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Cooperatives as Agents of Change

How can International Development Partners support the Development of Agricultural Cooperatives in view of achieving the Sustainable Development Goals?

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LIST OF ABBREVIATIONS

AMCOs Agricultural Marketing Cooperatives
CICOPA International Organisation of Cooperatives in Industry and Services
COASCO Co-operative Audit and Inspection Corporation
COPAC Committee for the Promotion and Advancement of Co-operatives
COOPREFORM Structural Reform through Improvement of Cooperative Development Policies and Legislation (an ILO programme)
CoopAfrica Cooperative Facility for Africa
CSOs Civil Society Organisations
DAC Development Assistance Committee
DANIDA Danish International Development Agency
DFID Department for International Development (UK)
EU European Union
EURICSE European Research Institute on Cooperative and Social Enterprises
FAO Food and Agriculture Organization of the United Nations
FO's Farmer Organizations
IMF International Monetary Fund
IFAD International Fund for Agricultural Development
ILO International Labour Organisation
ILO Coop Cooperatives Unit of the ILO
ILC International Labour Conference
ICA International Cooperative Alliance
IOs International Organisations
MSPs Multi- Stakeholder Partnerships
MDGs Millennium Development Goals
MoCu Moshi Co-operative University
MoU Memorandum of Understanding
NGOs Non- governmental organizations
NGDOs Non- governmental development organizations
SACCOs Saving and Credit Cooperatives
SDGS Sustainable Development Goals
SHOs Self-Help Organizations
SMEs Small and Medium Sized Enterprises
SUGECO Sokoine University Graduate Entrepreneurs Cooperative
SUA Sokoine University of Agriculture
TCDC Tanzania Co-operative Development Commission
TFC Tanzania Federation of Cooperatives
PO'S Producer Organizations
UN United Nations
UNDP United Nations Development Program
UNRISD United Nations Research Institute for Social Development

CHAPTER I: INTRODUCTION

I.1 Problem statement and motivation

Despite increasing urbanization rates around the world, about 45 percent of the global population still lives in areas defined as rural (UN, 2018). Using the World Bank's data for 89 developing countries, Castañeda et al. (2018) finds that approximately 80 percent of the extreme poor live in rural areas. Since a large share of the working poor is involved in agriculture as a primary activity, it presents the source of livelihood for three-quarters of the economically active, extreme rural poor.

Cooperatives, in the organisational form, have long been a driver to make rural areas functional economically and socially. They subscribe to a set of operating principles and underlying values that support the social and people-focused nature of their activities. As jointly owned and democratically controlled enterprises, cooperatives can boost smallholders' capacities to innovate and create economic and social opportunities for the most disadvantaged groups.

Cooperatives are present in most countries of the world, and in most sectors of the economy. The cooperative movement counts more than one billion members and around 10 percent of the world's employed population work or produce within the framework of cooperatives (CICOPA, 2017). Farming and agriculture is where the cooperative business model is most widely utilized; cooperatives together have an estimated 32% share of the global agricultural sector (Bibby, 2014). Cooperatives can play important roles in supporting agricultural producers. Evidence continues to show that efficient cooperatives have the capacity to empower their members economically and socially and to create sustainable employment through equitable and inclusive business models that are more resilient to shocks.

Recent international policy developments at the beginning of the 21st century brought into sharp focus the overriding priority of eliminating poverty, leading to the adoption of the Millennium Development Goals (MDGs). Building upon the MDGs, the Sustainable Development Goals (SDGs) aimed in 2015 to go well beyond poverty eradication, with 17 interconnected goals forming the core of the 2030 Agenda for Sustainable Development (UN, 2015).

Due to cooperatives unique nature, combining economic and social goals, cooperatives can naturally contribute to the three interrelated dimensions of sustainability, promoting inclusive economic growth for present and future generations, social development and environmental protection for the benefit of all (UNDG, 2016).

Economists, international organizations, and governments in developing countries have placed increasing emphasis on archiving and reorienting development aid towards archiving the SDGs. It is therefore of fundamental importance to acknowledge cooperative contributions to that goal while explore through an interdisciplinary approach the nature and features of cooperatives, their benefits and challenges faced, to shed light on how they are and can best be supported in order to act as agents of sustainable development.

The justification of the study derives from the fact that the cooperative enterprise model, despite its ancient origins has seen little visibility at national and international levels, and the importance of the contribution that cooperatives can make to the realization of the SDGs has gone relatively unnoticed (Wanyama, 2014). Furthermore, lack of recent literature and data deficiency surrounding this particular form of organization are said to be part of the reasons explaining that the cooperative model to development continues to be unrecognised by development policy makers (Develtere et al., 2009).

In addition, there seems to exist persistent misconceptions on the cooperative business models among employer's organizations, trade unions as well as research institutions, despite positive evidence on cooperative's contribution to improving livelihoods of people (Wanyama, 2012). Birchall (2003) highlights in a research on the policy context for poverty reduction through cooperatives, that many development agencies may have reservations because of past manipulation of cooperatives by governments in many countries. Hence, my research project is set up to disentangle contradictory perceptions that have continuously preoccupied many people including cooperative members, leaders, as well as government and donor agencies.

Lastly, as will become apparent, for cooperatives to play an important role, a number of conditions must be met, such as an appropriate environment that enables them to be true to their principles. Particularly in developing countries, cooperatives face numerous constraints, both long-standing and new challenges hampering their development. In this light, international development partners play an important role in supporting cooperative development and addressing capacity strengthening and the enabling environment, to

ensure that cooperatives and their members can become empowered agents of change for sustainable agricultural development.

This research thus seeks to contribute to the policy debate by providing policy makers and international development partner's deeper insights into the issues and limitations cooperatives face. Furthermore, it demonstrates how increased cooperation through multi-stakeholder partnerships is already helping to overcome cooperative challenges, illustrated by a case study in Tanzania, to reach cooperatives full potential to contribute to achieve the 2030 Agenda.

I.2 Objectives

The new vision of the Agenda 2030 enshrined in the SDGs recognises the importance of multi-stakeholder approaches to achieving sustainable development. Cooperatives are acknowledged as key actors in implementing the Agenda. Against this background, the objective of the present work is to assess the role that international development partner's play in supporting cooperatives in the agricultural sector to drive sustainable development. To this aim, the paper first evaluates how international development partners have provided support on a multilateral level to cooperatives, by exploring past and current examples, particularly collecting experiences of the efforts made by international organizations such as the International Labour Organization (ILO), the Food and Agriculture Organization (FAO) and the International Cooperative Alliance (ICA).

Secondly, studying the case of Tanzania, will allow for an in-depth exploration on the partnerships formed and the kind of support cooperatives require from development partners as well as the possible limitations they may be confronted with.

I.2.a. Specific objectives

1. To identify the characteristics of the cooperative model for sustainable development as well as its limitations.
2. To explore opportunities and challenges in supporting agricultural cooperatives by international development partners.
3. To analyse gaps where support by international development partners have an added value that cannot or should not be provided by other actors.
4. To propose recommendations for multi-stakeholder strategies of development partners to support cooperatives contribution to the Agenda 2030 for sustainable development.

I.3 Methodological approach

For my investigation a qualitative descriptive (QD) methodology was chosen. This research method has been identified as important and appropriate for research questions focused on discovering experiences and gaining insights from informants regarding a poorly understood phenomenon and is therefore suited to this investigation.

Although cooperatives are present in all geographies, to limit the scope, my investigation principally focused on cooperatives in Africa, as the continent is undergoing profound changes, which provides an unprecedented opportunity for its sustainable development. Africa has great potential, which goes well beyond abundant natural resources, cultural diversity, entrepreneurial spirit and innovative force. By 2035, Africa will have the world's biggest potential labour force. Harnessing the potential of this rapidly growing population (by 2050 it will double to 2.5 billion people) poses an enormous challenge. For this reason, many developing partners intensify their attention and cooperation efforts on Africa to achieve the SDGs by 2030.

Furthermore, my research is centred on cooperatives in the agricultural sector, because around the world, agriculture has a strong track record of providing an effective pathway out of poverty - of giving poor people an opportunity to live a healthy, productive life. Besides, across Africa, south of the Sahara, agriculture is the predominant sector in the economies of most countries, accounting for between 30 to 40 % of gross domestic product, and the sector is a leading source of jobs for over two-thirds of Africa's population (Nash et al 2013).

A case study of Tanzania has been included in my research, as it allows one to study how a phenomenon is influenced by the context within which it is situated (Baxter & Jack 2008). It enabled me to gather data from a variety of sources and to converge the data to illuminate the case of one country in particular. The case was carefully chosen on the basis of various factors. Firstly, Tanzania's context, a developing country with stable growth, a strong co-operative movement and a large number of the population involved in agriculture, provides a good starting base for my research. Secondly, in order to highlight and analyse a cooperatives contribution to the SDGs, a cooperative in rural Tanzania called SUGECO was chosen. From its inception in 2011, it has grown into a successful cooperative model with more than 1000 members across the country, promoting agribusiness innovation amongst youth and contributing to self-employment and job creation in rural areas. Thirdly, to analyze the contribution development partners can bring to strengthening the co-operative movement in Tanzania, the cases of two different NGOs (Helvetas and Rikolto)

as well as other local stakeholders will be put into the spotlight, that are working on empowering agricultural farmer organizations and cooperatives.

Lastly, as I have been myself to Tanzania and have visited cooperatives such as SUGECO and co-operative projects led by the NGO Helvetas, an important factor I considered was my personal connection with these cooperatives, which enabled me to gather first-hand information from members of the cooperatives, beneficiaries as well as different managers of the cooperatives. In addition, as SUGECO is nowadays well established in Tanzania after 9 years of activities, it has good relationships amongst others with NGOs, the local government, research institutes, which provided me with good opportunities to get into contact with other co-operative stakeholders of interest for my investigation.

My investigation features both primary and secondary data. Secondary data was used by conducting an extensive literature review that informed the collection of primary data. Sources, academic and grey literature, local, national and international reports from different institutions and countries, as well as policy briefs and government strategies, development plans on the topic of interest were studied. In order to analyse how international development partners are supporting and promoting cooperatives, publicly available documents from the FAO, ILO and ICA have been consulted. All information concerning the activities of the NGOs and SUGECO, and the co-operative's potential to drive sustainable development, have been obtained through email exchanges with different members, interviews, as well as the public information available on the web. The main objective of the assessment was to understand the current situation of cooperatives, farmers/producers groups, and other similar organizations in the target region and value chains, particularly their capacities, strengths, weaknesses and needs. In addition, the assessment has identified most suitable pathways in the current context based on findings as well as interviews of key stakeholders.

The primary information was gathered through semi- structured interviews with development specialists and key informants in the cooperative sector; ICA, FAO, and other training and education institutes such as Moshi Co-operative University, to hear about the challenges and experiences in the region. This was followed by in-depth interviews with leaders of the selected cooperative societies and NGOs at the local level with a view to generate the case study to illuminate the findings. Questions were pre-planned prior to the interview but interviewees were given the chance to elaborate and explain particular issues through the use of open-ended questions (Alsaawi 2014). In order to not lose depth and richness of the response, a solely structured format was avoided. Therefore, as

recommended by Dörnyei 2007 (as referenced in Alsaawi 2014) these open-ended questions were piloted in advance. Beyond these recommendations, the formulation of interview questions has been informed by my literature review in order to obtain pertinent knowledge that answers my research question. The outlines used for the interviews can be found in Annex 8.

The recommendations suggested by McNamara 2009 (as referenced in Turner 2010) were taken into consideration at the time of creating the research questions for the interviews which included the following elements: (a) wording should be open-ended (respondents should be able to choose their own terms when answering questions); (b) questions should be as neutral as possible (avoid wording that might influence answers, e.g., evocative, judgmental wording); (c) questions should be asked one at a time; (d) questions should be worded clearly.

Finally, the interviews were recorded, transcribed and a subsequent content analysis phase of the data was conducted. As recommended by Seidman, 2012, in order to interpret interviews, I highlighted the most interesting information, labelled it, and then put it into a particular category (Seidman 2012, as referenced in Alsaawi 2016). In particular, I paid attention to differences and commonalities in answers by interviewees, and reflected on information that could lead to interesting points for further research.

I.4 Structure

The research paper is organized in five chapters and proceeds as follows:
Directly following this introductory Chapter, Chapter II is oriented to provide an introduction to the Agenda 2030 and the relevance of multi-stakeholder partnerships in international development cooperation. In addition, the cooperative organisation form will be explored and the unique principles and values will be presented relative to other (investor-oriented) enterprises to explore their relevance to drive sustainable development. Lastly, preconditions for co-operative development will be discussed.

Chapter III, looks at how past and recent multilateral work on a framework for cooperative development have clarified the nature of cooperatives and explores the relationship between cooperatives and some of the UN agencies, notably the Food and Agriculture Organisation (FAO), the International Labour Organisation (ILO) as well as the International Cooperative Alliance (ICA).

Chapter IV. presents the case study of Tanzania. First, we will discuss the national context of cooperatives and assess the impact of multilateral efforts had on advancing the enabling environment. Then, cooperative experiences from the field will be analysed, through the partnerships and contribution of international NGOs (Helvetas & Rikolto) operating in Tanzania and implementing projects with cooperatives and farmer organizations.
Lastly, we will consider the example of the cooperative SUGECO in Tanzania, which has actively been engaged in cooperation since its inception with foreign partners such as government agencies, the FAO, ILO and other local organizations. We ask what constraints it has encountered and how the collaboration with partners has helped SUGECO develop as organization.

The conclusion, Chapter V. will summarize the findings and attempts to provide guidance and recommendations (Chapter VI) on how international development partners can fill in existing gaps in the promotion of cooperatives and explore areas for increased cooperation.

I.5 State of the art

The cooperative form of organisation has attracted a great deal of attention, as it has grown in importance for the economy around the world. Abundant literature can be found on the economic nature and characteristics of cooperatives and particularly their expansion in developed countries.

However, the extant literature and knowledge on cooperative development in developing countries is more fragmented and scarce. Much of the research that can be found on cooperative development in Africa stems from before the liberalization of the markets. Authors such as Develtere et al. (2008) and Wanyama (2012) have analysed the growing dependency and consequent loss of autonomy that many African cooperatives experienced, with an increasing, detrimental and excessive government involvement in their activities, which stretched from the post-independence era to the liberalization years in the 1980s. Much criticism emerged in the period from the early 1960s through the 1980s researchers argued that cooperatives did not bring about the expected changes, did not benefit the poor, suffered from bed management and were heavily controlled by the government (Holmen,1990; Laidlaw 1980; Münkner, 1976).

Furthermore, it is also important to note that the little empirical work on cooperatives that is available tends to be based on case studies. This can partly be explained by the fact that empirical research in developing countries is often hampered by the lack of reliable

statistics. The available literature on cooperative development in developing countries since the 1990s has mostly been written by authors from within organizations related to promoting cooperative development such as the International Labour Organisation (ILO), International Cooperative Alliance (ICA), and the Food and Agriculture Organization of the United Nations (FAO).

With the advent of the new millennium, the debate of cooperatives made a comeback in research on policy and was geared towards the potential role of cooperatives for poverty reduction. In the last two decades, cooperatives have begun to be recognized more clearly by the international community as part of the solution for poverty reduction and to bring about long-term sustainable development.

This has also been thanks to increasing empirical literature on the subject. A number of authors have investigated the potential of cooperatives to reduce poverty. Several studies conclude that the cooperative business model is a form of institution that meets most of the dimensions of poverty, providing opportunities, facilitating empowerment and enhancing security. This perspective is shared by Birchall 2004; Holmen, 1990; ICA & ILO, 2005; Wanyama et al., 2008; Simmons and Birchall, 2008; Develtere et al, 2008; Bibby and Shaw, 2005; Stiglitz, 2004; Pollet and Develtere 2004; Parnell, 2001 and the OECD, 2007).

As an example, we can consider in closer detail Birchall (2001, 2003), analysing the role and potential of cooperatives in reducing poverty, and its contribution to the MDGs. Birchall claims that, cooperatives have a direct impact on eradicating poverty (MDG 1) and an indirect effect on the other Millennium Development Goals (Birchall, 2004). Similarly, Develtere et al. (2008) examines the potential of the cooperative form to contribute to the development process and provides evidence on the contribution of cooperatives to poverty reduction in Africa, but at the same time documents how cooperatives particularly in Africa, cooperatives are conditioned and restrained by past developments. The analysis of Coque Martinez on rural populations in underprivileged areas also highlighted the potential of cooperatives as a development agent.

Nevertheless, little research has been conducted beyond the premise that cooperatives can serve as important tool for driving sustainable development and can provide significant contributions towards achieving the 2030 Agenda in a sustainable, inclusive and responsible way. In particular, there is a lack in specific research related to the link between cooperatives and international development partners, and more specifically how

cooperatives in developing countries can be best supported in order to drive the achievement of the SDGs, which this research will attempt to advance.

As a starting point, we will consider co-operative development strategies of the international community. Globally, the concerns of the International Co-operative Alliance have led to the elaboration and approval of the Blueprint “Vision 2020”, which is an ambitious policy strategy for the development and promotion of cooperatives. Other policy documents and strategies in relation to Agenda 2030 and cooperative development from the international community will be examined to assess how they are currently being supported on a multilateral level. The case study will complement findings to identify challenges faced by cooperatives, explore the support provided locally by international development partners and examine potential areas of increased cooperation.

CHAPTER II: CONCEPTUAL FRAMEWORK

By reviewing previous literature, the next section will define key concepts and will introduce Agenda 2030 and the role partnerships can play in achieving the targets set by the SDG framework. In addition, cooperatives will be introduced and their potential explored as central actors in multi-stakeholder partnerships to drive sustainable development. Lastly, we will identify factors that can affect their functioning, which will guide our analysis in the subsequent chapters.

II.1 SDGs - A new paradigm of development

The 2030 Agenda for Sustainable Development was unanimously adopted by United Nations member states in 2015 and frames a global accord to transform the world to improve the lives of all people, setting out a vision for countries to end all forms of poverty, fight inequalities and tackle climate change committing to leave no one behind. It established priorities - 17 Sustainable Development Goals with 169 targets - that are universal and thus applicable to all countries and to be achieved by 2030.

The Agenda 2030 continues to promote the global development framework adopted by the Millennium Development Goals (MDGs) between 2000 - 2015. The SDGs, however, differ from their predecessors in a number of ways: they were developed through an extensive three-year consultation process; they address the three pillars of sustainable development; social, environmental and economic, in a more 'profound', 'interconnected' and cohesive manner; and they call for urgent and transformational action by all countries and stakeholders to ensure that 'no one will be left behind' (UN, 2015:1).

II.2 Partnerships for the Agenda 2030

The SDGs are the focus of the world's development agenda with multilateral organizations, governments, and non-governmental organizations, the private sector and civil society all seeking to find innovative ways to reach the goals by 2030. Partnerships and cooperation are intrinsic to international development. The development community recognizes that strong partnerships and cooperation are necessary for achieving the Development Goals. In the 2030 Agenda for Sustainable Development published in September 2015, the UN member states once more designated partnerships an important "means of implementation" for the 17 SDGs (UN, 2015).

There is increasing awareness that profound structural changes are required to achieve the targets of the SDGs (Sachs et al, 2019: 805). In order to ensure 'collective problem-solving' and reinforcing the 'leave no one behind' principle at the heart of the SDG Agenda, the engagement of more diverse actors in multi- stakeholder partnerships (MSPs) can assist in integrating the economic, social and environmental pillars of Agenda 2030.

"Multi- Stakeholder Partnerships" (MSPs) - a word used throughout this investigation refers to a form of lasting cooperation organized around a common purpose, between various stakeholders, often between – state actors (e.g governments) and non-state actors (e.g NGOs, private sector). This form of cooperation has become a common fixture in the international development arena and is increasingly recognized as an essential mechanism for promoting and implementing sustainable development, in all its dimensions.

SDG 17: "Partnerships for the Goals" confirms the Global Partnership for Sustainable Development and is promoted as the driving force for the global engagement and mobilisation of different actors needed to implement the SDGS. SDG 17.16 states that MSPs shall "complement" the Global Partnership and shall "mobilise and share knowledge, expertise, technology and financial resources, to support the achievement of the sustainable development goals in all countries, in particular developing countries". In other words, MSPs aim to mobilise and pool the various resources different actors have (knowledge, funds, technological knowhow, decision-making powers, etc.). Furthermore, SDG 17.17 calls for efforts to "encourage and promote effective public, public-private and civil society partnerships, building on the experience and resourcing strategies of partnerships".

Within the field of international development, there is growing recognition that there is no 'one size fits all' approach; successful and sustainable development is rooted in effective and sustainable partnerships. These partnerships involve stakeholders who can bring together different areas of influence, skills and expertise. For international bodies such as the European Union (EU) and the United Nations (UN), effective and sustainable development needs to be a process led by local people which is firmly anchored in civil society. By adopting the Accra Agenda for Action (AAA)[1], donors and developing countries broke new grounds in recognizing the importance in civil society in development and

[1] Designed to strengthen and deepen implementation of the Paris Declaration, the Accra Agenda for Action (AAA) adopted in 2008 sets the agenda for accelerated advancement towards improving the quality and impact of aid. The views of more than 80 partner countries, some 60 CSOs, all DAC donors, and many non-traditional providers of development assistance informed the AAA. The commitments by all the participants in this process resulted in an action-oriented agenda that can support accelerated progress in aid effectiveness.

committed to deepen engagement with CSOs. This broad group that includes non-governmental organizations (NGOs), can be said to have two roles in development 1) as change agents and 2) as donors of aid, channelling aid and recipients of aid (OCDE, 2011).

Particularly, NGOs have become more and more numerous and manage more and more public and private funds. The main activities of NGOs in development cooperation are well characterized by Schulpen and Hoebink, 2012 (as referenced in (Bučar, 2012). NGOs can act as: Financer, funding of Southern partners for their development interventions; as Advisor, Capacity building, knowledge collection and dissemination, linking Southern organizations to knowledge, expert advice; as Networker, bringing organizations (whether governmental, non-governmental and/or commercial) together to increase cooperation and complementarity; and as Implementer, implementing activities by its own staff; as Lobbyist, influencing policies of governments, inter-governmental organizations, multilateral agencies and private companies through lobbying and advocacy; and lastly stimulating changes in the North with a view to contributing to development in the South.

In this light, various donors, from national governments and multilateral organizations (in particular Development Assistance Committee members (DAC)[2] to individuals, have turned to NGOs, as they consider them to be valuable partners in development cooperation in delivering services, stimulating public debate, encouraging democratic processes and accountability, and strengthening other civil society actors. Furthermore, as highlighted by the OECD (2011), the proximity of NGOs to beneficiaries and the ability to respond rapidly in emergency situations are seen as important comparative advantages. NGOs, through their fundraising and awareness raising activities, also play an important role in education and advocacy in DAC member countries.

In addition, the importance of NGO's in cooperative development through multi-stakeholder partnerships has increasingly become apparent in recent years. NGOs can link local partners, complement activities of the state and the cooperative movement, and thus enhance the performance of cooperatives. They often work at the local grassroot level, making valuable contributions building capacities of informal farmers groups and small-scale farmers and at the national level by pushing governments to promote cooperatives

[2] The Development Assistance Committee (DAC) today counts 30 out of the 34 OECD members (only donor countries can be members). Members also include the World Bank, the International Monetary Foundation (IMF) as well as UN's Development Programme (UNDP) as observer.

and advocating for structural and policy changes. Their role will be discussed in detail in chapter V.

