-2019      |                         | EU (79.92%)<br>Co financing (20.08%)  |
| 6. Encourage Fair Trade practices in agricultural commodity   | 2017-2020      | 1,158.44<br>291.06      | EU (79.92%)<br>Co financing (20.08%)  |
| <b>Banking and Insurance Sector Development</b>   |                |                         |                                       |
| 7. To promote financial inclusion of youth and women.   | 2017-2020      | 6,510                   | Core/We Effect (Activity budget 2017) |
| 8. Support regional committees and their members, individually or collectively.                             | 2017 ,<br>2019 | 100,076.03<br>25,144.23 | EU (79.92%)<br>Co financing (20.08%)  |
| <b>Housing Co-operative Sector Development</b>  |                |                         |                                       |
| 9. Host annual conferences for member organization to build cohesiveness and critical discuss common issues | 2017-2020      | 26,167.79<br>6,574.69   | EU (79.92%)<br>Co financing (20.08%)  |
| <b>Specialized Co-operative Sector Development</b>  |                |                         |                                       |
| 10. Promote use of appropriate production and manufacturing technologies                                    | 2017-2020      | 72,000                  | ICAO                                  |
| <b>Total budget</b>   |                | <b>311,425.99</b>       |                                       |

### Action plan for Output 3

|  |  |  |
|--|--|--|
| <b>Impact</b>  | Increased social, economic and environmental sustainability of nations through the Co-operative enterprise         |  |
| <b>Outcome</b>   | Efficient and effective Co-operatives at all tiers that provide effective and sustainable services to many members |  |
| <b>Output 3</b>  | <b>Positive co-operative imagen and secured the co-operative identity.</b>   |  |
| <b>Indicator/target</b>  | <b>Key milestones</b>  |  |
| <ul style="list-style-type: none"> <li>• Increased percentage in membership, especially for both women and youth in Co-operatives</li> <li>• Increased share of entrants in subjects related to the Co-operative industries at school (Baseline: Ministry of Education, higher education placement agencies)</li> <li>• Increased proportion of Co-operative training programmes and courses gaining accreditation from industry recognized quality marks; increased employment rate of Co-operative graduates (Baseline: Supply Mapping research by Alliance-Africa — includes admissions and destinations data from Higher Education Statistics Agencies and Skills Funding organizations)</li> <li>• Increased number of Co-operative sector apprenticeships (Baseline: Ministries of Education and Co-operatives, and skills funding organizations) and</li> <li>• increased proportion of Co-operative sector firms offering training (Baseline: Government employment and Skills Commissions, The Alliance-Africa Employer Skills Survey)</li> </ul> | Increased in number of media communication   |  |
|  | Increased in number of services provided to members  |  |

| Action plan  | Year       | Budget                 | Source                                     |
|--|------------|------------------------|--|
| 1. Launch and Popularise the Africa Co-operative Sector Development Strategy   | 2017-2020  | 53,000                 | Core (Registrations + host's contribution) |
| 2. Asssit in the development and launch shared co-operative visual image.  | 2017-2020  | 1,673.30<br>420.42     | EU (79.92%)<br>Co financing (20.08%)EU     |
| 3. Campaign for the implementation of shared image within the region.  | 2017-2020  | 1,673.30<br>420.42     | EU (79.92%)<br>Co financing (20.08%)       |
| 4. Participate in the launch of internal communications campaign (among co-operative community) to build understanding of and commitment to the Blueprint.                                       | 2017-2020  | 0                      | EU Global                                  |
| 5. Participate in the prelaunch of external communications campaign. Place substantive articles in mainstream regional media.  | 2017-2020  | 585.52<br>147.11       | EU (79.92%)<br>Co financing (20.08%)       |
| 6. To provide technical training to youth and women  | 2017, 2019 | 61,726                 | We Effect(activity 2020)                   |
| 7. Participate in the drafting of co-operative law and business curriculum.  | 2017-2020  | 54,129.02<br>13,599.98 | EU (79.92%)<br>Co financing (20.08%)       |
| 8. Disseminate Guidance Notes on Co-operative Principles within the region.  | 2017-2020  |                        | We Effect(activity 2020)                   |
| 9. Assist in the drafting of business plan for consultancy practice and recruitment of core group of consultants at regional level.  | 2017-2020  | 17,000                 | Core (Consultancy)                         |
| 10. Pilot consultancy practice within the region   | 2017-2020  |                        | Core (Unsecured / Consultancy)             |
| 11. Assist in the drafting of World Co-operative Heritage list. This would be designed to show the worldwide contribution of co-operatives and modulate the Anglo-centric historical references. | 2017-2018  | 17,000                 | Core (Consultancy)                         |
| <b>Total Budget</b>  |            | <b>221,375.07</b>      |  |