In this study, we will use a broad-brush approach to partnership and explore its many forms, focusing on actual partnerships between the cooperative movement, local actors and other international organisations engaged in development cooperation. Before examining how cooperatives work in partnership with these development partners, we will establish the nature, depth and reach of the cooperative sector in the next sections.

II.3 Understanding cooperatives

The so-called origins of "Cooperation" date back as far as human beings have been organizing for mutual benefits. Cooperation in its essence is a method of working together with others having the same or similar needs or problems. The cooperative model is a flexible and diverse one. Given their long and complex history in both the developing and the developed world, it is not surprising that cooperatives can be defined in lots of different ways.

II.3.a What is a cooperative?

Many different definitions of cooperatives can be found in existing literature. Without doubt, the most widely-used international definition has been that of the International Cooperative Alliance (ICA) defining a co-operative in its statement on the Corporate Identity in 1995 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"* (ICA.coop, n.d.).

The definition places emphasis on cooperatives being an economic enterprise with socio-cultural responsibilities. In 1895 the International Cooperative Alliance (ICA) was established, a non-governmental organization as an umbrella organisation to represent cooperatives to promote and strengthen autonomous cooperative organizations. The ICA expects cooperatives to be independent of government control and owned by individuals or organizations.

The definition has since been adopted by many institutions and accepted as legal definition; it was embedded in the International Labour Organisation (ILO) Promotion of Cooperatives Recommendation, 2002 (No. 193) and has been included in the 2001 United Nations Guidelines aimed at creating a supportive environment for the development of cooperatives,

as well the Food and Agriculture Organization (FAO) makes use of the definition.

II.3.b Other self-help organizations

It is to be noted that the organizational forms used to facilitate cooperation in action are by no means limited to the more rigid structures usually covered by the framework of the currently available legislation in many countries. Cooperation can in fact, take many forms and is most certainly not confined to those organizations bearing the name "cooperative".

As described by Schwettmann (2014): *"Cooperatives, in Africa and elsewhere, merely constitute the formalized, officially recognized tip of an iceberg whose invisible body is composed of a myriad of associations, self-help groups, community-based organizations and similar initiatives which, in most cases, observe the principles of cooperation*". Those initiatives are commonly grouped under the umbrella of the "*social and solidarity economy*", even though most of the people involved would be unaware of that label.

II.3.c Cooperative values and principles

Cooperatives are a unique form of business and social organization, guided by certain values and principles. Cooperative values are general norms that cooperators, cooperative leaders and cooperative staff should share and which should determine their way of thinking and acting (Hoyt,1996). Similarly, cooperative principles are guidelines by which cooperatives put their values into practice. These principles are fundamental and immutable doctrine or tenets that define and identify distinctive characteristics of the cooperative organization and determine its operating system (Baarda 2006). In essence, the adoption of these cooperative principles ensures that the organisation's primary objective is to serve the members, rather than profit maximisation as in non-cooperative business (Hind, 1994).

The seven internationally recognized cooperative principles that evolved from the Rochdale Pioneers[3] are best described in the ICA's Statement on the Cooperative Identity and are outlined below: (ICA, 1995).

[3] The Rochdale Society of Equitable Pioneers founded in 1844, was an early consumer co-operative, and one of the first to pay a patronage dividend, forming the basis for the modern co-operative movement with its governing principles having guided the cooperative ideal as such (Holmen 1990). Faibairn (1994) provides a comprehensive overview of the history of co-operative principles, starting from Rochdale pioneers, and outlines how Rochdale ideas of co-operation principles were interpreted in the co-operative literature and practice for the last 150 years. Hoyt (1996) outlines the role of ICA in declaring and adjusting co-operative principles, and shows how they changed in 1937, 1966 and 1995.

Figure 1: ICA's cooperative principles

1. *Open and voluntary membership*
2. *Democratic membership control*
3. *Member economic participation*
4. *Autonomy and independence*
5. *Education, training and information*
6. *Co-operation among cooperatives*
7. *Concern for community*

See Annex 1 for further details on the seven principles

Behind these principles are values such as self-help, equity, democracy, equality among members and solidarity. Parnell (2001) points out that the modern values underlying cooperation are usually different from traditional value systems based on hierarchical structures, inequality and when solidarity is limited to kinship groups, which are focused on securing subsistence and survival of the group. It is important that these modern cooperative values, norms of behaviour have to be known and practised for effective cooperatives to be established.

Although these principles are not binding, they have been adopted by the ILO in its Recommendation 193/2002. Furthermore, there is a diverging perception and implementation record, some countries refer explicitly to the ICA norms in their national laws others do not mention them.

II.4 The modern cooperative model

Cooperatives nowadays operate successfully in almost every country of the world and range from micro-enterprises, involving a handful of people, to businesses that can count their turnover in multi-millions in developed countries. In most countries cooperatives are involved in a wide range of sectors, most notably in agriculture insurance, banking and financial services, wholesale and retail trade, industry and utilities, health, education and social care (EURICSE & ICA 2019).

The difficulty has to be highlighted to find international and comparable data about cooperatives in developing countries, particularly in rural areas. Many cooperatives do not appear in statistics as they operate informally, or are not recognized as enterprises in certain countries due to gaps in the legal framework, which will be discussed later in more detail.

Nevertheless, world membership to the ICA gives some idea of the size of the global cooperative movement.[4] Today, the ICA represents 318 co-operative federations and organisations in 112 countries, amounting to more than 1 billion cooperative members worldwide (ICA.coop). Cooperatives cannot be considered a marginal phenomenon; the ICA estimates that more than 12% of humanity is part of any of the 3 million cooperatives in the world (ICA.coop). According to CICOPA's second global report, cooperatives represent a significant share of employment, with an estimated number of 279.4 million people involved in cooperatives worldwide, constituting at least 9.46% of the world's employed population.[5] This should be regarded as a sufficiently high percentage for considering cooperatives as a major actor in development and fundamental for driving the 2030 development Agenda (CICOPA, 2017).

II.4.a Features which distinguish a cooperative from other business enterprises

Cooperatives are not to be confused with charitable undertakings; they are economic enterprises. They have a dual nature, as business enterprises on the one hand, and as membership based associations organised for collective action on the other. They must be run effectively as to make a profit (some prefer the word "surplus"). Alternatively, if they were to make losses, they would be unsustainable and would lose the savings of members that have invested in the enterprise. According to Birchall (2003), principle, values and norms are the basic characteristics that differentiate it from other types of businesses. This orients general business toward community focused, member cantered, democratically controlled and voting rights assigned in membership rather than staking of shares (Birchall, 2003). It is a business enterprise that aims at complete identity of the component factors of ownership, control and use of service, three distinct features that differentiate cooperatives from other businesses (Laidlaw, 1974).

II.4.b The cooperative difference

Cooperatives can strengthen the means of implementation toward the achievement of the SDGs. With their values and principles such as democratic ownership, transparency and

[4] Mignot, et al (1999) provide a quantitative account of the evolution of the cooperative movement, relying on an database relating to the number of members affiliated to ICA since 1896. Results are presented by splitting the studied period into four development phases of the worldwide cooperative movement.

[5]Given the lack of an internationally agreed statistical definition and methodology to produce globally consolidated information on co-operatives, the numbers presented here must be considered with caution. They may entail a number of incomplete assumptions, arbitrary decisions from different sources. Nevertheless, they can reflect approximate information on cooperative employment and, in particular, on its different forms. CICOPA underlines that it tries to make as prudent and conservative estimates as possible, thus the numbers can be considered as minimum estimates based on traceable evidence.

accountability, cooperatives can be key partners in making development processes and institutions more effective and participatory. Principle six of the seven cooperative principles is 'cooperation among cooperatives'. In implementing this principle, cooperatives have created multiple partnerships within the cooperative movement. The seventh cooperative principle "concern for community" drives cooperatives to work for the sustainable development of their communities through actions approved by their members.

II.5. Why work with cooperatives in development?

Cooperatives are already significant economic players that contribute to inclusive growth processes. As such they are also important development actors. As noted by Secretary-General of the United Nations Ban Ki-Moon:

> *"Cooperatives are a unique and invaluable presence in today's world. They help to reduce poverty and generate jobs*" (ICA, 2011).

By their very nature cooperatives play a triple role: as economic actors they create opportunities for jobs, livelihoods and income; as social organizations built on a common goal and a common bond they extend protection and security, and contribute to equality and social justice; and as democratically controlled associations of individuals they play a constructive role in communities and nations, in society and politics. These three roles cannot be dissociated one from another because they are inherent to the very nature of cooperatives democratically (Schwettman, 2014:2).

With regard to the role of cooperatives in development, a 2015 UN report highlighted that:

> "*Cooperative enterprises contribute to social inclusion, decent work, sustainable economic growth, environmentally sound consumption and production and more peaceful and stable communities. They provide an example of how doing business can be economically viable, ethical, environmentally responsible and people-centred"*(UNGA, 2015).

The distinctive values-based economic business model also provides individuals and communities with an instrument of self-help and influence over their development.

Because of the models flexibility, the cooperative model can work well in both the formal and informal economies. Regarding poverty, cooperatives can help smallholder farmers access local and international markets, raise incomes and contribute to tackle hunger and food insecurity. This is particularly is promising in Africa, where cooperatives are already

established as the most common village level institution, and smallholders make up the majority of cooperative membership.

II.5.a The role of cooperatives in economic development

Cooperatives can play as catalysts of inclusive development and their capacity to empower communities. In addition to the direct benefits they provide to members, cooperatives strengthen the communities in which they operate. Develtere et al. argues that cooperatives create employment opportunities in three different ways; first direct wages to people who work in primary and secondary cooperatives as well as in governmental cooperative support institutions (e.g ministries, departments, cooperative colleges;) secondly, cooperatives offer self-employment to members, whose participation in the economic activities that they make possible substantially guarantees a decent income. Thirdly, cooperatives also indirectly employ through spill over effects of their activities of non-members, whose income-generating activities are only viable through the transactions they have with, as well as opportunities created by cooperative ventures (Develtere et al. 2008:5).Through increased organization cooperatives grow and can reach a large number of cooperatives, leading to the creation networks of support for their members (ICA, 2013).

As stated by the ILO cooperatives are specifically seen as significant tools for the creation of decent jobs and for the mobilization of resources for income generation "*enabling even the poorest segments of the population to participate in economic progress*" (Somavía, ILO Director-General, 2002).

Many cooperatives provide jobs and pay local taxes because they operate in specific geographical regions. A cooperative thus can provide locally needed services, employment, circulate money locally and contribute to a sense of community or social cohesion. They can also provide their employees with the opportunities to upgrade their skills through workshops and courses and offer youth in their base communities short and long-term employment positions. Students can also be employed on a casual-appointment basis during long vacations. Through these, cooperatives will contribute to economic development. Lastly, cooperatives are said to foster social integration, particularly for women, youth, elderly and people with disabilities (FAO, 2012).

The income generated is used not just to meet household consumption needs, but also to enhance income-generating capacity of individuals by investing in educational and health requirements of individuals and households. They often play an important role in developing

their communities, facilitating access to sanitation, water and education. The case of the Oromia Coffee farmers Cooperative Union in Ethiopia illustrates this. It has contributed to social projects like the construction of clean drinking water tanks, health posts, medical equipment and dry latrine in its service area. These were done by means of fair trade premiums received out of the coffee sales made by the union (Oromia Coffee Farmers Cooperative Union, 2021).

Since cooperatives are member-owned, all profits go to its member-customers rather than external shareholders. In comparison with profit-maximising investor owned firms, cooperatives are often considered better at: driving economic crises; driving economic development in low to middle income countries, reinvesting surpluses; promoting local communities, social inclusion and ensuring their members democratic participation and coping with economic crises (Mazzarol et al. 2011).

Particularly, with the spread of the recent global COVID-19 pandemic and its economic and social impacts on all human affairs, both at the individual and aggregate level, cooperative businesses have proven once again to be resilient and innovate in times of trouble. Despite the implications on workers and businesses worldwide, there are many accounts that show that cooperatives have stepped in to help employees, members, and communities to face the health and economic repercussions of COVID 19 (EURICSE & ICA 2020).

Furthermore, one benefit that is oftentimes overlooked is the power cooperatives can in some instances influence policy working together with the government. Relations can be improved between farmers and the government, which may be beneficial for both, as the government can better understand the needs of groups in certain geographical areas or business and channel their policies to address those needs. In some cases cooperatives can implement plans and programmes that are consistent with the strategies of the government for socio-economic development (UNGA Economic and Social Council, 2001, p.4).There are many more examples of successful cooperatives in different sectors and their impact on the ground. We will analyze the example of the Tanzanian cooperative SUGECO in chapter IV.

II.5.b Limitations of the cooperative model

Despite their potential, cooperative enterprises can have weaknesses and shortcomings just like any other type of business. The management of cooperatives is demanding, particularly because of their democratic nature and sometimes due to the inadequate management skills of its membership. In addition, they can fail for common reasons such as lack of capital, incompetent management and due to organizational deficiencies.

Research in the past decades has focused on the internal problems inherent in the traditional cooperative organizational form that create disadvantages for cooperative members. Cook (1995) presents five core problems, also discussed by Royer (1999), namely the free rider, horizon, portfolio, control, and influence cost problems. Common property rights and free-rider problems are also pointed out as the most salient issues as analysed by Zusaman, 1990 (Zusaman, 1990 cited in Braverman et al. 1991). Under common property rights, there are certain activities in which the individual member reaps the benefits of his action while the entire membership bears the cost. The reverse is also possible; e.g in the example of producer cooperatives where output is fully shared, the individual bears the cost of his contributed effort but his benefit is only a proportion of the output. Another example is the case of cooperative credit. Joint liability often allows members to borrow at lower costs, but the individual member can appropriate the full benefit of his successful investment while the entire membership bears the cost of failure. Members may thus be inclined to overborrow.

In addition, some scholars have argued that farmer cooperatives have often failed because of problems in holding management accountable to the members (i.e. moral hazard) leading to inappropriate political activities or financial irregularities in management (Akwabi-Ameyaw 1997). Cooperatives may also have weak institutional capabilities and a lack of effective control structures at either level can bring about the demise of the cooperative. However, it is argued that these weaknesses can be contained with appropriate incentive and control structures and with sharing rules (Zusaman, as cited in Braverman et al. 1991).

Other weaknesses include the lack of managerial experience and knowledge, in turn affecting the cooperative's financial sustainability (e.g business planning, financial management) often resulting in a lack of capital resources. Most of these weaknesses can be traced back to the scarcity of fundamental training and education for cooperative members or the managerial board. It becomes evident that the neglect of education is

widespread through the cooperative movement in most countries, and it is safe to say that the majority of co-operative systems, except in some countries, are guilty of default in this respect.

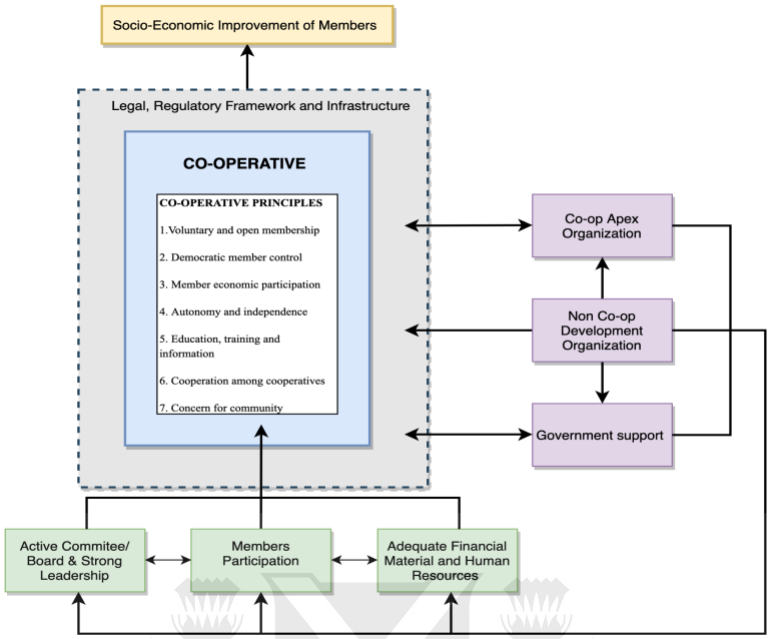
II.6. Preconditions for cooperative development

We will firstly touch upon the general conditions that should be in place for successful co-operative development and thereby the role of the government in creating a supportive environment for cooperatives. The importance of a regulatory and legal framework will be highlighted, as well as initiatives that have been launched by the international community such as the ICA, ILO and FAO to support cooperative development in the following chapter.

As indicated in the works of Satgar and Williams (2008), general preconditions need to be met for successful cooperative development that ensures endurance, cohesion, ability to overcome problems over time and capacity building. This includes internal factors such as efficient and effective management, learning and teaching, innovation, good governance, information and information technology. Likewise, Parnell (2001) suggests that for successful cooperative development, there should be certain drivers in place. This includes information on cooperative enterprise, availability of competent mentors to assist with recruitment, training and development as well as access to assist finance and a positive public policy framework (Parnell, 2001). Similarly, Münkner (1976) outlines minimum requirements that cooperatives have to observe if they are to be successful. Cooperatives have to emerge from below in response to a felt need, common economic interests, and social cohesion; cooperative principles and values should be clearly understood and a strong leadership is essential.

Certain external factors should be available, such as a conducive economic, political, and legal framework, clear government policies, basic infrastructure for cooperative organization, and a community social structure sufficiently flexible for cooperatives to operate. These factors can also be considered as independent and depend variables, as demonstrated in the framework of factors affecting cooperatives in Figure 2.

Figure 2: Conceptual framework of factors affecting cooperatives



Source: Own construct 2021

As indicated in the schematic diagram above, the presence of all factors based at the base of the tree can lead to the success of cooperatives. The internal factors that would have an effect on a cooperative's success are the ones that arise internally and these include member's commitment, member's participation, structural, communication and managerial factors.

The external factors include assistance that act as a motivation for members in a cooperative, external assistance, government policies, the regulatory framework and market factors. There are multi-interactions among these variables. That means in case the interaction goes the way contributing to progress, the consequence would be positive and the reverse might occur otherwise. In short, these factors can affect the competitiveness of cooperatives, especially in developing countries, where many cooperatives are weak and face many challenges. From these, it can be deduced that the vice-versa would take place in the absence of the above mentioned components.

II.6.a The impact of globalization

Over the years, increased cross-border trade in goods and services, technology, and flows of investment, have added both advantages and new external challenges to cooperatives. The countries of the world which have been most successful, both in terms of growth and the reduction of poverty – the countries of East Asia – have exploited the opportunities

offered by globalisation; they have sold their goods in the international marketplace, they have welcomed investments from around the world, and they have availed themselves of "global technology," making great strides in closing the gap in knowledge that separates the more advanced industrial countries from the poorer countries (Stiglitz, 2004).

But elsewhere, countries have often found it difficult to respond to the challenges of globalisation. Most importantly, the globalization of financial markets tends to give a competitive advantage to large multinational corporations compared to cooperatives, due to the latter's more restricted access to such markets (Spear, 2014). Cooperatives, particularly in Africa, have faced barriers in competing with goods produced by modern technology abroad; or acquiring the technology which would allow them to compete; and even when they succeed in producing competitive goods, they have found it difficult to market their commodities abroad.

Increasing competition also often means that small, community-based cooperatives have to merge into larger, regional and national conglomerates in order to survive. However, as Laidlaw (1980) notes, large size, reliance on professional managers and genuine democracy are difficult to reconcile. Nevertheless, many cooperatives in the less economically developed countries remain informal and isolated, without external support, and far removed from the democratic and corporate modernization that the global environment demands.

Although the ICA now counts members from over 110 countries, representing over one billion of cooperatives, most of the dominant countries in the organization are mainly European or North American. The World Cooperative Monitor published annually by the ICA with support of the EURICSE, is a source of data reporting on the socioeconomic value and impact of cooperatives both within a global scenario and in their regional and national contexts. At the core of the Monitor is a list of the world's top 300 cooperative organizations operating in different sectors. It becomes quickly apparent that cooperatives in lower income countries, although part of the ICA, do not appear in the studies and statistics because they remained informal or are not federated.

II.6.b The role of the government

Theoretically, from the perspective of the government, cooperatives should be considered a building block of civil society. Birchall argues that cooperatives are "e*conomic rather than political parties and so do not compete with political parties, but they do provide important sources of social capital or "civic virtue" on which politics depend. In rural areas, and in the informal economy, they are often the only organisations that governments can deal with. They supplement local governments by providing a tax base, making demands for infrastructural developments, and providing feedback on how local government agencies are performing*" (Birchall, 2003 p.29).

In this way, local concerns can be channelled into global processes in various ways, often using the multi-layered structure of mature producer apex organizations. Hence, government policies regarding cooperatives are often identified as one of the most critical factors, because they can constrain or enhance independent cooperative development (Hoyt, 1989). Social and economic policy implemented by the government as well as legislation is recognized as one of the main factors influencing the development of cooperatives. Public policy support that can gain specific forms. The areas of public policy support may include human resource development, research, managerial consultancy, auditing, laws and taxation as well as relations with the private sector.

In most market-oriented developed economies, cooperatives often receive public support in the form of: (1) provision of a flexible legal framework that does not discriminate against cooperatives in any way, (2) exemption from antitrust laws, (3) beneficial tax treatments,(4) the access to favourable credit terms, and (5) technical assistance.

Particularly the regulatory environment for cooperatives is of fundamental importance, however it is often inadequate in many developing countries, either due to restrictive laws stemming from a legacy of state control, or from the absence of an up-to-date cooperative legal framework that reflects the changing realities in the world of work. Thus, in developing countries, governments are often expected to provide a supportive policy, legal and institutional framework, provide oversight on terms equivalent to other forms of enterprise and social organization, adopt measures to improve access to finance for disadvantaged groups, and topically, to promote the formalization of the informal economy.

Nevertheless, the historical background of many cooperatives in developing countries (for interested readers a detailed account is presented in Annex 9.2), demonstrates how cooperatives have also strongly been misused in the past by government interference (Coque, 2001; Holmen,1990; Wanyama, 2008; Develtere et al., 2008 & 2009).

Münkner (1976) argues that if the state wants cooperatives to contribute to socio-economic development, it can only do so if these cooperatives have the opportunity to develop at their own pace, taking advantage of their own experiences, and by acting as economic institutions promoting the interests of their members who control them. Münkner posits that the state should limit itself to providing a legal framework for self-sustaining economic organizations, and providing small rural communities with infrastructure that they cannot finance themselves. This view is supported by Laidlaw (1978), rather on cooperative development, the state should focus on the provision of infrastructure such as irrigation, schools and roads as to create the preconditions for cooperatives. Planning authorities and state administrative bodies should function only as support systems and not as administrators of local economic affairs or as cooperatives.

Even justified state interference in cooperative development can be positive as well as negative. Experience has shown that government policies can both enhance and impede independent cooperative development. Direct intervention in the establishment and operation of cooperatives can undermine personal drive and motivation of its members, which is the key factor of success in cooperative business (Münkner, 2002). Cooperatives created from the bottom up, through initiatives in rural areas, are more successful than those established through government programmes. Therefore, public policy support must be limited and targeted to the needs of cooperatives.

In this chapter we have identified and explained internal and external factors that influence the functioning of cooperatives and constrain or enhance their contribution to sustainable development. The analysis in the subsequent chapter is going to focus on the types of support that has been provided through partnerships with multi-stakeholders that influences the enabling environment and functioning of cooperatives, namely the contextual, legal and financial frameworks (e.g formalization), professionalization of cooperatives (training), and the development of participatory management models. It will first be explored at the multilateral level and adopting a historical perspective. Then through the case study, we will analyse the support that has been provided at local level, responding to the needs of cooperatives in Tanzania, which will allow exploring areas for further cooperation.

CHAPTER III: MULTILATERAL EFFORTS TO CREATE A SUPPORTIVE ENVIRONMENT FOR COOPERATIVE DEVELOPMENT

While cooperatives have grown in importance in the global economy, in most developing countries they are still faced with long-standing and new challenges, as discussed in the previous chapter; resulting from globalisation, weak or non-existing national cooperative policy, nor government support to the sector.

Meanwhile, the cooperative landscape has changed considerably in the recent period with the development of a wide network of cooperatives stakeholders. In this chapter, we will map the collaboration and partnerships that have been created and have evolved between the cooperative movement and international organizations. In particular we will focus on the reasons for the engagement of international organisation, their focus areas, achievements and nature of partnerships forged to support cooperatives in their development.

III.1 The International Cooperative Alliance

The International Cooperative Alliance (ICA) is the independent association that unites, represents and serves cooperatives worldwide. It was founded during the first Alliance Cooperative Congress in 1895 with participation of delegates from cooperatives from Argentina, Australia, Belgium, England, Denmark, France, Germany, Holland, India, Italy, Switzerland, Serbia, and the USA. Representatives established the Alliance's aims to provide information, define and defend the Co-operative Principles and develop international trade (ICA, “History of the Alliance“).

As indicated in chapter 2, The ICA is the custodian of co-operative values and principles[6], advocates the interests and success of cooperatives, disseminates best practices and knowledge, strengthens their capacity building and monitors their performance and progress over time.

III.1.a Advocacy

Within the international arena, the ICA has the influence and connections to advocate for its members and their concerns and interests in global policy. In 1946, the United Nations

[6]The Cooperative values and principles have been debated and enriched three times under ICA’s coordination, namely in 1937, 1966 and 1995. Another milestone has been achieved in 2015, after a two-year consultation process with members, the ICA published the Guidance Notes on the Cooperative Principles (Guidance Notes on the Cooperative Principles | ICA, 2021).

granted the ICA with a consultative status - the highest status granted to NGOs, thereby allowing them to participate in the UN's work.

The ICA's long-standing relationship with the Food and Agriculture Organization (FAO), the International Labour Organization (ILO) and the World Bank, allows ICA to advocate for its members effectively in a very wide global sphere. Recently in 2019, the ICA started collaborating with the International Trade Center (ITC). ICA is also influencing policy processes by participating in several high-level multi-stakeholder platforms such as the UN Inter-Agency Task Force on Social and Solidarity Economy (UNTFSSE), the Committee for the Promotion and Advancement of Cooperatives (COPAC), the Policy Forum on Development. Advocacy and representation are also done at regional and sectoral level, these ICA bodies directly influence regional institutions such as the European Union, Mercosur, African Union, ASEAN, and international organizations like the World Health Organization.

According to Project Officer Erick Obongo from the ICA-Africa Regional Office in Kenya, members benefit from this activity because it creates cooperative awareness and political interest with policy-makers, which often leads to the creation of better legal, administrative and business environments for cooperatives (Obongo, 2021). In Africa, ICA currently counts amongst its members 43 cooperative organizations spread across 24 countries. Members are often national apex organizations, which in turn represent a wide number of cooperatives.

The ICA has also engaged in development programmes to assist cooperatives throughout the world. It orients its work around 5 major pillars being; participation, sustainability, capital, identity and the legal framework. Actions are based on a participative process based on direct cooperative engagement, where member's needs, as identified by them (often through forums and workshops), are formulated into development programmes. ICA then seeks partners to implement the programmes, which can be local actors in the country such as NGOs, CSOs, training and research institutes, the private sector and financial institutions. At the same time ICA engages in research and policy advocacy, aiming to create a better enabling environment for cooperatives and often engages directly with the government. The ICA has implemented projects and programmes with the financing of various development agencies such as the DFID and the Finish Ministry of Foreign Affairs.

With it the “Blueprint for a cooperative decade” a strategy for achieving an ambitious vision for cooperatives leading up to 2020, it envisioned the acknowledgement of the cooperative business model as the leader in economic, social and environmental sustainability, the model preferred by many people and the fastest-growing form of enterprise. In response to the adoption of the 2030 Agenda in September 2015, the members of the ICA rallied to show their solidarity and commitment to this new global development policy. The result was the establishment of Coops for 2030 (www.coopsfor2030.coop), an online platform for cooperatives to learn about the SDGs, make pledges to help achieve them, and track their progress.

Coops for 2030 was launched on 2 July 2016, the International Day of Cooperatives. Since the launch of the platform, more than 80 cooperatives in 31 countries have made 167 pledges, covering all of the SDGs and touching all regions of the world. Some pledges come from large enterprises who are leaders in their sectors, and others come from small community groups who touch the lives of those most in need of a helping hand. Although this certainly has helped both to raise awareness on cooperatives SDG contributions towards external audiences and to assess internally the progress of the movement in that field, alliances with key multilateral organisations may prove to be more effective, such as the example of the ICA - EU Partnership below.

ICA – EU Partnership

In 2016 the ICA signed a partnership agreement with the European Union (EU) for a global development programme (also known as #coops4dev) to benefit and advance the co-operative sector worldwide. It was set up to strengthen the Alliance, with its regional offices and to improve among others, social inclusion and economic empowerment in areas in which cooperatives play a fundamental role.

Titled “Cooperatives in development - people-cantered businesses in action”, the programme ran until September 2021, co-funded by the European Union as part of its commitment to support CSOs active in development.

As part of the partnership, different activities have been conducted from institutional strengthening, research (particularly on the legal framework analysis), training and capacity building to visibility and communication and publications, networking, advocacy and political dialogue.

Some of the partnership activities had wide reaching effects. For example, the legal framework analysis sparked the development of a proposed “Model Law” on cooperatives Societies for Africa, aiming to be a guideline in developing and reviewing cooperative legislation within the continent. The Pan-African Parliament (PAP) presented to the PAP Permanent Committee on Monetary and Financial Affairs Committee in March 2021 and awaits endorsement in their next sitting (ICA.coop, 2020).

Source: ICA.coop, “About the ICA-EU partnership“

Through the #coops4dev programme the global cooperative movement was able to reach several milestones. These included the recognition of cooperatives as key development actors and partners to archive the SDGs by the European Commission in the EU's Consensus on Development strategy (cooperatives are mentioned 3 times in Article 49, 55 and 72). In addition, ICA has been engaging bilaterally with the 13 African EU Delegations to take cooperatives on board in light of the EU programming exercise for the period 2021 - 2027 of EU's new financial instrument for external action (Neighbourhood, Development and International Cooperation Instrument (NDICI)). Similarly, different partnerships have also been established with Fairtrade and AFLATOUN International and the Economic Commission for Latin America and the Caribbean (ECLAC).

The United Nations

The cooperative movement has had a long and fruitful partnership with the UN since its inception in terms of policy, research and projects on the ground. It regularly recognizes the contribution of cooperatives to sustainable development. In 2012 the growing stature of the Cooperative form of enterprise on the global stage was captured in the UN General Assembly (2009) when, in declaring 2012 the International Year of Cooperatives proclaimed:

> "*Cooperatives promote the fullest possible participation in the economic and social development of all people, including, women, youth, older persons, persons with disabilities and indigenous peoples, are becoming a major factor of economic and social development and contribute to the eradication poverty*" (UNGA 2009, A/RES/68/133).

That year the UN invited the world to take a fresh look at cooperatives, which has provided a powerful focal point for the sector. It heightened its sense of shared purpose, illustrated by the range of activities and celebrations of the International Year, by the number of international conferences and summits held around the world with agreed outcome declarations[7], as well as the widespread take-up of the 2012 International Year logo and tagline by cooperatives around the world (ICA, 2013). As such, international conferences were held in Manchester and Quebec, each attended by around 10,000 cooperative

[7] These include: the Dunsany Declaration for rural Co-operatives; the resolution of the International Cooperative Banking association; the Declaration from the International summit of Co-operatives in Quebec; the declaration from Imagine 2012 International Conference on Co-operative economics; and the Declaration from the International health Co-operatives forum.

members and supporters. According to the ICA as a result, around 90 member governments prepared a plan for the year, including events, conferences, and the development of new policies and national legislation to support cooperatives.

There are no separate UN structures that serve only cooperatives, but the General Assembly, the Economic and Social Council, the Department for Policy Coordination and Sustainable Development, and specialist agencies such as the ILO and the FAO have been working on cooperatives for many years. In the next sections we will focus on the specific support ILO and FAO has provided to the cooperative movement, in particular in advancing the legal framework and the institutional strengthening of cooperatives.

III.2. Cooperatives within the framework of the ILO

The ILO remains up to date the only specialized agency of the United Nations with an explicit mandate on cooperatives. From its creation in 1919, the ILO has recognized the importance of cooperatives as a means of pursuing its mandate to achieve social justice and full employment paving the way for broader social and economic advancement. It has since had a specific department for providing assistance to member states on cooperative matters (ILO, 2015). The ILO also acknowledges that cooperatives serve their members and as such balance the need for profitability with the needs of their members who own and control their enterprises; they are different from stock companies and thus require laws that recognize their specificities. The importance of cooperatives is enshrined in Article 12 of its constitution. [8]

III.2.a Ensuring supportive legal frameworks for cooperative growth

Almost from the start of its operations in 1920, the International Labour Office has assisted member states of the ILO to improve their cooperative law. In the early days, between the two World Wars, research on the legal frameworks, information gathering and dissemination were the ILO's main activities in the field of cooperation. Several milestones have been reached over the last decades by the ILO that have had profound impacts on the definition of cooperative law and have led to practical, contemporary framework for the development and revision of cooperative policies and legislation in all regions.

[8] "The International Labour Organization may make suitable arrangements for such consultation as it may think desirable with recognised non-governmental international organizations, including international organizations of employers, workers, agriculturists and co-operators." Article 12(3) of the ILO Constitution.

The first ILO standard on cooperatives was the ”Cooperatives Recommendation No. 127“ adopted in 1966, focusing on the role of cooperatives in the economic and social development of developing countries. The adoption marked a decisive step for cooperative policy and legislation, particularly at a time of intensifying technical cooperation with developing countries (ILO, 2015). As former colonies gained their independence on the African continent (mainly during the 1960s and 1970s), Recommendation 127 was used intensively by technical cooperation projects to train not only cooperative managers, board of directors, but also consultants and supervisors and government officials. In particular, the definition of cooperatives given in the Recommendation was used to change the mindset of government officials about the role of government in cooperative development.

By the turn of the century, assessments concerning developments of relevance to the ILO mandate revealed the need for revision and replacement of the ILO Recommendation No. 127. Since the adoption of the recommendation in 1966, political, economic and social changes had affected the situation of cooperatives[9]. The Governing Body felt that the development of a new universally recognized standard could enable cooperatives to a greater degree develop their self-help and employment-generating potential and address a number of current socio-economic issues (including unemployment) and help them compete in a global marketplace. Around the same time, the ILO undertook a fundamental re-examination of its aim and objectives, and reoriented itself around the theme of “decent work[10]”.

In this light, recommendation 127 should be replaced by a more appropriate framework for the promotion of cooperatives in the 21st century, given the evolution of the context in which cooperatives function. Ideally, it would provide a long-term policy reference framework for ILO member states. The subsequent revision of recommendation 127 was undertaken by a committee that was set up by the International Labour Conference (ILC) consisting of 173 members; including government, employer and worker members as well as ICA representatives as observers. There was a broad consensus that the instrument should be truly universal, covering all countries, since the cooperative form of enterprise could be helpful in society across all levels of development. The State’s role was increasingly limited

[9] In the 1980s, the pace of globalization was accelerated by several geopolitical changes (opening of global markets, particularly China) and the increasing wide-scale implementation of new information and communication technologies. Working conditions changed radically; enterprise structures were reorganized (downsizing, outsourcing, offshoring); and working contracts became fragmented (precarious work, zero-hour contracts, long and deviating working hours, agency work).

[10] The multidimensional concept „decent work” introduced by the International Labour Office has four key components: employment conditions, social security, rights at the workplace, and social dialogue.

to that of providing the political, legal and administrative framework for the development of private organizations including cooperatives. Therefore the need to minimize the regulatory role of government was emphasized. Furthermore, cooperatives should have real equality with other types of associations and enterprises. Finally, cooperatives should be for everyone and should not be limited to specific groups of people or sectors of the economy.[11]

In June 2002, in its 90th session, the ILC adopted the new Recommendation 193 (International Labour Organisation. R193). The recommendation thereby replaced and expanded the scope of recommendation 124. Incorporating the ICA's 1995 definition of cooperatives, the new recommendation also emphasized the autonomy of cooperatives, while stressing the crucial role of governments in establishing the appropriate political, legal and institutional framework. Similarly, the text called for greater international cooperation in information exchange on best practices, particularly regarding employment creation and income generation, legislation, training methods and techniques, technology and strengthening of linkages between national and international institutions involved in cooperative development. It also suggested exploring the possibilities of developing common regional guidelines and legislation on cooperatives. The result is a Recommendation that roots cooperatives in the wider framework of decent work and social development (ILO, 2015).

III.2.b ILO's technical cooperation programmes

The first programme of practical activity was initiated in 1932 in the form of a cooperative technical assistance mission undertaken by ILO staff at the request of the Moroccan Government. During the period 1949 and 1953, the ILO's activities in the field of cooperation through cooperatives intensified. Projects ranged from general surveys, to overall planning of administrative and promotional machinery to measures concerning specific activities, such as cooperative banking, consumer cooperatives, industrial cooperatives and cooperative education schemes (ILO, 2015). Between 1952 and 1968 experts carried out some 200 field missions to 65 countries through a large technical cooperation programme of the UNDP, which consisted in experts advising countries of the South, including on cooperative law (Henrÿ, 2012).

[11] ILO Provisional record, International Labour Conference, 90th Session, Geneva, 2002.

The ILO Recommendation No. 193, (2002) on the promotion of cooperatives was designed to form the conceptual basis for ILO's technical work in the field. The ILO technical assistance programme for cooperative development thereafter focuses on policy and legal advice, and capacity building through human resource development. Over the years ILO has partnered with different stakeholders including oftentimes development agencies to improve cooperative policy and law.

A large structural programme called „COOPREFORM" supported ILO member States in revising their cooperative policies and legislation. This program ran from 1993-2002 and was part of the ILO-DANIDA[12] initiative on cooperative development in rural areas to promote genuine cooperatives in the context of democratization, decentralization and structural adjustment (Henrÿ, 2012). At least 61 countries benefited from COOPREFORM assistance directly or indirectly, and some 29 countries either promulgated a new cooperative law or embraced a new cooperatives policy (Henrÿ & Schimmel, 2011). This prepared the ground for ILO's ongoing substantial work to support constituents and cooperative organizations to strengthen their policies.

In the 21st century, technical cooperation has moved from direct technical support to the development of new tools and approaches that effectively combine business efficiency with different innovative trends. One of the far-reaching projects worth highlighting has been the ILO program in Africa entitled Cooperative Facility for Africa or in short COOPAFRICA. Operating from end 2007 to mid-2012, principally financed by UK's Department for International Development (DFID), the technical cooperation programme pursued the overarching goal of mobilizing the cooperative self-help mechanism and to improve their governance, efficiency and performance in order to strengthen their capacity to create jobs, access markets, generate income, provide social protection and give people a voice in society.

It reflected the progress and new tendencies of the cooperative approaches in the field (ILO, 2021 "CoopAfrica"). As a regional programme, CoopAfrica focused on 9 countries in Sub-

[12] DANIDA: Official development cooperation agency of the Government of Denmark. Denmark has a long history of supporting ILO's technical assistance activities. In 1996, under the heading "Action Plan for Active Multilateralism", the Ministry of Foreign Affairs formulated the basis for the relations between Denmark and the international organisations. Financial support to ILO technical assistance was allocated to the following priority areas: i) employer activities, ii) workers' education, iii) employment promotion (EIIP, gender and indigenous people), iv) cooperative development and v) occupational safety and health.

Saharan Africa. It anchored its approach within national and regional development priorities tailoring its activities to feed into national frameworks. It embraced a multi partner approach with the aim of optimizing its results by working with the African Union Secretariat, COPAC, the ICA, the International Organization of Employers (IOE) and its Pan-African Employers Confederation (PEC), the International Trade Union Confederation (ITUC-Africa) and the UK Cooperative College (ILO, 2021).

III.2.c ILO in the present

In 2020, the ILO celebrated the 100th anniversary of its Co-operatives Unit (COOP). Currently the ILO's activities on cooperatives and wider social and solidarity economy enterprises (SSEEs) are managed through COOP under the Enterprises Department and still guided by the international standard on cooperatives, the Promotion of Cooperatives Recommendation, 2002 (No.193).

Nowadays ILO Coop continues to engage in a series of activities falling under 6 operational areas; legal and policy advisory services, training and capacity building, deepening research and knowledge generation, expanding on communication & disseminations, scaling up development cooperation projects and strengthening partnerships. In delivering on its mandate, the COOP unit at the ILO uses a three-pronged strategy (ILO, co-operatives Unit (COOP), 2021):

- Encouraging and assisting with the integration of decent work agenda as a priority in the work of cooperatives and other SSE enterprises and organizations including through capacity building tools and strategies;
- Ensuring that specificities of cooperatives and other SSE enterprises and organizations are recognized in analysis, policy, and actions toward achieving decent work agenda and a sustainable future for all, by the ILO and its constituents; and
- Activating the potential of cooperatives and other SSE enterprises and organizations as economically, socially, and environmentally responsible and viable business options for a sustainable future of work.

Furthermore, the ILO has created many close partnerships over time with several other UN agencies and international organizations. As such, the ILO works in partnership with the International Co-operative Alliance (ICA) and is a member of the Committee for the

Promotion and Advancement of Cooperatives (COPAC), the interagency committee that promotes sustainable cooperative development.

ILO signed various memorandums of understanding (MoUs) with the ICA to strengthen collaboration and strengthen the cooperative enterprise model, such as in the year 2004, which was renewed in 2015 with a focus on the post 2015 development framework. In June 2019, the ICA and ILO reaffirmed their joint commitment for the promotion of cooperatives as a suitable business model to advance inclusive and sustainable development by signing a new memorandum of understanding to redefine and update the key priority areas of their cooperation[13] in the light of past experiences (ILO & ICA 2019).

III.3 The Food and Agriculture Organisation support to cooperatives and producer organisations

In 1996, the World Food Summit pledged to eradicate hunger, with the goal of halving the number of undernourished people by 2015, and this goal was eventually incorporated into the MDGs as Goal 1. From its origins, the development of rural economies is the particular concern of the UN's Food and Agriculture Organisation (FAO), as it considers hunger reduction a specific goal include that it is both a cause and effect of poverty and predominantly a rural problem. For this reason, FAO aims to build the capacities of rural public institutions, the private sector and civil society organisations including cooperatives at all levels, to become effective partners in designing and implementing policies and strategies, as well as to improve the socio-economic and food security conditions of small farmers, the rural poor and other marginalized groups.

Its attitude to cooperatives is a positive one, though as pointed out by Birchall, 2003 because of the legacy of past mistakes, the FAO has been reluctant in the past to use the term, preferring to use synonyms such as "producer organizations (PO's)" or "farmer owned-businesses". This is understandable; a great deal of disappointment has been caused by government interference into sponsored cooperatives that were set up in many

[13] The new priority of cooperation areas include actions amongst others that are aiming to; promote cooperatives in other relevant United Nations processes and initiatives; statistics on cooperatives; cooperation around related committees (in particular COPAC), task forces (in particular the JN Task Force on Social and Solidarity Economy- working groups and other; the transition from the informal to the fornal economy; monitoring the compliance of cooperatives to the cooperative model and to international labour standards and research, in particular in the field of employment and global value chains.

developing countries in the post-war period (information on the history of cooperatives in developing countries can be found in Annex 9.2).

The FAO promotes farmer based collective action, in which agricultural cooperatives represent important partners. FAO has a dedicated unit; the partnership and civil society unit, under which cooperatives fall. It works with regional farmer organizations to provide technical support and ensure that cooperatives are included in decision making, when designing any program related to rural and agricultural development. According to P. Aandumba, South to South and Triangular Cooperation Officer at the FAO's Regional Office for Africa in Ghana, it is imperative to engage with cooperatives when designing programs focused on agricultural development. At the political level, FAO is working with subregional farmer organizations such as; ROPPA in Western Africa and the Southern African Confederation of Agricultural Unions (SACAU). Engagement with these actors are part of the process of program formulations.

III.3.a FAO's technical cooperation programmes

It is important to note that FAO's technical cooperation programs (also called TCPs) are demand-driven. P. Aandumba further explained that the beneficiary is the government as a client/member country of the FAO, however the social partners are the cooperatives and farmer organizations. TCPs are used as intervention modalities, to address constraints and challenges. As noted by P. Aandumba: "*cooperatives can be seen as the voice of farmers. Even to set up a national indicator of family farming, you need to talk to cooperatives, as they know who the members are*" (Anandumba, 2021).

In addition, FAO also engages in technical cooperation programmes that directly aim to create or strengthen farmer organizations/cooperatives through capacity development activities that aim to support the development of producers' technical, managerial, organisational and marketing skills as well as their inclusion in value chains and networks. As such, it has been implementing a training of trainers programme aimed at helping developing countries and countries in transition transform their agricultural cooperatives into genuine self-reliant organizations that operate efficiently within a market economy and contribute to improving incomes and employment opportunities for small producers. The FAO cooperative programme focuses on strengthening the business competitiveness of agricultural cooperatives through improved cooperative capital formation.

III.3.b Recent activities and new partnerships

Another key area FAO has been active is through the production of knowledge sharing materials and disseminating information and knowledge to cooperatives and producer organisations as well as to wider audiences. Up to the year 2016, FAO regularly highlighted key achievements obtained in maintaining cooperatives and POs high on the global development agenda. Under the last published documents can be found the following:

- Forest and Farm Producer Organizations: Operating Systems for the SDGs (FAO, 2016)
- Annual Report on FAO's projects and activities in support of cooperatives and producer organizations (FAO, 2014)

In addition to other forms of support such as raising the visibility of cooperatives in their publications, FAO is engaged in discussion with the ICA to encourage cooperative-to-cooperative collaborations, and recently signed a MoU with the Swedish cooperative organisation We Effect (formerly the Swedish Cooperative Centre) to formalise their cooperation on advocacy, exchange, and support to farmers organisations.