#### Action plan for Output 4

|  |  |  |
|--|--|--|
| <b>Impact</b>  | Increased social, economic and environmental sustainability of nations through the Co-operative enterprise         |  |
| <b>Outcome</b>   | Efficient and effective Co-operatives at all tiers that provide effective and sustainable services to many members |  |
| <b>Output 4</b>  | <b>Supportive legal frameworks for co-operative growth.</b>  |  |
| <b>Indicator/target</b>  | <b>Key milestones</b>  |  |
| <ul style="list-style-type: none"> <li>• Increased in quality and quantity of co-operative law and policies across the continent</li> <li>• A comprehensive, internationally comparable and consistent data set that fully reflects the economic activity of the Co-operative sector in Africa and beyond.</li> <li>• A full-fledged and functional information resource management department at the Alliance-Africa headquarters</li> <li>• The framework to engage institutions in Africa supporting new ideas, talent, innovations, and entrepreneurship development that together stimulate Co-operative investment and promote commercial success.</li> <li>• Engagement with governments to create a wider and more accessible platform for Co-operative enterprises to effectively stimulate and sustain Africa's development.</li> <li>• Database of competences in the Co-operative industry for research, innovation and development</li> <li>• Web indicators on research, publications, innovations and products and services of a knowledge-driven Co-operative movement</li> <li>• Accessible Co-operative development database</li> <li>• Co-operative Industrial profiles by sector, resource, and commodity in the domestic and international market.</li> <li>• Increased contribution from Co-operative activity in the economy (Proxy indicator: increase in share of Co-operative enterprises. (Baseline: Government Economic Estimates)</li> <li>• IPO reports annually on activity supporting the growth of the creative economy (Baseline: IPO Annual Reports)</li> </ul> | Increased in number of supportive co-operative law and policies adopted  |  |
|  | Increased in number of governmental agency associate members in ICA-Africa.  |  |
|  | Increased in number of Co-operatives represented in the B20  |  |

| Action plan   | Year      | Budget               | Source                                 |
|---|-----------|----------------------|--|
| 1. Recruit governmental agency into associate membership in Alliance-Africa Provide support to these members for networking activities.                 | 2017-2020 | 66,401               | Core / We Effect Activity budget 2021) |
| 2. Assist in the formal launch the network at the Co-operative Summit   | 2017-2020 | 0                    | EU (A4.2)                              |
| 3. Create initial database  | 2017-2020 | 0                    | EU (A2.1)                              |
| 4. Continuous Development of policy papers to support integration of the co-operative agenda into intergovernmental policy-setting bodies. e.g. G8, G20 | 2017-2020 | 5,371.71<br>1,349.65 | EU (79.92%)<br>Co financing (20.08%)   |
| 5.Support the process of co-operatives to be represented on B20, the business council of the G20  | 2017-2020 | 5,371.71<br>1,349.65 | EU (79.92%)<br>Co financing (20.08%)   |
| <b>Total budget</b>   |           | <b>79,843.72</b>     |  |

#### Action plan for Output 5

|   |   |  |
|---|---|--|
| <b>Impact</b>   | Increased social, economic and environmental sustainability of nations through the Co-operative enterprise  |  |
| <b>Outcome</b>  | Efficient and effective Co-operatives at all tiers that provide effective and sustainable services to many members  |  |
| <b>Output 5</b>   | <b>Secure reliable co-operative capital while guaranteeing member control. Co-operatives need access to capital if they are to be established, grow and flourish. The aim is to secure reliable co-operative capital while guaranteeing member control.</b> |  |
| <b>Indicator/target</b>   | <b>Key milestones</b>   |  |
| <ul style="list-style-type: none"> <li>Increased in membership fee collections, contributions to the endowment trust fund and projects funding budgets</li> <li>Established co-operative start-up system</li> <li>Increased number of Co-operative enterprise start-ups in Africa as a proportion of overall number of enterprise start-ups and increased proportion of new Co-operative industries enterprises surviving after one year (Baseline: Government</li> </ul> | Increased in number of membership fee collections   |  |
|   | Increased in the contributions to the endowment trust fund  |  |
|   | Increased in project funding budgets  |  |

|  |   |
|--|---|
| <p>Business Demography)</p> <p>2. Increased number of Co-operative industries receiving investment and value of investments (including from government schemes) (Baseline: Government Investment Authorities and Departments for Business, Innovation &amp; Skills)</p> <ul style="list-style-type: none"> <li>• Increased number of Co-operative enterprises societies with turnover of more than USD 5 million as a proportion of overall number of businesses with turnover of more than USD 5 million (Baseline: Government Business: Activity, Size and Location Data)</li> <li>• Volume (in USD) of CFIs investing into Co-operative projects</li> </ul> | <p>Total dollar amount of Global Development Co-operative fund loans disbursed.</p> |
|--|---|

| Action plan  | Year      | Budget       | Source           |
|--|-----------|--------------|------------------|
| 1. Support a survey of innovative thinking on local co-operative start-ups | 2017-2020 | 60,000       | IFAD / We Effect |
| <b>Total budget</b>  |           | <b>60000</b> |                  |

## Budget Summary

| Activities             | EU project Budget   | Core Budget       | We Effect Budget | ICAO          | Total               |
|------------------------|---------------------|-------------------|------------------|---------------|---------------------|
| <b>Action Plan # 1</b> | 171,327.68          | 43,046.30         | 48,870           |               | 263,243.98          |
| <b>Action Plan # 2</b> | 142,419.03          | 35,782.96         | 61,224           | 72,000        | 311,425.99          |
| <b>Action Plan # 3</b> | 100,418.74          | 59,230.33         | 61,726           |               | 221,375.07          |
| <b>Action Plan # 4</b> | 10,743.42           | 2,699.30          | 66,401           |               | 79,843.72           |
| <b>Action Plan # 5</b> | 0                   | 60,000            |                  |               | 60,000.00           |
| Staff Cost             | 423,611.96          | 296,791.01        | 228,600          | 0             | 949,002.97          |
| General Adm Cost       | 71,476.72           | 17,968.61         | 32,000           | 8,000         | 129,445.33          |
| Staff Training Cost    | 47,535.37           | 11,943.32         | -                |               | 59,478.69           |
| 7% Indirect Costs      | 81,054.85           |                   | -                |               | 81,054.85           |
| <b>Totals</b>          | <b>1,048,587.11</b> | <b>527,461.83</b> | <b>498,821</b>   | <b>80,000</b> | <b>2,154,870.60</b> |

#### Disclaimer

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