To support the Agenda for Sustainable Development, FAO's new Strategic Strategic Framework 2022 - 31 seeks transformation to more efficient, inclusive, resilient and sustainable, agri-food systems for better production, better nutrition, a better environment, and a better life, leaving no one behind. Although the Strategic Framework does not specifically mention "cooperatives" nor "farmers organizations", these actors are embedded into the definition of belonging to the private sector, for which the FAO has in parallel created a separate Strategy "FAO's Strategy for Private Sector Engagement 2021-2025". The SDGs have advanced new private sector developments as companies take on board their wider responsibilities to society and to the environment. Thus FAO initiated a new approach to strategic partnerships with the private sector as equal partners that will allow it to play an active and catalytic role in private sector collaboration for the transformation of unsustainable food systems (FAO, 2021).

III.4 Benefits of multilateral partnerships

As we have seen previously, the development of a strong, sustainable, democratic cooperative movement relies heavily on the degree to which the policies and regulations imposed by local and national governments are empowering. In some countries, cooperative policies, laws and support institutions are not conducive to the emergence and

proper functioning of genuine, democratically controlled and economically viable cooperatives.

To address these issues, as explored the ICA and specific UN agencies such as the ILO and FAO, have developed strong relationships with the cooperative movement. They are knowledgeable about the sector, and have a voluntary approach to collaborating with cooperatives and other stakeholders to create the right enabling policy environment.

In the first place, the ICA has clarified the nature of cooperatives and by representing the movement internationally, enhancing the ability of cooperatives to effectively participate in the policy dialogue processes and to advocate for their members, making their voice heard. Through its awareness-raising activities and policy dialogues on a multilateral level, ICA has also placed cooperatives into the spotlight at the global level. Similarly, ILO's early work and partnerships have helped to advance developments of a supportive legal framework ensuring that cooperative legislation underpins and protects the cooperative identity. FAO has provided its expertise to foster the development of peer to peer multi-stakeholder partnership approaches among farmers at country and regional levels in support of agricultural cooperatives and producer organizations particularly in training, education and appropriate advisory and support services to build capacity.

There are many reasons why the global cooperative movement seeks to work in partnership with a range of international agencies and in turn, why actors within the global cooperative movement are increasingly sought as partners by international agencies and governments. At the most straightforward policy level, there is a recognition globally that a cooperative contribution is beneficial in terms of capacity building, poverty alleviation, and building sustainable livelihoods. Likewise there is a grown appreciation that calls for more inclusive financial access and recognition that co-operators 'on the ground' are best placed to contribute to this. Similarly, cooperatives address a range of pressing global challenges, including climate change and food security. As external agencies have sought to engage with the international cooperative movement, this has encouraged the movement to reflect on its own role and place in the development agenda too.

The next chapter will lay out concrete examples of good practices and explore challenges faced related to partnerships between different stakeholders to strengthen the co-operative movement in Tanzania. Although these are very specific to the Tanzanian context, they have the potential to be replicated in other contexts.

CHAPTER IV: CASE STUDY OF TANZANIA

The case study method is useful in illustrating the relationship between the cooperative form and multipartnerships to advance the SDGs. Before turning to the presentation of three different examples, the following sections will provide the necessary background information that will help understand the dynamics of actors involved in cooperative development in Tanzania.

In the latter part of the chapter, our analysis will focus on the local level, how cooperation between stakeholders is advancing enabling factors for cooperative development in Tanzania particularly focusing on the dimensions previously identified in the methodological framework; the legal and economic framework, capacity building, member's empowerment and participation.

IV.1 Introduction and economic context

Image Source: Wikimedia Commons (2011)

Tanzania (officially the United Republic of Tanzania), is a country in East Africa. At 947,303 square kilometres, it is the 13th largest country in Africa and has 59.73 million inhabitants (World Bank Statistics, 2020). Tanzania consists of two main areas, Tanzania Mainland (also called *Tanyanika)* and Zanzibar.

Tanzania has been a macro-economic success story for nearly two decades, regarded as a model of economic performance in Sub-Saharan Africa, with strong resilience to external shocks.[14] Despite the global financial crisis, growth rates have been remarkably stable over the last decade, averaging 7% and they are expected to continue or even increase in the foreseeable future.[15] Yet these achievements have been overshadowed by the sluggish response of poverty to the growing economy.

[14] The rate of economic growth increased from 3.5% in the 1990s to 7% in the 2000s.
[15] Economic growth slumped due to COVID-19 pandemic, declining from 7% in 2019 to 1% in 2020. Economic growth is expected to pick up to 2.7% in 2021 and 4.6% in 2022, subject to a recovery in the tourism sector and to the post pandemic global economic recovery.

Agriculture remains the backbone of the economy, accounting for 30% of the country's GDP (see figure in Annex 2) and for at least 50% of export earnings. It accounts for the largest sector of employment in Tanzania mainland, providing livelihood for over 80% of the population, with the vast majority of rural women and men mostly self-employed on their own farms. This strong dependence on agriculture, makes Tanzania's economy highly vulnerable to weather shocks and fluctuating commodity prices.

According to the 2016 - 2021 Strategy of the United Nations Development Programme (UNDP, 2013), the most prominent challenges Tanzania faces in poverty reduction are said to be unsustainable harvesting of its natural resources, unchecked cultivation, climate change and water-source encroachment. There are very few resources for Tanzanians in terms of credit services, infrastructure or availability of improved agricultural technologies, which further exacerbates hunger and poverty in the country according to the UNDP.

It is widely recognized that improving the performance of the agriculture sector is critical for poverty reduction and food security. At the same time, as found by Osorio, Percic & Di Battista (2014), a body of evidence has demonstrated that the underperformance of the agriculture sector is partially due to the existing gender inequalities in access to productive resources, use and control of assets, and services, including income generating and employment opportunities and educational possibilities.

In this context, it is important to consider means of development support to cooperatives and their members, focusing on fostering innovative initiatives and new approaches in agriculture with the aim of improving productivity and achieving rural development goals to improve livelihoods.

IV.2 National context of the cooperative sector in Tanzania – organization, legal frameworks and policies

The following section gives a brief history of the cooperative movement in Tanzania mainland before considering the current situation of the cooperative movement.

Cooperatives in Tanzania existed before they could be organized as a movement and recognized through legislation. The cooperative movement dates as far back as 1925, when the first Farmers' Association known as Kilimanjaro Native Planters Association (KNPA)

was founded by African coffee farmers in response to exploitative systems by Asian coffee traders. The early cooperatives enabled indigenous peasants to capture at least part of the trade profit of crops (Maghimbi, S., 2010).

With the enactment of the Cooperative Societies Ordinance in 1932, cooperatives received legal recognition (Mruma, 2014). Apart from the cultivation of colonial exploitation, it laid the foundation of how cooperatives should operate. Strictly controlled by the colonial government, they were used as a source of cheap raw materials for metropolitan industries. For the colons, the model had the advantage of organising people to be self-reliant as a way to reduce costs to the government. Members were exploited through low prices, forced to cultivate crops dependent on colonial demand, sell all the produce to colonialists while getting agriculture inputs at higher prices (Rwekaza, G., Anania, P. 2021). The exploitation resulted in a growing number of cooperative organisations countrywide in the 1940s and 1950s. These cooperatives were agricultural and produced various cash crops in their areas.

As noted in the historical review presented in chapter II, almost in all countries where the co-operative movements exists, there has been a relationship between cooperatives and the government (see Annex 9.2.a for further detail on the cooperative history). Tanzania was not an exception to the period of cooperative government interference, it continued following its independence in 1961 from the British colonial government.

From 1960s - 1980s, cooperatives became a tool for top-down governmental policies and were effectively integrated into state structures (ILO, 2006). Cooperatives increased rapidly in the country with firm support from the government, which saw them as means to promote national development. By 1968 as Maghimbi, 2010 points out, Tanganyika had the largest cooperative movement in Africa and the third largest cooperative in the world in terms of percentage of the market share of agricultural exports.

Nevertheless, as explained by Rwekaza et al., 2018, most cooperatives in new areas had limited understanding on the nature of the organisational form, how they should function and duties of members and of the cooperatives:

> "*Members in these areas didn't consider cooperatives as their property as they were pressured to form them by the government, contrary to the ICA principle of "voluntary and open membership*".

Furthermore, lack of professional staff in primary cooperatives and co-operative departments led to poor management of cooperatives. Also the lack of storage warehouses resulted in poor storage and spoiling of members produce. The members lost ownership and control of cooperatives as the control power was in the hands of the government.

According to the ILO (2006), by the time trade liberalization was introduced in the 1980s/90s, the cooperative movement had become unresponsive to its members needs and was unprepared for competition from the private sector. The Cooperation legislation Act of 1982, can be seen as a beginning of the government ceding more autonomy to cooperatives. A final turning point came in the year 2000, when a special Commission was established by the former Tanzanian President Benjamin Mkapa to investigate what could be done to rejuvenate the country's cooperative sector. The Commission was blunt in its critique of the movement, which it said suffered from a lack of capital, unwieldy structures and problems with poor leadership, misappropriation and theft (ILO, 2006). Since then, a series of concerted steps have been taken to overcome this legacy. However, it will become apparent that many of the identified issues still persist to the present day and affect the enabling environment of cooperatives.

IV.2.a International actors influence on the adaptation of cooperative principles and reforms of the legislative framework in Tanzania

The cooperative environment has been positively influenced by advancement in the international arena by the work of the ICA thanks to the support of the UN. As an example, the cooperatives principles adopted in 1995 by the ICA, were embedded in the Tanzania Co-operative Development Policy (CDP) of 2002. The former marked a landmark for cooperatives development in Tanzania, that is member focused, establishing democratic and member focused processes in cooperatives business operations. New cooperative legislation, which among other things aimed to strengthen member participation and democracy, was enacted in 2003 by the Cooperative Societies Act, which also led to a new overarching initiative, the Cooperative Reform and Modernization Programme (CRMP).

Designed with the assistance from the ILO, the CRMP had, in its own words, the objective of a "*comprehensive transformation of cooperatives, to become organizations which are member owned and controlled, competitive, viable, sustainable and with capacity for fulfilling members' economic and social needs*" (ILO, 2006). Member empowerment and commercial viability are seen as the two central themes of this reform agenda.

Furthermore, between 2007 - 2012, ILO worked closely with cooperative stakeholders in Tanzania through COOPAFRICA, based in Dar Es Salaam and covering Tanzania Mainland and Zanzibar and eight other countries in Eastern and Southern Africa. The project focused on creating an enabling legal and policy environment for cooperative development, facilitating access to financial resources, and providing capacity-building opportunities to cooperative stakeholders (ILO, 2019).

Although cooperatives are considered as private sector institutions in terms of policies and laws of Tanzania by the Union Constitution, it is to be noted that their autonomy and independence are not like that of other private sector institutions because they are being highly controlled by the governments of both sides of the union. Currently the constitution and regulation of cooperatives in Tanzania mainland is governed by the Cooperative Societies Act No. 6 of 2013 (Chapter 112 of the Laws of Tanzania).[16] Under this law every type of cooperative must be registered. It has been seen as fundamental legislative milestone, removing politicians from playing a role in cooperative leadership; bringing more business autonomy to cooperatives, for example to do directly international business without deriving to the cooperative apex organizations. Cooperatives can establish joint businesses with other cooperatives and enterprises business relation with private entities. Lastly, the Act developed the national cooperative development commission (TCDC) to oversee cooperative development.

The ILO remains committed to accompany its constituent in this process policy review and subsequent reform. Recently, the ILO was asked to provide inputs into updating the Tanzanian CDP. ILO's inputs underlined the need for striking a good balance between autonomy of cooperatives and the role of the state. The ILO also emphasized: "*the necessity for co-creation of the cooperative development policy where all relevant stakeholders can participate in the process and share their views to form a common understanding of the current situation and the future directions to move forward*" (ILO, 2019).

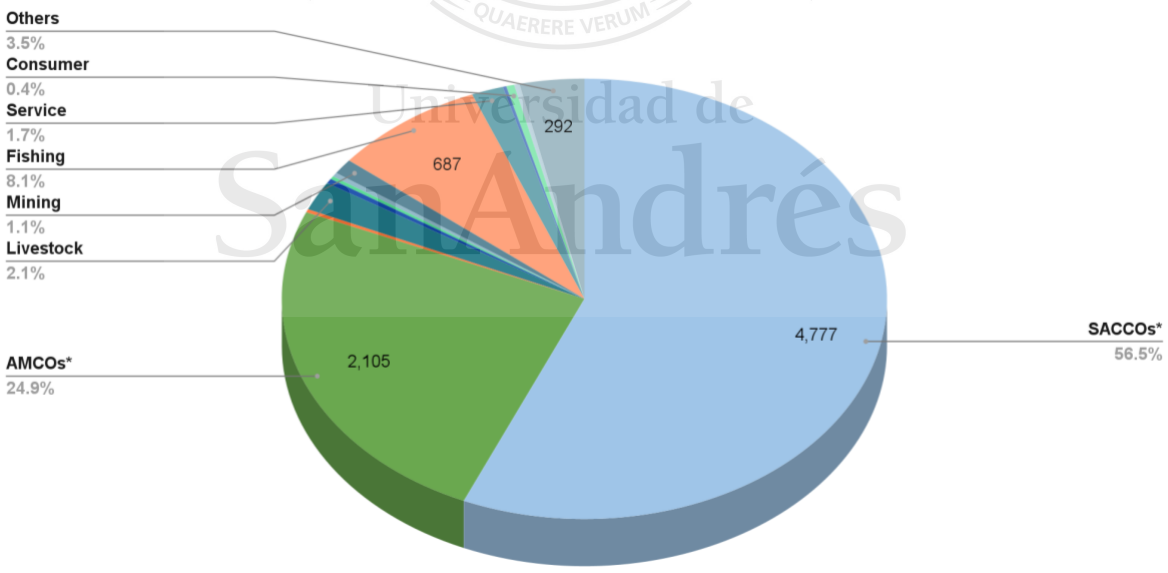
[16] On Zanzibar, co-operatives are governed by the Zanzibar Cooperative Societies Act No. 15 of 2018 which repeals the 1986 Act.

IV.2.b Key Figures: cooperatives in Tanzania

For a more comprehensive picture of the cooperative movement in Tanzania, the present section provides key data from the country's public registers as a useful background context. As of December 2018, and according to the TCDC, Anania and Nade (2020) report that Tanzania has about 8,444 cooperatives with about 3,175,251 members and 1,484,654 non-members (beneficiaries).[17]

Cooperatives in Tanzania have largely been involved with marketing of agricultural crops (hence the large number of Agricultural Marketing cooperatives - AMCOs). This situation has resulted in cooperatives being less emphasized in other sectors of the economy such as; trade and industry, minerals, water, fisheries, housing, forestry etc. The trend has persisted despite the fact that cooperatives in these other sectors also have a great potential of contributing to the social and economic emancipation of the small producers or workers and to national economic growth. The current status of cooperatives in Tanzania is reflected in Figure 3.

Figure 3: Registered cooperatives by type for Tanzania mainland (December 2018)



Data Source: Tanzanian Co-operative Development Commission, 2018.
*AMCOs: Agricultural Marketing Cooperatives
*SACCos: Savings and Credit Cooperatives

[17] It is to be noted that discrepancies in the Statistics of co-operatives are common. A national Report on Tanzania by the ICA-EU Partnership states that Tanzania Mainland in 2019 has a total of 11,626 registered co-operatives and Tanzania Zanzibar in 2008, had a total of 4,751 registered co-operatives. In addition to looking at the publicly available data they carried out a survey targeting ICA cooperative members (ICA Africa, 2020).

IV.2.c Current state of enabling environment

As we have seen the ILO and ICA, were able to influence the national legislative framework for cooperatives and laid the groundwork for an enabling legal and regulatory framework for cooperatives, in many countries including in Tanzania. Thus it can be said that the international environment can influence the indispensable preconditions for designing a supportive and enabling environment.

The increased efforts by the government and other stakeholders to promote cooperatives in Tanzania in recent years, translated into the establishment of an elaborate structure of institutions that aim to support cooperatives, such as the Director and Registrar of Cooperatives, the Co-operative Audit and Inspection Corporation (COASCO), the Tanzanian Federation of Cooperatives (TFC), the National Cooperative Bank and Moshi Cooperative University (MoCU). These institutions have well defined roles and are part of the enabling environment, however a lack of resources and staff in almost every institution acts as an serious impediment to the potential these instructions can contribute to cooperative development.

To illustrate, the Tanzanian Federation of Cooperatives (TFC) role is to give cooperatives a voice and the cooperative movement lobbies through the TFC. It was criticized to lack consultations with unions and cooperatives and has failed to push for revision of the the current cooperative law as it has been found to have flaws. With 24 staff members, it lacks the capacity and cannot satisfy the needs of more than 8,500 registered cooperatives in the country, acknowledged by the TFC itself, as stated on its website (TFC 2020). The institutions would benefit of increased resource allocation and collaborations with partners in implementing of some of the issues that might need special attention and improvement to efficiently support the cooperative movement in Tanzania. Annex 10 further discusses the predominant cooperative institutions and highlights their respective challenges.

In addition, particular emphasis has been put from the side of the government on the proper financial responsibility and auditing of cooperatives. Nevertheless, there are feelings amongst cooperative stakeholders that the current co-operative legislation and policies have some flaws, which are likely to impede cooperative development in the country:

> "*Normally the cooperative legislation is reviewed every 10 years. Currently we have in place the Cooperative Societies Act Number 6 of 2013, with its Regulations of 2014; however, the policy still in place is from the year 2002. It is fundamentally important to have a more updated policy, to take into consideration the needs of the*

> *co-operative environment and changing business environment in which cooperatives operate."* (Anania, interview, August 13, 2021).

Earlier laws and policies did not properly address some issues that are important to cooperatives working in the free market economy; such as the role of women, caring for the environment and the roles that different stakeholders should play in the development of cooperatives. A Task Force has been created to review the last Cooperative policy and Cooperative Act, which consists of different stakeholders that are invited to provide inputs on key issues and areas of improvement. TCDC is the entity in charge of mobilizing co-operative stakeholders and coordinating these meetings across the country. One of these stakeholders involved in the process is Ananina at Moshi Co-operative University. He explained that a team at the national level will do the compilation of issues and redirect the issues that will go to the policy and those for the Act, it is not yet clear which issues the final development policy and Act will address.

To the surprise of many, as found by the ILO (2006) the central problems affecting cooperative developments in Africa are said to be primarily not external factors, but rather internal constraints such as the lack of organizational capacity, poor governance and insufficient voice and representation. In other words, the lack of member empowerment in its broadest sense, and at all levels, is the single most important factor.

In the next sections by means of our chosen case studies we will see what particular problems cooperatives and farmer organizations encounter in the Tanzanian context, and how through development cooperation and MSPs, actors such as NGOs can help them in overcoming the main challenges faced, to contribute to sustainable development.

Cooperative Experiences from the Field

In the following sections we will analyze different partnerships and how different actors work with cooperatives.

First, we will analyze the cases of two international NGOs; **Helvetas** and **Rikolto** coperating in Tanzania and implementing projects with cooperatives and farmer organizations, often in the form of MSPs exploring challenges and opportunities.

Second, we will examine how international linkages and partnerships have influenced the development of a Tanzanian cooperative called **SUGECO**, to identify gaps and further areas for collaboration.

IV.3.The work of non- governmental organizations supporting cooperatives: capacity building & advocacy

Over the last decade, the NGO movement has matured and gained both momentum and support. NGOs have been set up in Tanzania, with capacity building expertise, financial management skills and knowledge in relation to cooperative organizations, who have begun to contract directly with aid agencies. All of these are part of an emerging civil society that forms partnership with the government but also challenges governments to fulfil their responsibilities and encourage grassroots initiatives.

NGOs made up of a very diverse group of organizations working in different fields, but the term is generally associated with those seeking social transformation and improvement of quality of life. In the field of Development NGO's (also sometimes called NGDO's), these can include both local and international organization, as well as those working the humanitarian emergency sector.

NGO's are able to step in when public and private sectors fail, to advocate for the voiceless, poor, and to target development aid in a more precise and effective way than other forms of organization. Local NGOs in particular can act as intermediaries between different interests, supporting local communities, managing conflicts and promoting joint learning. This applies also to international NGO's that have been in the country for several years, and have developed a broad network and deep links to different partners. Often, governments in developing countries appear more and more open to collaborative relationships with NGOs, than sometimes with government development agencies. Although it is to be noted that development agencies often implement programs through local/international NGOs.

In the following section, two cases will be explored on how two international development NGOs; Helvetas and Rikolto, that are responsible for working with other local actors and other institutions in project planning and implementation. Both have been promoting co-operative development, touching upon problems identified and have focused on the implementation of innovative multi-stakeholder approaches to find solutions.

V.3.a Presentation of NGO Helvetas

Helvetas (official name: Helvetas Swiss Intercooperation) is an independent Swiss international development organization working in Africa, Asia, Latin America and Eastern Europe. According to its mission statement, it is committed to a "*just world in which all men and women determine the course of their lives in dignity and security, using environmental resources in a sustainable manner*" (Helvetas, 2020).

Helvetas has been active in Tanzania since the 1970s and has successfully completed various projects in different sectors, their work mainly consisting of technical assistance, financial support, and transfer of knowledge and training. More recently, its focus has been on agricultural development. In this light, Helvetas has been supporting farmers in central Tanzania in improving their income by reducing post-harvest losses and drawing up effective marketing strategies.

During my visit to Tanzania in 2020, I was able to visit Helvetas offices in Morogoro, central Tanzania, and learn about their projects and activities. In particular, I had the chance to be presented a "full-circle" visit of the project Rice Postharvest Management "RIPOMA" from a discussion on how the project was conceived, programmed and constructed with project staff, to a field visit to the villages Hembeti and Mkindo to meet project beneficiaries and to listen to stakeholder opinion opinions on the programme, how it operates and to conclude, witnessing implementation in the rice field.

Left: Presentation by village community of the Hembeti storage facility after rehabilitation
Right: Farmers cooperative's experience and perception of the project
Image Source: Own photos taken February 2020 in Tanzania

Rice farming in the Mvomero District
Source: Own photo, Tanzania 2020

Helvetas approach to development cooperation is participatory. It consults with stakeholders in the market (such as farmers or cooperatives) to identify the principal challenges faced and carries out the necessary research and analysis with as many stakeholders as possible to assess local needs and identify what is need to improve the environment and reduce post-harvest loss. Helvetas first conducted two studies in 2012 & 2015 in the Tanzanian central corridor region[18] on rice farming.

Overall results revealed that rice farming was dominated by subsistence farmers whereby ownership of assets, in particular land and farm implements was dominated by men, although women form 60 - 80% of the agricultural labour force. Given that youth and women played a significant role in rice and maize farming special attention was urgently needed to empower them with technical and entrepreneurship skills as well as ownership of assets to foster job creation and poverty reduction, which lead to the conception of the project RIPOMA.

[18] The Central Corridor is a transport and trading route located in East Africa, connecting the Port of Tanzania Dar es Salaam inland to western Tanzania, Burundi, Rwanda, and Uganda.

RIPOMA Project
The project aims at empowering smallholder women and youth farmers on rice postharvest management and marketing through capacity building in good agricultural practices, market systems, financial services and investment in postharvest infrastructure.

The project has been running for 3 years (2017-2020) and due to its success has just been extended for another year. In total the project amounted to EUR 1.875 Million (EU funding accounted for 1.5 million, the remaining came from other partners).

In total the project has been estimated to have benefited:
- 15,000 rural people
- 3000 farmer households
- 100 rice farmer groups founded
- 100 lead farmers trained
- 100 capacitated community resource persons (CRPs)
- 40 villages and their extension officers
- 10 artisans
- 9 farmer associations & 5 cooperatives
- 6 warehouses for storage and marketing created
- 15 Agri-dealers & 15 rice millers

Source: EEAS and Helvetas (2018)

V.3.b Helvetas partnerships ensuring the project's success and sustainability

It is widely recognised in development cooperation that a classic donor controlled project approach can have important shortcomings, such as inadequate local ownership of projects with negative implications for sustainability of benefits; the huge number of different development projects, funded by different donors each with their own management and reporting arrangement results in large (and wasteful) transaction costs for the recipients of development assistance; and the establishment of separate management, financing and monitoring arrangements often undermine local capacity and accountability, rather than fostering it.

It also becomes evident that sustainable change must be owned by national actors. Working in partnerships is a fundamental principle of Helvetas' work. Helvetas has long subscribed to the principle to do only things that local and national stakeholders cannot achieve on their own (Helvetas, 2020). It strives to build evolving, reliable, and strong partnerships to secure lasting impact, increase the legitimacy of development interventions and ensure sustainable change beyond the scope of individual project durations.

For the RIPOMA project it used a market system development approach,[19] collaborating with public and private sectors to ensure the project's sustainability.

Strong relationships were established with relevant authorities at local, regional and at the ministry level. Community detailed need assessments in the target project villages were conducted and formal agreements were concluded with partner organizations. As a result, the Ministry of Agriculture oriented local government areas on a new rice strategy, the NGO Community Development and Relief Trust Tanzania (CODERT) facilitated farmers access to finance, the Small Industries Development Organization (SIDO) trained farmers on entrepreneurship and market linkages, and Mkindo Farmers Training Centre trained lead farmers on good agricultural practices and post-harvest management. Additional subcontractors on rice value addition and best technologies in harvesting and storage were also involved in the project implementation.

Regarding the implementation, D. Kalimbiya, Programme Director at HELVETAS explained that to ensure sustainability and a wide reach of the project, a community-based knowledge transfer and exchange approach was chosen, involving farmer organizations and cooperatives. Each rice producer group was led by a lead farmer who takes part in training courses and then passes on his or her acquired knowledge to the members. The first year training and capacity building was provided to a chosen “lead farmer” or community resource person. The second and third year the community and farmer organizations received training on leadership skills & business development planning including; registration on district level, certification of community based organizations and groups linked to bank accounts (to deposit savings or receive further loans). In addition, RIPOMA provided demonstration plots, planting teams helped farmers on best practices for planting their individual crops.

Furthermore, in order to improve farmers' access to different technologies, partnerships were created with the private sector; farmer groups were linked to an Agro-dealer or ETG Agri-inputs to buy fertilizer at a discounted price. In addition, they were linked with a rice milling company, as well as processing & packaging centres.

[19] The Market System Development approach is guided by four underlying principles which focus on; 1) Systemic action in market system, 2) Sustainable change by involving actors with incentives to contribute to long-term change, 3) Large-scale impact on the lives of poorer farmers, and 4)Taking a facilitative role.

As most losses occur during post-harvest (holes in rice bags, not adequate storage facilities) RIPOMA helped restore warehouses of 6 cooperatives and equipped them with moisture control, fire insurance, installation of pallets, as well as provided training to *boda boda* (motorbike) riders that transport rice bags on how to reduce losses (Interview with D. Kalimbiya, 2021).

Top left: Newly constructed co-operative warehouse
Top right: Rice bags waiting to be transported/stocked outside of cooperative warehouse
Bottom: Boda Boda rider transporting rice bags
Source: Own photos, Tanzania 2020

Helvetas has aligned its work with the 2030 Agenda of sustainable development. By promoting partnership and synergies between different stakeholders in the sector to develop and advocate for long-term solutions to the problems faced by rice farmers in the region.

It can be said that RIPOMA has successfully fostered achievement of the SDG Agenda, particularly; Goal 1 (action to end poverty, by increasing income of rural households & food security), Goal 5 (promoting gender equality and empowerment of women through innovative postharvest techniques and other trainings), Goal 8 (Decent & economic growth, work by improving the rice value chain by reducing postharvest loss) and SDG 17 (engaging in public- private partnership models and fostering innovative partnerships).
More information on the contribution to the SDG goals and results achieved can be found in Annex 7.

The RIPOMA project officially ended last year, however HELVETAS secured funding from the European Union for a new 4 years project "Empowering women and youth in horticulture production and marketing", in short called KIBOWAVI, which falls under the EU Flagship Programme Agri-Connect.[20] The project in aims at improving livelihoods of 75,000 rural people, including 15,000 directly targeted poor smallholder farmers (at least 70% women, 50% youth) by contributing to inclusive economic growth, promote private sector development and job creation in the horticulture sector, and to increase food and nutrition security in the Southern Highlands regions through targeted interventions to increase productivity, production, resource-efficiency, diversity, local value addition and marketing. In total, currently Helvetas has 14 ongoing projects, the majority focused in the area of skill development & education sector, estimated to reach 367,232 people (Helvetas, annual report 2020).

Regarding funding, Helvetas Tanzania receives funding by responding to calls for proposals and public tenders of international donor organisations, such as the Horticulture and RIPOMA project funded by the EU and the project "Save Safe Food-Hifadhi Nafaka Salama" project cofounded by DANIDA. In addition, some projects are funded internally within Helvetas, with support of the Swiss Agency for Development and Cooperation as Helvetas' largest financier (46%), income from fundraising (25%), and the remaining funds are received by project funding from other organisations and income from advisory services (Helvetas Annual Report, 2020).

[20] Agri-connect: Supporting value chains for shared prosperity, is an EU Flagship Programme with the objective contribute to inclusive economic growth, promote private sector development and job creation in the agricultural sector and to increase food and nutrition security in Tanzania

V.3.c Presentation of the NGO RIKOLTO

Rikolto (is the Esperanto word for 'harvest') and is also an international NGO based in Belgium with more than 40 years' experience in partnering with farmer organisations and food chain stakeholders across Africa, Asia, Europe and Latin America.[21] Currently, the NGO runs programmes in 17 countries worldwide and has established 7 regional offices.
In East Africa, Rikolto has been present with its regional office in Arusha, Tanzania for more than 30 years, with the ambition that intervention contributes to systemic change in food systems in the context of its mission to: "*enable and support a sustainable income for farmers and nutritious, affordable food for everyone*" (Rikolto, 2021).

Smallholder farmers face many hurdles in setting up competitive and inclusive agribusinesses and achieving sustainable mass production, thus Rikolto specifically encourages farmers to join farmers groups/cooperatives as "*when they join forces and form farmer groups and organisations, they have a higher chance of success in becoming solid business partners that can engage in the food value chain*" (Edwin & Tollenaers, 2021).

The NGO has particularly been active within the area of Sustainable Agricultural Chain Development. The aim is to enable organizations of smallholder family farmers to successfully participate within sustainable value chains. Rikolto invests in the capabilities of these organizations and their members to become strong collective business organizations, while linking up these organizations with other chain actors like processors, traders, retailers, and consumers.

In addition, RIKOLTO invests in connecting these farmer organizations with higher level farmer organizations and supports these in their advocacy work towards governments and private actors to create an institutional environment that enables the position of smallholder family farmers and cooperatives within sustainable agricultural chains. Rikolto focuses its work on 3 major thematic areas; inclusiveness, sustainable production and the enabling environment. In the area of inclusive business, it is directly focused on co-operative and farmers groups, promoting the model and helping them to build capacities, developing their skill sets, or helping them access finance.

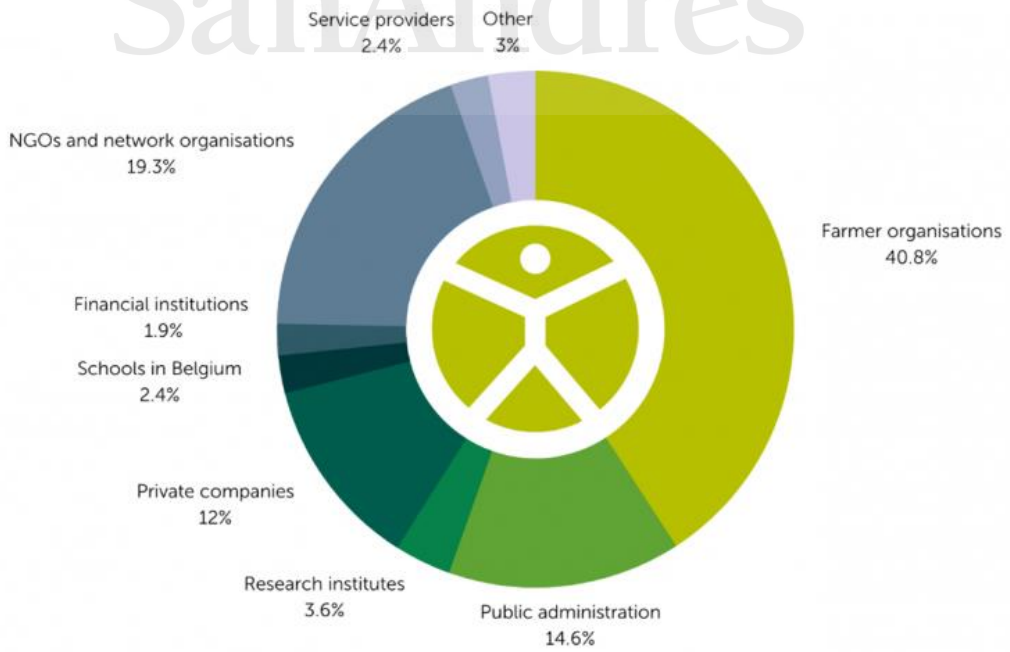
[21] The current Rikolto is a merger of three Belgian development organisations: Vredeseilanden, Coopibo and Fado. Since the merger, the organisation was called Vredeseilanden in Belgium. Programmes outside Belgium were run through Vredes Eilanden Country Offices (VECO). In 2016-2017 the organisation became an international network organisation.

V.3.d Creating sustainable interventions and long lasting partnerships

The way Rikolto designs a programme/project intervention is the following; first it starts by identifying farmer organizations for different value chains with the support of local government officers, once identified, an initial assessment is done to determine weaknesses and strengths. Through the coping state assessment tools, a report is generated, and lastly Rikolto starts engaging with different partners and stakeholders to carry out activities to address the identified need of the farmer organisations in that particular sector.

Since Rikolto's strategy is to fix food systems, creating ownership and collaborations can take different forms, e.g setting up an official institutional anchoring with other stakeholders and the organisation of a multi-actor governance mechanism. This furthermore translates into close cooperation and/or financial support to local NGOs, commodity platforms, different national and local government institutions, business service providers or research institutes. Moreover, investors and social lenders and private companies are included in most interventions. But Rikolto stresses that the end goal remains the same: "*interventions always benefit the farming communities and end consumers*" (Rikolto.org, Annual Report 2020).

Figure 5:Type of partner organisations involved in Rikolto's programmes



Source: Rikolto.org

Figure 5 shows the wide range of stakeholders that Rikolto partners with. In 2020 Rikolto financially supported 136 organisations in 16 countries in Africa, Asia and Latin America, compared to 129 the previous year. Of these, 55% are farmers' organisations, compared to 52% the year before (Rikolto, Annual report 2020).

Strong emphasis on a sustainability component in the food systems, is what differentiates Rikolto from other development organizations. Rikolto is well aware that every project has an end date and when the project lifecycle is complete. Thus, ensuring ownership is of fundamental importance, as well as engaging in policy advocacy so that good standards are adopted, reflected in national strategies and policies and finding mechanisms how good initiatives without external intervention can be continued.

The following case demonstrates Rikolto's commitment to find new and sustainable ways of working to have the greatest impact:
Rikolto had been engaging with local business development for the provision of capacity building. In many cases, these small interventions tended to be very costly, and in some instances had to be repeated various times. Rikolto identified the need for continuous mentoring and coaching of cooperatives and farmer organizations on the ground, hence partnered with Moshi Co-operative University for a pilot internship program for young graduates, whereby these young professionals as graduates of Moshi Co-operative University, take the role of from University are linked cooperatives and farmer organizations.

As each University programme has a strong co-operative component, these young consultants have a good knowledge on how cooperatives operate and can provide coaching to management and leaders, bring in innovations, strengthen good governance, and practices on managing finances and fundraising. Hands-on, they can apply their different skills. In some cases, Rikolto takes them through the specific reporting requirements, in terms of production, sales, and farmer background. The pilot initiative has been a huge success, and Moshi and Rikolto are envisaging scaling the project up in the next year.

Regarding financing, similar to Helvetas, most of Rikolto's funds in 2012 were obtained by Belgian public funding (51%), multilateral bodies (22.2%), other foundation and NGOs (6.4%) as well as private fundraising (11%), with 52% of funds being spent in Africa (Rikolto, financial report 2020). Specifically in Tanzania, funds for projects are obtained through calls of proposals. Recently, Rikolto East Africa secured funding from EU under AGRI-CONNECT programme for a 4-year horticultural programme in Tanzania, which aims to

improve and increase market competitiveness in the sector supplying both domestic and international markets. Horticulture is one of the few opportunities for small-scale farmers to find a route out of poverty and this can be seen by many farmers converting from staple crops and traditional cash crops to horticulture. The project will run from 2020 to 2024 covering southern highlands regions of Tanzania especially Iringa, Katavi, Njombe, Mbeya and Songwe. Rikolto is currently looking for looking for partnerships with private SMEs in the five regions' ecosystem to collaborate to improve the access to Business Development Services (BDS) for horticulture smallholder farmers.

IV.4 Cooperative growth, the role of international and innovative partnership: the case of the cooperative SUGECO

Visit to the SUGECO Co-operative in Morogoro, February 2020

The Sokoine University Graduate Entrepreneurs Cooperative (SUGECO) is acooperative established in July 2011.[22] It is a service cooperative, focused on education, research and consultancy directed to the agricultural sector. The aim of the cooperative is to make a difference in the minds of the youth, communities, and graduates from higher learning institutions in support of enterprise development for self-employment, agribusiness development, job creation, community development and economic prosperity.

The focus of its operations lies in preparing, enabling, and supporting innovative entrepreneurs as they build successful businesses along the agricultural and agribusiness value chains. In particular, it provides training to young graduates in entrepreneurship, start-up support through business incubation services and business ecosystem network development (SUGECO, 2021).

[22]SUGECO is registered under the Tanzania Cooperative Act No. 20 of (2003).

Over the years, SUGECO has expanded its operations and seeks to connect different stakeholders, such as serving as liaison between entrepreneurs and financial institutions thereby facilitating their access to credit. Amongst other things, it also provides technical capacity building through a wide range of short courses on value addition to agriculture production, which are open to external stakeholders, some particularly directed to women. Finally, it engages in Policy Advocacy, presenting policy challenges to the government and tries to influence dialogue to transform the business environment into one that supports enterprises.

The 7 pillars of its operation can be found below:

Source: Sugeco.org (2021)

IV.4.a Membership

SUGECO is partly financed by membership fees and by the services it provides to other agencies and partners (such as trainings & consultancies), for which it receives money to cover operating costs.

To the present day SUGECO counts over 1000 members throughout Tanzania. It's membership is open to a range of groups. Individuals can join the co-operative (typically students, alumni and academics), Associate Members (University and Research Institutes) and Corporate members (private sector). The costs of membership vary, however SUGECO offers financial aid for individual members that face financial difficulties, through a work for service scheme or linking them to financial institutions. The benefits offered depending on the type of member are resumed in the table in Annex 3.

IV.4.b Creation of SUGECO

Through an interview with SUGECO's Executive Director Revocatus Kimario, I was able to gather more information on the reasons why and how the cooperative was created. It all started in 2011, when a group of students and academic staff of the Department of Economics and Agribusiness at Sokoine University of Agriculture (SUA), were looking at how youths were engaging in agriculture and the barriers they were facing preventing them going into agribusiness (such as lack of knowledge of entrepreneurship and poor financial management and access).

They identified that for Tanzania, the agricultural sector did have a tremendous potential for employment creation at the various nodes of the agricultural value chains, but that innovative initiatives and partnerships were needed to address these problems. A year later, after having outreached to outside actors, and successfully concluding new partnerships, the project was formed called "*Growing Innovative Entrepreneurs through Action Research in the Agribusiness Value Chain in Tanzania*" in collaboration between SUA, the International Business Centre at the Aalborg University, and the University of Copenhagen with funding for 3 years of the International Development Agency (DANIDA).

The project's core objective was to generate new knowledge on the design of the value addition process of student entrepreneurship through curriculum improvement in entrepreneurship and business management with practical application in food processing. and incubator training. These objectives later became the core of SUGECO's operation, which translated into the creation of their cooperative's business model also called: "*Entrepreneurship Value Chain Development Model*" explained in further detail in Annex 4 with all activities listed that fall under SUGECO's operations.


Left: SUGECO Co-operative demonstrative plots
Right: Products from young entrepreneurs of the SUGECO cooperative
Source: Own photos, Tanzania 2020

IV.4.c Multi-stakeholder partnerships for cooperative development

The case of SUGECO proves that research capacity with the involvement of different actors can create new knowledge to overcome development issues through their conceptual and analytical thinking. As such, from an initial idea, with the help of multi-stakeholder partnerships with other knowledge-based organisations (the University of Arlberg and Copenhagen) and with the financial support of a foreign donor (DANIDA), "*SUGECO has grown to become a full-fledged organization with high sustainability potentials - thanks to this project*." - Dr. Anna Temu, Chair of the Board, SUGECO.

The project *"Growing Innovative Entrepreneurs through Action Research in the Agribusiness Value Chain in Tanzania"* can also be seen as an successful example of a South driven project that has developed into an enhanced collaborate relationship and attracted additional external funding. The South-driven research project modality represents a new and relevant approach, which creates strong ownership in the South, with positive outcomes and new partnerships and aligns with the Paris Declaration on Aid Effectiveness. A top-down approach has deliberately been avoided and the direct collaboration between peers at the same level has ensured ownership, and sustainability and motivation from South and North of the results achieved (DANIDA, 2017).

Denmark has been supporting Tanzania's business and private sector development since the early 1990s. The main purpose of the Danish support has been to develop the private sector as an engine of pro-poor economic growth that supports Tanzania's Poverty Reduction Strategy (Ministry of Foreign Affairs of Denmark (n.d). However SUGECO is not only receiving funds from government development agencies such as from the Danish Cooperation Agency (DANIDA). SUGECO's vision, mission and strategic plan are largely aligned with the country's development strategies as well as those of development agencies and other partners.

As a solid well-structured cooperative it is able to respond to calls for proposals from government departments, donor organizations and research institutes on a fee-for-service basis. Since its inception SUGECO has partnered up with several groups and organizations in Tanzania in order to provide relevant networking experiences, as well as action research and community extension services, according to the needs of its members. Examples of some of these consulting or contractual agreements are varied and include: training in greenhouse construction and production (funded through the Office of the Prime Minister);

training, research and extension services for the orange fleshed sweet potato value chain (through the international Potato Center); and the provision of training in nutritional awareness and extension services to 4,000 farmers directly and to 20,000 farmers indirectly in Gairo and Kilosa Districts (through Farm Africa Tanzania and the Big Lottery Fund). SUGECO has an excellent reputation in project design and implementation in part because of its close working relationship with SUA and other education and research institutions from abroad.

SUGECO counts amongst its partners the Food and Agriculture organization (FAO). FAO helped develop and took part in the implementation of the National Strategy for Youth Involvement in Agriculture (2016 - 2020). SUGECO has been chosen by FAO as a service provider to support unemployed youths by conducting hands- on training to equip youth with practical agribusiness skills and knowledge, access to finance and new agricultural technologies to enable them to bridge skill gaps in order to embark on enterprise development in agriculture. The training has reached over 1461 youth since 2016. Currently the FAO is working with SUGECO on a new business approach called Kizimba Business Model (KBM) and supports SUGECO with beekeeping processing equipment for training. Through the training, Kimario said that: "*young farmers were encouraged and supported to pursue careers in agricultural value addition by adopting efficient technologies in different value chains, improving their understanding in life skills to create sustainable income-generating activities"* (Kimario, interview, August 11, 2021).

In addition to helping start-up businesses adapt to the existing business environment, SUGECO identifies opportunities to make the business environment in Tanzania more enabling for new entrepreneurs. By advocating at the highest levels of Tanzanian government, SUGECO influences the policies, rules, regulations, and incentive structures for conducting business in Tanzania. The incubator projects provide government leaders with concrete examples of how they can help make starting a business easier and more attractive to all segments of Tanzanian society (SUGECO, 2016 "5 year Strategic Plan"). According to Kimario, only 1% of business vocational programs are in agriculture, although more than 65 % of the population are engaged in the agricultural sector. For this reason, in 2014, the cooperative started advocating for the creation of a special scheme for youth in agriculture with the help of FAO, which finally translated into the: "National Policy for Youth Involvement in Agriculture 2016 - 2020" with a multi-sectoral approach falling under the Tanzanian Ministry of Agriculture.

Lastly, to provide entrepreneurs and young graduates with practical experience in a specific area, SUGECO has developed partnerships with Universities (such as Tel Hai College in Israel, and other universities in the USA) to develop internship programs abroad as well as apprenticeships on local farms. Due to its success, the program has expanded to other universities and colleges all around Tanzania. Furthermore, another focus area was to partner up with financial institutions such a commercial banks to finance enterprise development and provide loans to graduates of SUA.

The success of SUGECO has led to interest in replicating the business model in other countries. Uganda and Kenya have approached SUGECO to learn more about the model and to find ways for collaboration. Furthermore, Hanze University of Applied Science from the Netherlands has recently also decided to replicate parts of SUEGCO's model in their training institutions.

Even though SUGECO has been running without any aid since 2015 up to date, according to Kimario, one major challenge for the organization is financing and managing the funds to run the organization. Ideally, he expressed, with a co-fund for two years SUGECO could be completely self-sustaining. SUGECO has pointed out that it had trouble to engage in partnerships and receive funding of big donor institutions such as the European Union or other large NGOs, due to the heavy procedures that partners often have to comply with. The problematic manifest itself that some donors only fund large scale programmes (e.g of an amount of 20 M euros). Cooperatives like SUGECO do not have the capacity to manage these huge funds, in addition to complex funding application and evaluation requirements that may not be adapted to the context of a developing countries.

Donors sometimes fail to recognize that complex funding and evaluation requirements can overwhelm small organizations and cooperatives simply do not have the capacity to write full length proposals, including log frames, and may need support in setting up extensive and complex reporting mechanisms. As noted by Coops Europe: '*The requirements can be very daunting for many cooperatives or NGOs of a certain size, and then the whole proposal writing process is very difficult, the requirements and the process that you have to go through, I think it can be a bit of a challenge for individual level cooperatives and that is why many shy away from it*' (Cooperatives Europe, 2015).

SUGECO partners with the government in some occasions to carry out services, for which it gets paid. When asked about if the cooperative receives subsidies or grants from the government, Revocatus explained: "*The only time the government supported SUGECO directly, has been through granting the permission of user rights to youth agribusiness colleges owned by the state to provide training.*" He continues: *"In addition, when SUGECO opened a new office in the Southern Highlands, the Ministry of Agriculture instructed all colleges to provide SUGECO with an office space, however not the facilities. And that's the reason we have not been able to reach out to as many as wished, due to financial constraints of building training facilities"* (Kimario, interview, August 11, 2021).

Nonetheless, SUGECO's operations have grown over the years, and permanent staff has increased from one person in 2014 to 25 up to date. Increased funds and internal resources are needed, as it is costly to help realize new business ideas from the members. Kimario believes that they could do more than what they have been doing with more funds. Hence, more people could have access to the SUGECO co-operative and receive support and business incubation services.

IV.4.d SUGECO's contribution to sustainable development

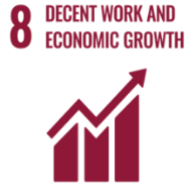
We have seen in Chapter III, how international actors, such as the ILO, ICA and FAO have aligned their strategies, action and policies to the 2030 Agenda for Sustainable Development. Some cooperatives also have started to show their commitment to the SDGs and made pledges to help them achieve them and track their progress, through the platform created by the initiative Coops for 2030.

SUGECO integrates Tanzanian's national and sectorial priorities[23] into its strategies and into the development of individual programmes and projects. According to Kimario, the cooperative also take into consideration the global priorities in planning its objectives, however these have not yet been explicitly articulated into its 5 year strategic plan 2015 - 2020. Nevertheless, to demonstrate its valuable contribution, we can match SUGECO's activities and outcomes to specific target goals. It becomes clear that the co-operative contributes to multiple SDG's through its operation, including, but are not limited to the

[23] SUGECO's strategic plan has taken into consideration the recent national and sartorial policies, strategies and programme such as the Tanzania Development Vision 2025 (TDV 2025), Agricultural Sector Development Strategy (ASDS), Public Sector Reform Programme (PSRP), and Agricultural Sector Development Programme (ASDP), Comprehensive African Agriculture Development Plan (CAAP) and other relevant documents. All these frameworks advocate for both social and economic growth in the country (SUEGCO, 2016).

following SDGs and targets spelled out below in table 5 (a more detailed analysis can be found in Annex 6).

Table 3: SUGECO's contribution to the SDGs

SDG Goals	Actions by SUGECO & Results
	SUGECO contributes to ensures food security and nutrition in several ways: • Offering a wide range of short courses which add value to agriculture production (e.g on the processing nutritious and safe agricultural products). • Promotion of nutritious dense crops e.g vitamin A-rich orange fleshed sweet potato; quality protein maize, sesame, beans and sunflower within Tanzanian markets, aiming to address issues of household poverty and malnutrition.[24] • Addressing market-level constraints that smallholder farmers face, e.g quality and level of their crop yields, reliable buyer and market-level links. • Facilitating the use of climate smart agriculture and adoption of innovative technologies that increases production (see activities further down under Goal 13, climate action).
	• To counter youth unemployment, SUGECO offers training programs around Tanzania through collaboration with different stakeholders. E.g. on entrepreneurship, financial literacy and works with youth and adults on hands-on skills training, some supported by the FAO. So far over 1500 youths have been reached, increasing their employment chances. • It's incubation programme provides an innovation space empowering youth by strengthening their skills and potential to become entrepreneurs and start their own businesses. So far, SUGECO has incubated over 30 businesses. • Fostering young graduates with practical experience: SUGECO has developed internship programs with Universities abroad as well as apprenticeships on local farms. To this day more than 500 students on paid internships abroad for a year to the United States. • SUGECO is committed to foster gender parity and has a policy for a 50/50 ratio in its programmes and capacity building trainings. It also has a special program for young mothers and collaborates on joint projects with Women Economic Empowerment (WEE).
	Efforts are aimed at transforming agriculture from subsistence farming to thriving and profitable agribusiness. • SUGECO facilitates trainings in agribusiness skills to promote decent rural employment by teaching hands-on skills on agriculturally based technologies, supporting adaptation to sustainable and best farming practices, and enhancing youth involvement in farming as a business. In the year 2020, SUGECO has reached out to 945 youths across the country. • SUGECO's innovative incubation program has helped many develop into full enterprises that are now able to contribute to employment generation,

[24] Currently Tanzania is suffering from high rates of malnutrition cases and Vitamin A Deficiency for children is 33% and Anemia for women at reproductive age is 45% (Tanzania National Nutrition Survey, 2018).

	provide income for themselves and contribute to the overall economic growth through the agribusiness value chain.
	SUGECO is promoting climate smart agriculture and better agricultural practices, innovative technology adaptations and training farmers on their use which include: • Construction of rainwater harvesting systems that collect the rainwater of the rainy season and store it for the dry season. • Use of new irrigation methods such as “drip irrigation”. • Fostering the plantation of cover crops, as natural means of suppressing soil diseases, pests as well the construction of greenhouses to increase agricultural output. • Developing new technologies that promotes the use of organic fertilizers in manure, which can be a way to reduce the use chemical fertilizers. • Set up the use of solar dryers to dry sardines, tackling high post-harvest loss in the lake Victoria region. These solar dryers are similar to a greenhouse which captures heat from the sun. So far 30 trainings have been conducted related to climate resilience.
	• SUGECO has successfully built coalitions at the local, as well as at the international level with a range of different actors such as education and research institutes, the government, and non-governmental actors as well as the private sector and financial institutions. • These partnerships are fundamental to mobilize resources and share knowledge related to the agricultural value chain, to foster capacity building and skill development, transfer of technology and the provision of an innovation ecosystem to the benefit of SUGECO’s members and to communities of Tanzania.

Source: Own construct, based on the UN SDG targets and information obtained through interviews and material on SUGECOs operations. Analysis checked and endorsed by Executive Director of SUGECO Revocatus Kimario (full analysis available in Annex 6).

The example of SUGECO exemplifies the substantial contributions of cooperatives to the realization of sustainable development around the world. Due to cooperative’s primary focus on members and local needs, they have not always been very proactive in national and international debates which results in limited visibility and attention in the debate on the post-2015 development agenda. An active engagement of cooperatives with different stakeholders at the local, national and international level is key to give voice and visibility to cooperatives and to foster an enabling environment for cooperatives to realize their full potential in contributing to the SDGs.

V. CONCLUSION

Cooperatives are an old idea, but one that is more relevant than ever if we look ahead at the development challenges and opportunities the world faces for the coming decades.
In the words of scholar and champion for the cooperative movement J. Birchall:

"*If cooperatives did not exist, they would have to be reinvented*".

As people-centered business model, cooperatives can form the building blocks of sustainable development. The advantage of the cooperative model is its strong and broad outreach at the ground level to millions of vulnerable people, its emphasis on economic participation, and its eye towards sustainability. Cooperatives can identify economic opportunities for the poor; empower the disadvantaged to defend their interests; and providing security allowing to convert individual into collective risks. The positive conclusions that can be drawn from the research is that there is a significant potential for the movement to help reduce members' poverty through employment creation and contribute to the social protection and economic growth in developing countries.

Nevertheless, certain drivers need to be in place for cooperatives to thrive and fulfil their potential as local development agents. As identified, a conducive economic, political, and legal framework, clear government policies, basic infrastructure for cooperative organization, and a community social structure sufficiently flexible for is needed for cooperatives to operate. Similarly, as internal factors; there has to be a demonstrated willingness to cooperate among potential members, some trust in their leaders, and a commitment to make some financial investment. When these conditions are met, cooperatives can contribute to poverty reduction even in most extreme circumstances.

Within international development, partnerships are rightly acknowledged as critical to successful development processes and to achieving sustainable change. Particularly multi-stakeholder partnerships, involving different actors are needed to find innovative ways to reach the Sustainable Development Goals by 2030. Despite the significant role cooperatives can play in achieving the Agenda 2030, as demonstrated by exploring the cooperative form and based on the example of SUGECO, the potential of cooperatives is yet to be fully harnessed by further recognition and support by development partners.

Encouragingly, much has been achieved in recent years to strengthen cooperatives and bring into the policy arena especially at the international level. The actions of the ICA, with support from the EU, have helped to situate cooperatives as important private sector and civil society actors for sustainable development in light of the Agenda 2030. Furthermore we have seen how at the multilateral level the ICA and specific UN agencies such as the ILO and FAO have developed strong partnerships with the cooperative movement and have laid the groundwork for the enabling environment for cooperatives to operate in developing countries. Furthermore, NGDOs, FAO and ICA have focused their effort on member empowerment, strengthening skillsets of local cooperative support organizations, and providing tailored technical assistance.

Nevertheless, it can be said that the national environment will always be influenced by government policies and oftentimes simply by politics. In Tanzania, it took a long time for the government to divert from their view that by their very nature cooperatives could not be detached from political life. Specific and detailed national policies fall within the responsibility of each government, thus the extent to which foreign actors can influence these depends on the willingness and openness of each government to cooperate. Further, it is to be noted that due to the changing global conditions and changes in the cooperative movement itself, many policies in most countries that have once been set might benefit from review and in some cases from a substantial revision.

V.1 Mayor constraints and how international cooperation helps to overcome them

According to the case study featuring a cooperative and different cooperative stakeholders it emerges that the cooperative movement in Tanzania has gained vibrancy in the last decades. Despite the growth in the number of cooperatives, the movement would benefits from increased support in certain areas. An exploration by the case study into the main constraints faced by cooperatives, allows us to highlight the opportunities and challenges for increased partnerships and cooperation.

1. Lack of access to adequate capital and sustainable financing

Results from in-depth interviews confirmed that access to finance is one of the main challenges faced by cooperatives. Working capital is often needed for agricultural cooperatives to carry out different activities such as hiring land, farm preparation, purchasing farming inputs (e.g. fertilizers, pesticides, etc.). However, the finance required often cannot be accessed from commercial banks or other institutions, due to obstacles

such as a lack of collateral security (up to 40%), poor business plans, lack of knowledge and lack of financial deposits.

Given the importance of finance, much work is needed to help cooperatives and farmer organisations facilitate access to financial and development services. As seen in the case of Tanzania, NGOs such as Rikolto and Helvetas are already working to assist cooperatives to overcome these issues, by directly fostering skills in financial management of producer/farmer groups or facilitating linkages with financial institutions. Rikolto offers a concrete example, signing a MoU with the Private Agriculture Sector Support Trust (PASS), to provide loan guarantee schemes for cooperatives and farmer organizations.

Another fundamental actor in this area has been the University and research institution Moshi, that has partnered up with the NGO RIKOLTO to implement an innovative programme as discussed, that allows graduates of Moshi Cooperative University to work directly as consultants with assigned farmer organisations. They support the development of financial and management skills, such as the preparation of gross profit margins for their crops and estimate the amount of loans farmers should receive depending on their farming capacity. As a result, some organizations professionalize themselves and can be formally registered cooperatives, facilitating the access to bank accounts and other financial services.

Nevertheless, given the low financial, organizational and technical capacity of most cooperatives, the Warehouse receipt system (WRS), still quite innovative in Tanzania, is tthe most feasible short term strategy and as pointed out by many co-operative stakeholders and has helped in improving smallholder farmers' access to financial services for agricultural activities. In this system, the warehouse operators, which are often cooperatives, accept the deposit of crops in the warehouses and provide a receipt to the farmers, through which the farmers can receive a part of the payments through the bank or SACCOs, or can be used as a collateral to receive financing from financial institutions (e.g. loans) based on these receipts. As reported by SUEGCO, Moshi and Helvetas, the system has made it easy for farmers to access credit without much hindrance, there is improved quality in the production, less post-harvest loss, economic activities have increased, and some society farmers groups now have access to international markets. Overall, it contributed to improved livelihoods for members. For this reason, it is important to continue engaging in sensitization efforts done by Moshi Co-operative University and other stakeholders among

smallholder farmers in order to enable the larger spectrum of the community members to become aware of the WRS practice.

Given all these innovative ideas proposed in the area of finance, international cooperation has a tremendous potential to address the main constraint of cooperatives and facilitate access to finance and credit. As we have seen particularly NGOs take the lead by directly strengthening member's internal capacities in negotiation, financial management and business plan development in order to increase their participation in financial-markets. In addition, they often step in to advocate for policy changes that improve access to credit and benefit cooperatives, however it can be said that in some cases they may have less power to influence public policy and public resource allocation to community development programme than Universities such as Moshi and SUA can play. These education institutions provide an equally important contribution and are often better placed to influence strategic policies, as they often have already well established connections to the government, apex organizations and cooperative support institutions that are involved in the definition of cooperative legislation at the national level.

2. Governance problems and lack of human resource development

Secondly, what becomes apparent from the case study is that some cooperatives are characterized by weak leadership, limited member participation, and sometimes domination of political rather than business considerations.
As noted by one NGO stakeholder:

> "*Co-operative members have been very disappointed in the past, due to government interference and corruption issues. Now for new members to join or old members to continue to stay in a co-operative they have to see the benefit of them*".

Another challenge is that the majority of farmer organizations and cooperatives are often very small and managed improperly. Another co-operative stakeholder respondent said that theft issues and deviation of funds were common occurrences, and thus more support on accountability was needed.

In most cooperatives there exists an important skills & knowledge gap in different areas, affecting both cooperative leaders and members. Therefore education is of paramount importance to the co-operative sector, unless all those responsible for cooperatives (director, members, staff) are well informed and knowledgeable, cooperatives are likely to

become handmaids of the state or encounter difficulties to operate efficiently, compete with other businesses, and improve the welfare of the community it serves and truly contributing to sustainable development.

In addition as another stakeholder noted:"*there exists a notion in certain areas in Tanzania, that cooperatives are for retired and old people in the agricultural sector".*
This misconception is trying to be addressed both by cooperatives themselves like in the case of SUGECO, (fostering entrepreneurship in agriculture particularly directed to youth) and also by NGOs like Helvetas (encouraging value addition techniques in farmer organisation to show the benefits and increased profits can be reaped) to try to change that mentality and demonstrate that cooperatives can be beneficial for the development of all people, including women youth to fulfil collective needs and aspirations and to become a major factor of economic and social development.

In general, is clear that value addition techniques, innovation or financial and technical resources are often lacking. Vocational training centres and programs specifically directed to cater cooperatives are being established by the government in different regions, so that youth and adults can acquire new skills and competencies related to the agriculture industry. Without doubt, there is a long way to go, to ensure the training is accessible to all who wish to participate. For this reasons, to complement efforts of the government and remedy shortcomings, NGO's main priority can be said to be Human resource development to empower members and allow cooperatives/farmer organizations to operate competitively, often times by simple ways such as sharing best practices or knowledge transfer. Particularly, multi-stakeholder partnerships between NGOs, between universities from the north & south, as well as research institutes or including the government has proved fruitful in facilitating new knowledge and the transfer of innovative production practices to cooperatives and farmer organisations, according to the cooperative stakeholders consulted.

3. Policies for an enabling environment

Thirdly, cooperative stakeholders were questioned on their view of the state's role in cooperative development. Generally, it was emphasized that the role of the state should be limited to the provision of a sound legal framework for independent, economic organizations and such necessary infrastructure that small rural communities cannot afford on their own. Furthermore, the government is expected to develop and implement favourable policies to

strengthen the enabling environment for cooperatives. Farmers in cooperatives need access to sufficient land, infrastructure, affordable credit, information, and networks in order to succeed in business. The government and the financial sector can encourage particular investment and innovation.

In Tanzania, the government in the last decades, has moved into the right direction. It has created support institutions and with it, strategies for building or rebuilding truly member based cooperatives under the current market driven environment. Cooperatives are seen as critical institutions, and the government has forged partnerships with a number of stakeholders including NGOS and other sympathizers of the cooperative movement, which advise the government on the needs of cooperatives. NGOs need governments to scale, especially in fields like education. Governments set national policies and funding, which provide scale and sustainability. And governments can leverage the support of NGOs to innovate and enhance accountability.

Observing this dynamic, NGOs have different possibilities in fostering partnerships with the government to influence policies and resource allocation. First, NGOs as we have seen with the case of RIKOLTO, can collaborate with governments (and their institutions) in service provision by working on some key issues and piloting a private-public service delivery mechanism. This includes working on issues like quality control and food safety, facilitating public-private sector dialogues and piloting innovations, among others. Secondly, NGOs like Rikolto and Helvetas build the capacity of the member business organisations (apex private sector business organizations, apex, secondary and primary farmer organisations) to engage the government to increase efficiency and effectiveness of service delivery in areas regarded as public goods (road, large irrigation schemes, electricity etc.) and to draft policies to create conducive business environment.

Moving forward, the interviews indicate that the focus should lie on training and participatory cooperative development education programs drawn on the positive lessons of the wide range of participatory approach based pilot projects like provided by Moshi Co-operative University. This will initiate a fundamental change of attitudes and approaches of the government policy makers and front line extension officers of the co-operative support institutions and other sectors in the economy. In addition, NGOs in partnerships with cooperative support institutions can deliberately influence policy makers to strengthen the capacity of WRS, or urge the government to revise cooperative development policy and other sector-level policies and regulations to be in place and friendly to enable cooperatives

to prosper and become more competitive. Nevertheless, the scope to press for policy changes influencing, is likely to be strongly dependent on the willingness and reception of the government to have open and collaborative relationships with NGOs and other stakeholders, and the priority they assign to cooperative development. In turn this response will be influenced by the history, background and strategy of the NGO and the key decision makers within it, as well as the resources, size and felt needs of the NGO. It will also depend greatly on the conditions in the public sector. In cases where state institutions are exceedingly weak, and become (in the short term at least) yet more inefficient as a consequence of cutbacks, then NGOs may well decide there is little left in the state on which they can draw, or which can be improved through the exercise of pressure.

Lastly, is important to highlight that International Organisations such as the UN agencies are key actors in setting and facilitating environment and may be better placed, compared to NGOs to effectively influence and shape national policy related to cooperatives. While IOs may not directly affect domestic decision-making, they can, through their reports and conferences, facilitate the spread of ideas of best practices among member countries. IOs can thus help to create norms and transmit those norms to domestic policy actors who then advocate for their adoption. We have seen how ILO recommendations and UN resolutions at the international level have advanced in particular cooperative legislation and best practices worldwide. In the case of Tanzania, the ILO has played a fundamental role in assisting the government through technical cooperation to define and reform cooperative legislation and ensuring that it underpins and protects the cooperative identity and currently is providing its expertise to renew the Tanzanian cooperative development policy. Nevertheless, again the constraint is the receptivity of the countries national governments to respond to international norms and standard settings and incorporate those ideas into policy domestically.

V.2 Synergies and considerations for effective partnerships

Although many more problems exist, in this study, we have managed to identify various challenges as listed above facing agricultural cooperatives in Tanzania and how partnerships address not only structural and systemic deficits but also can find long-lasting solutions to them (such as transforming markets, or influence policy). In general, it is important to point out that synergies between initiatives targeting cooperatives are to be sought. In this way development aid can become more effective.

We have seen that particularly NGOs are among the organisations particularly close to cooperative development, and whose innovative partnerships with different actors have great potential for the promotion of cooperatives. Unlike many NGOs working in development, NGOs targeting cooperatives tend to have a long time horizon and a long lasting relationship with partners in each country. Many as demonstrated in the case study, have been working with lower-level cooperatives, building networks with the private sector, the government and financial institutions. It is imperative that the NGO's programmes fit with the partner countries national policies. Yet field officers find that this strategic principle is sometimes at odds with operational imperatives. Both strategically and operatively, the programmes must be embedded in the local environment and involve the national institutions, to have a greater impact and ensure ownership.

In addition, research findings identified several barriers to greater engagement with cooperatives. These difficulties need to be overcome so that the road to partnership becomes clearer. One of the most significant barriers emerged around lack of capacity and knowledge of cooperatives. This can be particularly evident for small local NGOs, grass roots cooperatives and their federations. They lack both the relevant skills and expertise for proposal development and writing for internationally funded projects or to contribute to policy dialogue in some cases.

In this light, I was recently approached by SUGECO regarding a consultation on possible partners for a funding opportunity from the government of Flanders available for projects, which implement and upscale climate solutions in developing countries. SUGECO needed to co-apply with an NGO or company based in Flanders in order to qualify. Donor agencies therefore also have a role to play in facilitating tenders and bridging actors for increased partnerships. Furthermore, they can also try to influence governments to review their policies and attitudes towards cooperatives, as they sometimes have more strategic access to decision makers and work together with NGOs to fund technical assistance.

Furthermore, at the multilateral level, the EU and the World Bank, as well as government agencies sometimes find it difficult to work with cooperatives. This is because there are two processes working in parallel. First, there is the necessity to convince the development community of the role and potential of cooperatives in contributing to the sustainable development. Second, there is the need to strengthen cooperatives in their twin nature as businesses and associations of people. Because cooperatives have, in the past, been weakened by too much government interference, it has impacted donors perception to a certain extend and some may still refrain to provide funding to some cooperatives or cooperative support institutions that were founded by the government (such as Moshi Cooperative University in Tanzania).

Especially donor institutions can influence the direction of partnership implementation, by the parameters it imposes. It seems that donors do not fully realize their potential in encouraging transformative, inclusive and accountable partnerships as a means of implementing the 2030 Agenda. Finally, for a broader impact, it would be helpful if both the UN and donor institutions supported the building and expansion of national platforms for MSPs. These platforms should be arranged to develop MSPs based on local needs and reconcile them with national strategies to improve local ownership, efficiency and coherence. The platforms themselves should have inclusive structures and processes.

Multi-stakeholder partnerships can come in all shapes, sizes and constellations and can mobilise and share knowledge, expertise and financial resources to support the achievement of the sustainable development. This research has focused on multi-stakeholder partnerships between cooperatives and international partners, particularly multinational organizations, international NGO's and to some extent the private sector, but that is by no means the only type of stakeholders that cooperatives are working with in the field of development.

For instance, many successful collaborations exist between cooperatives and other CSOs (such as fair trade networks, local authorities, and increasingly partnerships between cooperatives in the north and south). NGOs largely revolve around support to the civil society and private sector and not to facilitate or build the capacity of governments to deliver services which largely fall under bilateral donor programmes (although they do engage in policy advocacy). For this reason, it would be interesting to analyse the role of aid agencies that mainly work with governments in to create an enabling environment for cooperative development. In addition, aid agencies direct majority of ODA funds to NGOs to implement

their programmes or to support the NGOs own projects. This could provide material for future research on good partnership practices, extending the scope of the present investigation.

VI. RECOMMENDATIONS

The discussions of the case study have indicated various aspects where international cooperation has helped to overcome limitations faced by cooperatives, in particular in the area of access to finance, human development and the enabling legal and business environment. Based on the above discussion, with emphasis on identified challenges, the study proposes the following recommendations to be considered for increased and effective cooperation in order to further improve support to cooperatives in view of fostering sustainable development.

- There is a need for better structures for coordinating programmes and initiatives that involve multiple actors and different sectors (public/private/CSOs). There should be closer co-operation between development partners, in areas in which there are clear synergies between the objectives and the activities of the organizations. The ICA, COPAC, the World Council of Credit Unions (WOCCU), in conjunction with international agencies sympathetic towards the co-operative cause (such as ILO or FAO) should create the necessary platforms and meeting points.
- In the pursuit of a sustainable environment for cooperatives, government at all levels would need to engage with cooperative activity from the local primary level, through to the national, regional and international levels. At the international level, ministerial conferences are desirable and could focus on potential projects for partnership. Such regional conferences should be attended by representatives of government from appropriate ministries, as well as representatives of cooperatives and other appropriate actors, including representatives of the CSOs, UN agencies and other development partners. In addition, the the co-operative agenda could be integrated into global development institutions, such as the World Bank, and with intergovernmental policy-setting bodies, such as G8 and G20.
- The great diversity of NGOs with different objectives, requires a coordinated approach to development among them. There are many NGOs in Africa that operate simultaneously in the same country, such as in Tanzania and try to influence the same institutions. In such cases, it would be desirable to combine and integrate the efforts of these organizations and come up with a common development plan, in order to achieve the best possible allocation of resources.

- NGOs have sufficient information, motives and discourse to gain new spaces and support the promotion of active and political participation processes that can influence the direction of profound socio-political transformations.
- Cooperative development interventions have to be focused in participatory development approaches. Cooperatives must be integrated into the planning process from the start. Intervention should begin at the local level, and partnerships should be made with a wide range of actors, including government actors, NGO's and the private sector. Furthermore, interventions should allow for flexibility and adjustments in the planning. They should concentrate on pilot projects that, through the action-research process can be made replicable. It should focus on all the people concerned, in particular on youth and women (who form 60 - 80% of the labour force in agriculture).
- Given the importance of the legal framework, the co-operative reform process needs to be driven forward and challenged at the highest level. We have noted how the process has begun in Tanzania but has hardly got started in less developed countries. In other developing countries, the process is at different stages, but it can also reverse; if politicians cease to respect the autonomy of cooperatives then the mistakes of history will be repeated. Where reform has stalled, the ICA, the ILO, and other international agencies concerned dealing with co-operative promotion should be pressurising governments to engage in genuine reform processes.
- For cooperatives to be adequately recognised in national development frameworks and reporting, it is imperative that apex and representative cooperative organisations, departments responsible for cooperatives, play a proactive role in increasing visibility of cooperatives' contributions and their alignment with national development frameworks and SDGs. It is essential to have strong umbrella organization in order to have effective cooperatives. It is necessary for these national apex organizations to form strong links with international apex organizations and to help with the transfer of skills and knowledge. It is also important, in this regard, to have an enabling environment provided by government and other organizations such as the ICA or NGOs to assist in the development of apex organizations in developing countries.
- Given the importance of the European Commission as a development partner, steps can be taken within the EU Institutions as well. At the regional and country level, EU Delegations can actively include the cooperative movement in their development strategies, especially the country roadmaps and annual action documents.

- Overall, more support for research and data collection on cooperatives would prove very valuable. It is important that there is awareness of the multi dimensionality of cooperatives which can be found in different sectors and can deliver a range of development related outcomes within CSO and private sector programmes, including micro finance, sustainable consumption and energy among other sectors. This could assist in broadening understanding of cooperative impact and value to development.
- The UN should recognize the role of cooperatives in the realization of sustainable development by including cooperatives in the indicators, targets and funding mechanisms for the Sustainable Development Goals (e.g. in an upcoming revision of the goals).
- Cooperatives themselves should be proactive by getting involved in discussions at all levels (local, national, regional and international) on the post 2015 development agenda in order to secure the opportunity to share their experiences on the realization of sustainable development. National, regional and international cooperative organizations should enhance their representation and advocacy roles, to improve the presence and voice of cooperatives in the post 2015 development agenda and the wider international policy debates.

All these reflections can fuel discussions on global and multi-stakeholder partnerships to be implemented within post-2015 development policies. The study can also prove informative for future development initiatives, policies and programs.

Strengths and shortcomings of current partnerships between cooperatives and international development actors have been highlighted through the case study. In addition, opportunities have been identified for further cooperation. To unlock these, international development partners need to contribute their individual comparative advantage to collectively work towards achieving agenda 2030 - I hope this study will contribute to it. In this way, partnerships can grow stronger together and ensure to leave no one behind, in light of sustainable development.

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VIII. ANNEXES

Annex 1: Cooperative principles

Extract from the **1995 International Co-operative Alliance Statement on the cooperative identity.** Adopted by the General Assembly of the International Co-operative Alliance in Manchester (UK), 23 September 1995.

The co-operative principles are guidelines by which co-operatives put their values into practice.

1. VOLUNTARY AND OPEN MEMBERSHIP
   Co-operatives are voluntary organizations, open to all persons able to use their services and willing to accept the responsibilities of membership, without gender, social, racial, political or religious discrimination.

2. DEMOCRATIC MEMBER CONTROL
   Co-operatives are democratic organizations controlled by their members, who actively participate in setting their policies and making decisions. Men and women serving as elected representatives are accountable to the membership. In primary co-operatives members have equal voting rights (one member, one vote) and co-operatives at other levels are also organized in a democratic manner.

3. MEMBER ECONOMIC PARTICIPATION
   Members contribute equitably to, and democratically control, the capital of their cooperative. At least part of that capital is usually the common property of the cooperative. Members usually receive limited compensation, if any, on capital subscribed as a condition of membership. Members allocate surpluses for any or all of the following purposes: developing their cooperative, possibly by setting up reserves, part of which at least would be indivisible; benefiting members in proportion to their transactions with the cooperative; and supporting other activities approved by the membership.

4. AUTONOMY AND INDEPENDENCE
   Co-operatives are autonomous, self-help organizations controlled by their members. If they enter into agreements with other organizations, including governments, or raise capital from external sources, they do so on terms that ensure democratic control by their members and maintain their cooperative autonomy.

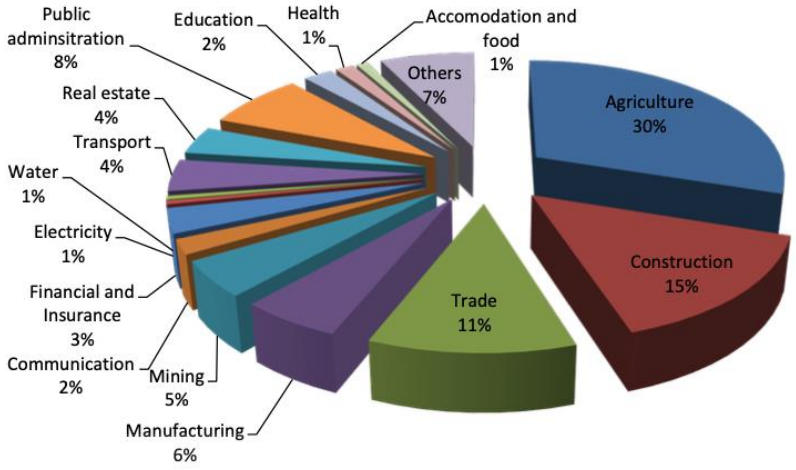
5. EDUCATION, TRAINING AND INFORMATION
   Co-operatives provide education and training for their members, elected representatives, managers, and employees so they can contribute effectively to the development of their co-operatives. They inform the general public - particularly young people and opinion leaders - about the nature and benefits of cooperation.

6. COOPERATION AMONG co-operatives
   Co-operatives serve their members most effectively and strengthen the cooperative movement by working together through local, national, regional and international structures.

7. CONCERN FOR COMMUNITY
   Co-operatives work for the sustainable development of their communities through policies approved by their members

Annex 2: Structure of the Tanzanian economy

GDP composition by sectors in Tanzania



Source: Anania, Paulo & Nade, Paschal (2020) Constructed using data from the Ministry of Finance and Planning of Tanzania, 2018.

Annex 3: SUGECO's member benefits by member category

Individual members	Associate members	Corporate members
• Subsidized capacity building courses on a variety of agriculture, agribusiness and entrepreneurship topics; • Land space at the SUGECO Morogoro site at highly subsidized rates; • Free technical support and mentoring on product development and marketing; • SUGECO's innovative "incubation" program; • 11-month internship program in Israel and the United States; • Financial services including assistance in writing business plans and liaising with financial institutions; • Networking opportunities through access to a wide network of successful SUGECO members	• Opportunities for collaboration in applied research and development within the agricultural and agribusiness sectors; • Opportunities to assess challenges and implement interventions and solutions in the agriculture/ agribusiness sector; • Opportunities to engage in dialogue and advocacy in order to transform the business environment into one that supports youth entrepreneurship; • Opportunities to network, collaborate and develop projects partnerships with the aim of strengthening entrepreneurship within the agricultural sector	• Creating business opportunities by introducing alumni to business partners. SUGECO members can become future clients, partners or buyers for services and/or products. • SUGECO equips high potential entrepreneurs with new technologies that facilitate a high return on investment from entrepreneurial enterprises in agriculture; • Linking entrepreneurs with the private sector, and support business enterprise growth and development; • For financial institutions, SUGECO helps generate a new client base through various financial arrangements with the public and private sectors; • SUGECO contributes to the creation of an enabling environment for agribusiness through advocacy, lobbying and partnership development.

Source: Information taken from the SUGECO website(www.sugeco.or.tz/benefits).

Annex 4: Courses offered by Moshi Cooperative University (MoCU) in 2021

Course level	Course name
Bachelor Programmes	Bachelor of Arts in Accounting and Finance
	Bachelor of Arts in Cooperative Management and Accounting
	Bachelor of Arts in Business Economics
	Bachelor of Arts in Marketing and Entrepreneurship
	Bachelor of Arts in Procurement and Supply Management
	Bachelor of Arts in Microfinance and Enterprise Development
	Bachelor of Science in Business Information and Communication Technology
	Bachelor of Arts in Human Resource Management
	Bachelor of Laws
Master Degree Programmes	Master of Arts in Co-operative and Community Development
	Master of Arts in Procurement and Supply Management
	Master of Business Management
Postgraduate Diploma Programmes	Postgraduate Diploma in Co-operative Business Management
	Postgraduate Diploma in Community Development
	Postgraduate Diploma in Accounting and Finance
	Postgraduate Diploma in Savings and Credit Co-operative Societies Management
Doctor of Philosophy	PHD Programme by Research
Continuing Education	**Professional Financial Co-operative Management Programme** Foundation Certificate in SACCOS Management Professional Certificate in SACCOS Management Postgraduate Diploma Programme Distance Learning Mode

Source: Moshi Cooperative University, extract from webpage, consulted 10.10.2021

Annex 5: Entrepreneurship value chain development model

1) **Changing Mindset**

SUGECO aims to promote agriculture and agribusiness as a genuine option for self-employment, which requires a change in mindset in youths. An overwhelming share of the Tanzanian population is young, however youth participation in agriculture is scarce. The last Tanzanian population and housing census (PHC, 2012) shows that, about 67 per cent of the labour force comprises the youths aged between 15 and 35 years, and mostly unemployed. Accordingly, there is a significant relationship in terms of the economy, employment, investment growth rates and poverty. Agriculture can play a key role in creating community development and meaningful employment opportunities, as demand for food is growing domestically and internationally. Nevertheless, Revocatus Kimario explains that: "*in Tanzania agriculture is seen as a punishment. This particular mindset cuts across society, children hear it in school, family's perception plays a role as well and even there has been the case of leaders issuing negative statements*."

2) **Technical capacity building**

SUGECO provides a wide range of short courses on value addition to agriculture production. These include amongst others; fruit and vegetable processing, juice making, bee keeping, horticulture, greenhouse construction and production. A focus of each course is to process nutritious and safe agricultural products in a sustainable manner.

3) **Entrepreneurship and business planning**

The Cooperative offers training on entrepreneurship, financial literacy and provides an innovation space. Participants receive training and support in writing business plans, calculating production costs, tracking expenses, pricing products and calculating the rate of return on investment. Young entrepreneurs learn to identify either new market opportunities or address existing market failures. In terms of post-training support, SUGECO serves as a liaison between entrepreneurs and financial institutions thereby facilitating their access to credit.

4) **Internship and Apprenticeship**

To provide entrepreneurs and young graduates with practical experience in a specific area, SUGECO has developed an internship program abroad as well as

apprenticeships on local farms. Up to date they have sent more than 500 students on paid internships abroad. Students typically get sent for one year to Israel or the United States (they hope to expand the program to other areas in the near future). The program aims to expose participants to different technologies, new cultural settings, work attitudes, market systems, business management and networking from a hands-on, practical perspective and simply put: new ways of doing agriculture. In Israel, the participants are released weekly to attend university courses on farming technology.

5) Incubation

The incubation program is designed to promote innovative product development and cultivate business development skills. Participants are exposed to the agribusiness value chain and involved in detailed peer-to-peer business plan writing. The program provides selected entrepreneurs with the time and space to develop and test their business ideas. The program has helped many develop into full enterprises (more than 30) that are now able to contribute to employment generation, provide income for themselves and contribute to the overall economic growth through the agribusiness value chain.

Lastly, although not part of the business model, SUGECO actively engages in Policy Advocacy, presenting policy challenges to the government engaging in dialogue to transform the business environment into one that supports enterprises. According to Revocatus Kimario, only 1% of business vocational programs are in agriculture, although more than 65 % of the population are engaged in the agricultural sector. For this reason, in 2014, the cooperative started advocating for the creation of a special scheme for youth in agriculture, which finally translated into the: “National Policy for Youth Involvement in Agriculture 2016 - 2020” with a multi-sectoral approach falling under the Tanzanian Ministry of Agriculture. As a result, Revocatus reports: “ th*e government ordered all local government authorities to set aside land for youth so that they can access the land and engage in investment in Agribusiness. This is a huge success, as one of the challenges encountered by youth is that they have no access to land”.*

Furthermore, SUGECO has been advocating for changes in regulations in order for some government biddings to be restricted for youth companies only. In 2018, the government had accepted SUGECO’s recommendation and as a result of a new program initiated and three youth companies won a tender worth 2.5 million US $ to support the transfer of greenhouse technology to youth and train others on its use.

Annex 6: SUGECO's contribution to the SDGs

SDG Goals & Targets	Actions by SUGECO & Results
 **2.1** By 2030, end hunger and ensure access by all people, in particular the poor and people in vulnerable situations, including infants, to safe, nutritious and sufficient food all year round. **2.3** By 2030, double the agricultural productivity and incomes of small-scale food producers, in particular women, indigenous peoples, family farmers, pastoralists and fishers, including through secure and equal access to land, other productive resources and inputs, knowledge, financial services, markets and opportunities for value addition and non-farm employment. **2.4** By 2030, ensure sustainable food production systems and implement resilient agricultural practices that increase productivity and production, that help maintain ecosystems, that strengthen capacity for adaptation to climate change, extreme weather, drought, flooding and other disasters and that progressively improve land and soil quality. **2.A** Increase investment, including through enhanced international cooperation, in rural infrastructure, agricultural research and extension services, technology development and plant and livestock gene banks in order to enhance agricultural productive capacity in developing countries, in particular least developed countries.	SUGECO contributes to ensures food security and nutrition in several ways: • Offering a wide range of short (5-14 day) courses which add value to agriculture production. A focus of each course is to process nutritious and safe agricultural products in a sustainable manner. • Engaging in projects that focus on the promotion of nutritious crops such as the vitamin A-rich orange fleshed sweet potato; quality protein maize, sesame, beans and sunflower within Tanzanian markets, aiming to address issues of household poverty and malnutrition[25] - associated with a lack of public consumption (and awareness) in regards to nutrient-dense produce. • Moreover, an increased emphasis is put on addressing market-level constraints that Tanzanian smallholder farmers face, such as those relating to the quality and level of their crop yields as well as establishing reliable buyer and market-level links, also help increase household income, and simultaneously help address the nutritional deficiency prevalent amongst Tanzanian children as well as pregnant and lactating women - a major issue facing many SHFs and rural communities within Tanzania. • Facilitating the use of climate smart agriculture and adoption of innovative technologies that increases agricultural production (see activities further down under Goal 13, climate action).
 **4.3** By 2030, ensure equal access for all women and men to affordable and quality technical, vocational and tertiary education, including university. **4.4** By 2030, substantially increase the number of youth and adults who have relevant skills, including technical and vocational skills, for employment, decent jobs and entrepreneurship	From 2015 to the present the unemployment rate has become very high. Youth sometimes face barriers to access economic opportunities because they lack practical business skills and entrepreneurial mindset. SUGECO tries to address these issues by conducting different youth training programs around Tanzania through collaboration with different stakeholders. The Cooperative offers training on entrepreneurship, financial literacy and works with youth and adults on hands-on skills training, supported by the FAO. So far over 1500

[25] Currently Tanzania is suffering from high rates of malnutrition cases and Vitamin A Deficiency for children is 33% and Anemia for women at reproductive age is 45% (Tanzania National Nutrition Survey, 2018).

4.5 By 2030, eliminate gender disparities in education and ensure equal access to all levels of education and vocational training for the vulnerable, including persons with disabilities, indigenous peoples and children in vulnerable situations	youths have been reached, increasing their employment chances. Through its incubation programme it provides an innovation space empowering youth to engage in the agricultural value chain by strengthening their skills and potential to become entrepreneurs and start their own businesses. So far, SUGECO has incubated over 30 businesses. In addition, to provide entrepreneurs and young graduates with practical experience, SUGECO has developed partnerships with Universities abroad to develop internship programs abroad as well as apprenticeships on local farms. To this day more than 500 students on paid internships abroad for a year to the United States (they hope to expand the program to other areas in the near future). The program aims to expose participants to different technologies, new cultural settings, work attitudes, market systems, business management and networking from a hands-on, practical perspective and simply put: new ways of doing agriculture. In Israel, the participants are released weekly to attend university courses on farming technology at Tel Hai College. SUGECO is committed to foster gender parity and has a policy for a 50/50 ratio in its programmes and capacity building trainings. In addition, SUGECO has a special program for young mothers and it has been working with other movements in the country such as Women Economic Empowerment (WEE), to engage on joint projects to help women develop profitable activities.
8 DECENT WORK AND ECONOMIC GROWTH **8.2** Achieve higher levels of economic productivity through diversification, technological upgrading and innovation, including through a focus on high-value added and labour-intensive sector **8.3** Promote development-oriented policies that support productive activities, decent job creation, entrepreneurship, creativity and innovation, and encourage the formalization and growth of micro-, small- and medium-sized enterprises, including through access to financial services **8.6** By 2020, substantially reduce the proportion of youth not in employment, education or training	Efforts are aimed at transforming agriculture from subsistence farming to thriving and profitable agribusiness. In this light, SUGECO facilitates trainings in agribusiness skills, by offering a wide range of short courses (5-14 days). The objectives of the training are to promote decent rural employment for economic growth by equipping trainees with hands-on skills on agriculturally based technologies, changing their mindset , adapting to sustainable and best farming practices, and thus enhancing youth involvement in farming as a business. In the year 2020, SUGECO has reached out to 945 youths across the country. Furthermore, SUGECO's innovative incubation program has helped many develop into full enterprises that are now able to contribute to employment generation, provide income for themselves and contribute to the overall

	economic growth through the agribusiness value chain.
 **13.1** Strengthen resilience and adaptive capacity to climate-related hazards and natural disasters in all countries **13.3** Improve education, awareness-raising and human and institutional capacity on climate change mitigation, adaptation, impact reduction	To foster climate resilience, SUGECO is promoting climate smart agriculture and better agricultural practices, innovative technology adaptations and training farmers on their use. So far 30 trainings have been conducted related to climate resilience. One example is the use of new irrigation methods such as “drip irrigation”, which considerably reduces the water use, but also helps to control erosion and soil fertilization. Similarly, to combat the impact of climate change which has led to very heavy rainfall in a short amount of time, SUGECO has been promoting the construction of rainwater harvesting systems that collect the rainwater of the rainy season and store it for the dry season. Other initiatives include the plantation of cover crops, as natural means of suppressing soil diseases, pests as well the construction of greenhouses to increase agricultural output. Furthermore, SUGECO is working on developing new technologies that promotes the use of organic fertilizers in manure, this is done by taking the animal horn, and chop it into very small units and the mix with the organic waste, as a result you receive the best organic manure, which can be a way to reduce the use chemical plants. Lastly, a recent initiative has been to set up the use of solar dryers to dry sardines, tackling high post-harvest loss in the lake Victoria region. These solar dryers are similar to a greenhouse which captures heat from the sun.
 **17.16** Enhance the global partnership for sustainable development, complemented by multi-stakeholder partnerships that mobilize and share knowledge, expertise, technology and financial resources, to support the achievement of the sustainable development goals in all countries, in particular developing countries **17.17** Encourage and promote effective public, public-private and civil society partnerships, building on the experience and resourcing strategies of partnerships	SUGECO has successfully built coalitions at the local, as well as at the international level with a range of different actors such as education and research institutes, the government, and non-governmental actors as well as the private sector and financial institutions. These partnerships are fundamental to mobilize resources and share knowledge related to the agricultural value chain, to foster capacity building and skill development, transfer of technology and the provision of an innovation ecosystem to the benefit of SUGECO’s members and to communities of Tanzania.

Source: Own construct, based on the UN SDG targets and information obtained through interviews and material on SUGECOs operations. Analysis checked and endorsed by Executive Director of SUGECO Revocatus Kimario

Annex 7: RIPOMA project results and contribution to the SDGs

SDG 1:	Reducing poverty by increasing income of rural households and food security.
SDG 5:	Promoting gender equality and empowerment of women through innovative rice postharvest techniques and Marketing and other trainings.
SDG 8:	Decent work and economic growth: improving the rice-value chain by increasing yield and reducing postharvest loss. Creation of producer groups, training rice producers on postharvest technologies and strengthening technical postharvest management services provision, but also introducing village-based micro-finance mechanisms and training in entrepreneurship, business management and marketing, which will increase growth. Finally, it has been fostering an enabling business environment through advocacy at the national level, including advocacy for a national postharvest management strategy.
SDG 17:	Innovative Partnerships; leveraging the competitive advantage of each partner, engaging in public- private partnership models.

The initial target of the project has been to improve the rice - value chain (improving yield) reaching 3000 farmers & households and 132 specific value chain actors (including cooperatives, associations, cooperatives and Agri-dealers). Since the start of the project, a total of 100 rice producer groups have been founded, of whom 61 per cent live in the project region of Mvomero and 39 per cent in Kilosa. These groups have a total of 2,868 members (2,094 women and 774 men). The main end result are the final beneficiaries improving their life as well as benefit from sustainable increased income and improved food security. Furthermore 100 saving and lending associations (VSLA) will be created and provide micro-scale financial intermediation. With the capacitated CRPs will contribute to long-term group stability and sustainability.

Annex 8: Interview structure - List of interview questions asked

8.1 SUGECO

Presentation Interviewer/Interviewee:

1) Could you tell me a little bit about yourself and your current role at Sugeco?

General Questions about the Cooperative/ Donor relations:

2) Could you tell me more about the history with the Danish International Development Agency (DANIDA) project called Growing Innovative Entrepreneurs through Action Research in the Agribusiness Value Chain in Tanzania? How was the cooperative created?
3) SUGECO has many partner organizations, what is the role of the partners?
4) How are SUGECO's relations to donors? Does SUGECO have a direct indirect link to the government? Aid reception from whom? Which donors have supported you in the past ?
    a) What are the criteria's for receiving financial support from donors?
    b) Does donor funding influence the autonomy of the cooperative?
2) Who is leading the cooperative? Is there a cooperative board? How are its members elected?
3) What are the future prospects of the cooperative?
4) SUGECO engages in Policy Advocacy? What have been the main Topics of advocacy? Success stories to share?
5) Has SUGECO established any links established to the International Cooperative Alliance?

Questions on Challenges SUGECO has faced/is facing:

6) What would you say is the biggest challenge SUGECO is facing today/ has faced in the past?
    a) Has SUGECO faced governance challenges in the past? How were they overcome?
7) What challenges and opportunities do cooperatives face in partnering with the state?
8) What are the major challenges to starting a cooperative today? What in your view are the main challenges to cooperative development in Tanzania/Africa in general?
9) Is the cooperative legislation in Tanzania supportive of cooperatives?
10) How is climate change impacting the farming activities of rural smallholders/cooperatives in the Morogoro/ other regions? Is there awareness of the problems, do you launch specific initiatives to tackle climate resilience?

Questions on Financing:

11) How is SUGECO financed? Through member contributions? Grants? State subsidies?
12) Are there particular challenges SUGECO has been facing in regards to financing? Is it difficult to get loans from the bank? Does SUGECO work with SACCO's?
13) How much working capital does the cooperative have?
14) How sustainable can SUGECO be without donor funding? Can self-sufficiency be envisaged, or is further reliance on donor funding needed?

SDG/Agenda 2030:

15) Awareness of the Sustainable Development Agenda? What would you say is SUGECO's contribution to the Development Agenda? Is it clearly articulated in your strategy?
16) If yes, with what SDG's can SUGECO's mission best identify itself with?

17) How is SUGECO helping to promote gender equality/women empowerment ?
18) How can international development partners help support SUGECO? Through Technical Assistance? Financially? Facilitation of South to South Cooperation?

8.2 Moshi Cooperative University

Presentation Interviewer/Interviewee:

1) Could you tell me a little bit about yourself and your current role at Moshi Cooperative University?

General Questions about the Moshi Cooperative University:

2) Could you tell me how the University was created and its transformation through the years? Are there any other cooperative Universities or similar establishments in the country?
3) How many students are currently enrolled?Do you have foreign students? Do you also work together with other Universities? Do you offer scholarships?
4) What kind of training programmes do you offer to cooperatives? Do you partner with Sokoine University?
5) Does the University have links to the state or is it fully autonomous?

Challenges faced by cooperatives in general:

6) In your view, What would you say is the biggest challenge cooperatives are facing today/ have faced in the past? How can these challenges be overcome?
7) Do you see Globalization as an increasing challenge/ threat to cooperatives?
8) How supportive is the legal framework in Tanzania?
9) What role should the government take in cooperative development?
10) A question on financing, is it still difficult for cooperatives to access Finance? (such as loans, credits, etc).
11) Who is in charge to facilitate the integrations between cooperatives and SACCO's for example?
12) Concerning funding from International Organizations: are there difficulties for Moshi in meeting requirements of funding? Is it hard to comply with the regulations has the process become easier?
13) What would you say is the biggest challenge cooperatives are facing today/ have faced in the past? How can these challenges be overcome?
14) What are the major challenges to starting a cooperative today?
15) What in your view are the main challenges to cooperative development in Tanzania/ Africa in general?
16) Cooperative legislation in Tanzania? Is it supportive?
17) How is climate change impacting cooperatives/farmer organizations? Is there awareness of the problems, do you integrate specific modules in your programme that tackle resilience to climate change?
18) Are there particular challenges smallholder farmers/cooperatives have been facing in regards to financing? Difficult to get loans from the bank?
19) Is access to credit the best form of empowerment?

Capacity development:

20) Which priority actions for capacity development are required to support agricultural cooperatives/Producer organizations in their growth and development?
21) How should cooperative training be organized and who should dispense it?
22) Should it be delivered by integrating it to the curriculum of universities or vocational training schools or by establishing special training institutions / providing training by

NGOs?

23) In your view, what role should the state take in cooperative development?
24) One last question, in your view, what can be done to foster cooperative development on the international level? It seems that cooperatives are less visible nowadays, compared to the years around when the International Year of Cooperatives was declared in 2012. How can the potential of cooperatives be promoted and demonstrated?

8.3 Rikolto

Presentation Interviewer/Interviewee:

1) Could you tell me a little bit about yourself and your role at Rikolto in Tanzania?

General Questions about Rikolto and its projects:

2) What projects does Rikolto currently have ongoing in Tanzania that are focused on cooperatives/farmer organizations?
3) How are the programmes conceived ?
4) How are the projects/programmes funded? What are the criterias for receiving financial support from donors?
5) Relations with partners: With which types of organizations do you partner for cooperative/farmer organization development projects?
6) □ Other type of Civil Society Organisations (NGOs/ Trade Unions/ fair trade organisations).
   □ Local Authorities (LAs) - e.g. regions, cities, federate states... Please specify which type(s)
   □ Academic partners - e.g. universities, research centres Please specify which type(s)
   □ Non-cooperative private sector actors: Please specify which type(s) Others: please specify
   □If your organisation has any long-standing partners, who are they? Please specify their names
   a) Which links (if any) do you have with the cooperative movement in the country or at the regional level?
7) How can development organizations assure ownership by cooperatives?
8) How should training for cooperatives/farmer organizations be organized and who should dispense it? Should it be delivered by integrating it to the curriculum of universities or vocational training schools or by establishing special training institutions / providing training by NGOs?

Challenges faced by farmer organizations/cooperatives:

9) What would you say is the biggest challenge farmer organizations/cooperatives are facing today/ have faced in the past?
10) What are the benefits and difficulties in community ownership of resources?
11) How is climate change impacting the farming activities of rural smallholders/cooperatives? Is there awareness of the problems, do you launch specific initiatives to tackle climate resilience?
12) What particular infrastructure and policy constraints do smallholder farmers face?
13) Major challenges to starting a cooperative today? What in your view are the main challenges to cooperative development in Tanzania/ Africa in general?
14) In your view, what role should the state take in cooperative development?

Financing:

15) What are the future prospects of the projects targeting smallholder farmers? Until when is Donor Funding ensured? Can the projects be continued?
16) Are there particular challenges smallholder farmers/cooperatives have been facing in regards to financing? Difficult to get loans from the commercial bank? Are SACCO's present in the area you work?
17) Is access to credit the best form of empowerment? What has been Rikolto's experience with access to credit schemes?

SDG/Agenda 2030/Multilateral Cooperation

18) Does Rikolto link their project objectives to the Sustainable Development Agenda when conceiving a project?
19) How do your projects help to promote gender equality/women empowerment?
20) How can international development partners help support small holder farmers/cooperatives? Through Technical Assistance? Transfer of technology? Financial modalities, Facilitation of South to South Cooperation/ Triangular Cooperation?
21) What should international agencies be doing to strengthen the cooperative contribution to the SDGs?

8.4 HELVETAS

Presentation Interviewer/Interviewee:

1) Could you tell me a little bit about yourself and your role as Programme Director for Helvetas in Tanzania?

General Questions about Helvetas and its projects

2) What projects does Helvetas currently have ongoing in Tanzania that are focused on cooperatives/farmer organizations?
3) How are the programmes conceived by Helvetas?
4) How are the projects/programmes funded? What are the criterias for receiving financial support from donors?
5) Relations with partners: With which types of organizations do you partner for cooperative/farmer organization development projects?
   □ Other type of Civil Society Organisations (NGOs/ Trade Unions/ fair trade organisations).
   □ Local Authorities (LAs) - e.g. regions, cities, federate states... Please specify which type(s)
   □ Academic partners - e.g. universities, research centres Please specify which type(s)
   □ Non-cooperative private sector actors: Please specify which type(s) Others: please specify
   □If your organisation has any long-standing partners, who are they? Please specify their names
   a) Which links (if any) do you have with the cooperative movement in the country or at the regional level?
6) RIPOMA: Is the RIPOMA project still running? How did it start? Which donors have supported RIPOMA in the past?

Challenges faced by farmer organizations/cooperatives:

7) What would you say is the biggest challenge farmer organizations/cooperatives are facing today/ have faced in the past?

8) What are the benefits and difficulties in community ownership of resources?
9) How is climate change impacting the farming activities of rural smallholders/cooperatives in the Morogoro/ other regions? Is there awareness of the problems, do you launch specific initiatives to tackle climate resilience?
10) What particular infrastructure and policy constraints do smallholder farmers face?
11) Major challenges to starting a cooperative today? What in your view are the main challenges to cooperative development in Tanzania/ Africa in general?
12) In your view, what role should the state take in cooperative development?

Financing:

13) What are the future prospects for RIPOMA/ your other projects targeting smallholder farmers? Until when is Donor Funding ensured? Can the projects be continued?
14) Are there particular challenges smallholder farmers/cooperatives have been facing in regards to financing? Difficult to get loans from the commercial bank? Are SACCO's present in the area you work?
15) Is access to credit the best form of empowerment? What has been Helvetas's experience with access to credit schemes?

SDG/Agenda 2030/Multilateral Cooperation:

16) Does Helvetas link their project objectives to the Sustainable Development Agenda when conceiving a project?
17) How do your projects help to promote gender equality/women empowerment?
18) How can international development partners help support small holder farmers/cooperatives? Through Technical Assistance? Transfer of technology? Financial modalities, Facilitation of South to South Cooperation/ Triangular Cooperation?
19) How should training for cooperatives/farmer organizations be organized and who should dispense it? Should it be delivered by integrating it to the curriculum of universities or vocational training schools or by establishing special training institutions / providing training by NGOs?
20) What should international agencies be doing to strengthen the cooperative contribution to the SDGs?

8.5 International Cooperative Alliance, Regional Office Africa

Presentation Interviewer/Interviewee:

1) Could you tell me a little bit about yourself and your current role at ICA?

General Questions on how ICA operates and supports cooperatives

2) In what forms do you provide support to cooperatives at the country and regional level? Technical assistiere, Training interventions? Technology transfer? Financial assistance? Grants? Microfinance partners?
3) How does ICA implement projects and programmes? Cooperation with development agencies or local NGOs?
4) With which types of organizations do you partner for cooperative development projects?

Questions on cooperative development

5) In your view, what are the most pressing challenges facing cooperatives in the current era?
6) How are the relations between cooperatives and the government in Africa in the present day?

7) In your view, what should be the state's role in cooperative development?
8) Does FAO work hand in hand with apex organizations? What are its challenges/benefits?
9) What has been the biggest lesson learned from the past years in promoting cooperatives/producer organizations?
10) Which priority actions for capacity development are required to support ACS/POs in their growth and development?
11) Are there particular challenges smallholder farmers/cooperatives have been facing in regards to financing? Difficult to get loans from the bank?
12) Is access to credit the best form of empowerment? What has FAO's experience been with access to credit schemes?

Development partners engagement

13) Development partners may have reservations over cooperatives because of the way they have been misused in the past in developing countries. Do you still see bias against cooperatives and how may it impact the promotion of cooperatives in the present day?
14) There is no shortage of positive statements recognizing the role of cooperatives in poverty reduction. Given this supportive environment for cooperatives at the level of UN institutions, it is a little disappointing that in the SDG literature does not make explicit mention of cooperatives. How can the role and recognition of cooperatives be enhanced? What can be done to address the challenge of the low visibility, participation and recognition of cooperatives?
15) What could international development partners be doing to strengthen the cooperative contribution?

SDGS/ Agenda 2030

16) What is your strategy of advocacy since the Agenda 2030 came out? Did your strategy change? Did you launch new initiatives? Has anything changed multilaterally since Agenda 2030? Are some development actors more engaged?
17) What has changed in regards to the support you are providing to cooperatives over the years?
18) Climate action has moved into focus, especially in Europe. How are cooperatives positioned to meet the target of SDG 13 (Climate Action).?
19) How can youth be encouraged to join the co-operative movement?
20) This year we can't ignore the impact of COVID 19 on our economies and on the work as cooperatives. What role can co- operatives play in the recovery efforts?

8.6 Food and Agriculture Regional Office

Presentation Interviewer/Interviewee:

1. Could you tell me a little bit about yourself and your current role at FAO?

General Questions:

2. Through which modalities does FAO's typically engage in development cooperation? Capacity building/ Project/Programmes/Technical Cooperation?
3. Could you tell me examples of sectors in which FAO has been employing innovative forms of development cooperation such as South to South/ Triangular Cooperation, others?
4. How important is it to get the partner government engaged? How does FAO partner up with a government?

5. With the new Agenda 2030 for Sustainable Development has FAO's strategy towards rural development changed?
6. What are currently the policy priority areas of FAO?
7. How central is cooperative development to your organisation?
   a) Is it at the core of your activities? - Please specify
   b) Is it present in the vision, mission, strategic objectives...? - Please specify
8. How is it structured/organised?
9. a) Who is in charge of the international development work in your organisation? (For instance: is there a specific department in your headquarters, a main contact person for international development issues, etc.)
   b) How many staff members are involved?
   c) What is the connection with your regional offices (if applicable)?
   d) Is the field work directly done by your organisation, or by its members? - Please specify
   a) In which geographical areas does your organisation currently work in cooperative development? (please focus on ongoing projects and activities?
10. With which types of organizations do you partner for cooperative development projects?

Questions on cooperative development:

11. How does FAO work with farmer organizations/cooperatives?
12. In what forms do you provide support to cooperatives at the country and regional level? Training interventions? Technology transfer? Grants?
13. With which types of organizations do you partner for cooperative development projects?
14. Are there particular challenges smallholder farmers/cooperatives have been facing in regards to financing? Difficult to get loans from the bank?
15. Is access to credit the best form of empowerment? What has FAO's experience with access to credit schemes?
16. Which priority actions for capacity development are required to support agricultural cooperatives/Producer organizations in their growth and development?
17. What has changed in regards to the support you are providing to cooperatives over the years?
18. Partnerships are a key element of the SDGs. Has the FAO engaged in new partnerships in relation to cooperative development?
19. How are cooperatives embedded in FAO's new strategy 2021-2025 for private sector engagement?
20. Does FAO work hand in hand with apex organizations? What are its challenges/benefits? What has been the biggest lesson learned from the past years in promoting cooperatives/producer organizations?
21. In your view, what role should the state take in cooperative development?
22. In your view, what could be done to foster cooperative development multilaterally? How can the potential of cooperatives be promoted and demonstrated?

Agenda 2030- putting producer organizations (POs) and cooperatives at the heart of the global sustainable development agenda

23. Has there been a change in regards to the support of cooperatives with the new Sustainable Development Agenda 2030? If so, how has your organisation's strategy changed?
24. What SDGs are your programmes focusing on? Do you have any targeting cooperatives and rural farmer organizations in particular?
25. The term "cooperative" does not appear very prominently in the 2030 Agenda and 5 years into the implementation. In your view, what can be done to address the challenge of the low visibility, participation and recognition of cooperatives?

Annex 9: History of cooperatives

9.1 Cooperatives in the western world

Although there is no consistency to the exact origin of the co-operative movement, many academics argue the origins lie within Europe (Holyoake, 1908, Shaffer, 1999, Holmen,1990). More formal types of cooperation, such as the early cooperative societies, came to the force during the first half of the 19th century, first in Europe as a defensive response to certain effects of industrialization and then later spread throughout the world (Hoyt, 1989, Coque, 2001, Ortman and King, 2007). Cooperatives were a self-help means to combat market failures and poverty. However, the spread of early European cooperative ideas and examples was facilitated by economic liberalization (Holmen 1990). These developments took place in parallel with the development of joint-stock companies, which evolved as a means of procuring capital for corporate entities. The outcome of the growth of formal, legally recognized, organizations was the creation of many self-controlled and self-patronised business organizations; at the same time various other forms of mutual enterprise (Parnell, 2001).

Often cited and recognized by most scholars as the first successful cooperative and used as a model for modern cooperatives, is the Rochdale credit and consumption society (Holmen 1990, Parnell 2001, Birchall 2003). It was established in 1844 by a group of 28 artisans working in the cotton mills in the town of Rochdale, created business principles to guide their work 'Rochdale Principles' and established a shop in which to sell their goods (ICA.coop). Strict rules of equity among members were maintained and the economic enterprise was founded upon the principles of democracy, mutual help and responsibility. Although the Rochdale society faced some difficulties due to negative treatment from private merchants and public authorities, it managed to provide members with higher quality goods at competitive prices. The Rochdale society has later become the model for the consumer cooperatives in the first place, but its governing principles have also guided the cooperative ideal as such (Holmen 1990). The model and its derivatives has since been spread worldwide. At about the same time, in Germany, the 'Raiffeisen' cooperatives were established and these too spread rapidly, especially in rural areas. It was this model of credit and savings cooperative so called " SACCOs" that later inspired the 'Credit Union' movement (Parnell, 2001).

9.2 Cooperatives in developing countries

9.2.a The colonial period

Whilst in Europe the modern cooperative model surged as a defence to certain adverse effects of industrialization, in Latin America during the XIX century and in Africa and Asia beginning of the XX century, cooperatives were implemented seen as an instrument for economic growth, supporting and reinforcing the colonization process (Coque 2001, Develtere et al. 2008 & 2009). On one hand the colonial administrators believed that developing country economies needed modernising, and cooperatives provided the promise of economic development along similar lines to that experienced by France, Britain and Germany in a long period of growth during the second half of the 19th century. Cooperatives were seen as compatible with indigenous mutual aid practices and had demonstrated their ability to raise the incomes of low-income people 'back home'. On the other hand, as Holmen 1990 and Develtere et al 2008 observe, in many cases cooperatives were introduced by the colonial powers with the purpose either to aid European settlers or to drag the natives into the externally controlled, monetized economy where they could easily be taxed and ordered to produce for the export markets.

As a result, cooperatives in Africa were used by the colonial powers strategically to group rural producers into clusters, so that essential export commodities such as coffee, cocoa and cotton could be collected more cost-effectively (Develtere et al 2008). Consequently Develtere, 1993 argues that this led to cooperatives being established outside Europe in a decontextualized way with interests alien to the local populations in certain cases. Differences were great, however, between the ways cooperatives were introduced and managed in those areas controlled by different external powers. The approach of each colonial power differed depending on the way that their policy towards cooperatives fitted into their wider economic development policies, and on the character of the cooperative sectors in their home countries on which they could draw for legislation.

The colonial and post-colonial phases cooperatives went through, have definitely left their mark on the way people look at cooperatives, the way they operate and the way external patrons such as governments and the donor community relate with them. For this reason, in the following paragraphs, we will briefly focus on the history of cooperative development on the African continent, in order to put the discussion and our chosen case studies in its proper context.

The promotion of cooperative organizations in independent Africa is generally phased into two areas: the first era running from the immediate post-colonial period in the 1960's to the mid 1990s and the second era occurring during the global economic reforms from the mid 1990's to the present (Develtere et al. 2009). Whereas the first era was characterized by stringent government control over cooperative development through enactment of policies, legislation and programmes that promoted cooperatives as vehicles for accelerating national economic development, the second era has been the sphere of freeing cooperatives from the state to enjoy autonomy and operate like business ventures responding to market demands in the liberalized economy (Wanyama 2012).

9.2.b Postcolonialism first era, 1960's to mid 1990's

Wanyama 2012, analyzes the historic background and assesses the challenges to working with cooperatives in Africa, as a starting point to strengthening the cooperative movement to effectively contribute to development on the continent. The author highlights that particularly cooperative policies and legal frameworks gave the African governments powers to direct and manage the affairs of cooperatives in the first era after independence. In this way, the state quickly brought cooperatives under its control, not just to promote economic development, but also to create jobs for political supporters and use them for other political ends (Münkner and Shah 1993:p8).

At the same time, cooperatives during that period often enjoyed preferential treatment as they were granted supply and marketing monopolies which protected them from competition. As Develtere et al. 2008 notes: "*Cooperatives degenerated into tools of government, or mass organizations of the ruling party*" and "*paid for these privileges with the total loss of autonomy, democratic control and business efficiency"* (page 9). As Cooperatives were engulfed into state politics, they lost their voluntary and bottom-up character that would have strengthened people's solidarity and put members in charge of their organizations. While the politics of state patronage had also contributed to increased cases of corruption; mismanagement; inefficiency; and embezzlement of funds, led to the erosion of their financial base (Wanyama 2012).

9.2.c Postcolonialism second era, mid 1990s to present

The second era, marked by liberalization, sought to free the cooperative movement from state control in order to align with the neoliberal wave that swept across Africa. Nationalized

strategies of growth painted a broad consensus for targeting low inflation, balanced budgets, currently convertibility and export oriented production and privatisation, while undergoing structural adjustments (Hanson et al. 1999).

Previous studies observe that the spirit of liberalization triggered necessitated changes in cooperative development. In many countries the state withdrew its traditional supportive role to cooperatives, such as support services like audit, training and supervision. However, these measures were followed by reducing the size of the government cooperative development departments, which previously provided the withdrawn services (ICA, 1996). Wanyama 2012, draws attention to the fact that there was no contingency plan in place to replace these services with alternative institutions to provide these functions, the expectation was that cooperatives would henceforth organize themselves for the provision of these services or seek the same from the market.

Furthermore, another change was the state restructuring the legal framework, giving the movement autonomy and to allow them to fit in with the emerging market economy. The liberalization attracted new actors to the markets, new sellers and buyers, who were guided, not by ownership, but by efficiency, competitive pricing and transparency. In some economic sectors, cooperatives had enjoyed monopoly status, which radically changed with liberalization especially in the agricultural sector. To understand the change in dynamics, Wanyama illustrates the example of the marketing transaction process:

> "*Membership in agricultural cooperatives was previously motivated by the desire to get access to the only marketing channel for sale of produce; the availability of several market channels in the new era could significantly reduce cooperative membership as some members could opt to sell their produce to alternative buyers. Similarly, cooperative societies previously found it necessary to join cooperative unions in order to find a channel for primary processing and marketing of members' produce. With private buyers playing this role, societies could easily find no reason to belong to a cooperative union, especially a mismanaged and malfunctioning one. The ultimate end of such possibilities could go either way for cooperatives: failure to survive the competition or successful business organizations"(Wanyama 2012: 2009).*

As exemplified, the immediate impact of liberalization is said to have resulted in the collapse of many cooperatives, partly due to the difficulties to manage the new-found independence from the state (Wanyama 2009). Without a regulatory mechanism that the government had

previously exercised, the newly acquired freedom was abused by elected leaders to the detriment of many cooperative societies. The immediate collapse of cooperatives and increased malfunctioning of others triggered a corrective response from both the state and the cooperative movement itself. In most countries, state response tended to be reactionary in nature and led to either reintroducing strict control or the revision of cooperative legislation and regulatory framework. Other cooperatives themselves responded by reasserting solidarity to find lasting solutions to the crises.

As Wanyama notes "*many seized the opportunity offered by liberalization to reinvent their business whee*l" (p.5). Liberalization offered them the opportunity to re-examine their organizational structure, with a view of meeting their own needs and interests, rather than the interest of the state. In addition, the individualistic tendencies of neo-liberalism and their adverse consequences especially for the poor also led people to regroup and regenerate solidarity to help each other survive market forces. The new spirit of solidarity has resulted in some cases to drive and revive the creation of new cooperative unions and federations resulting in a new structural reorganisation of the cooperative movement.

It is also significant to note that cooperatives are increasingly looking beyond their national borders to find markets for their products, which was not possible in the era of state controlled cooperative development (Wanyama, 2012). In this regard, cooperatives are embracing fair-trade practices to market their products at competitive prices as exemplified by Kuapa Kokoo Limited in Ghana, Oromia Coffee Farmers' Cooperative Union in Ethiopia and Heiveld cooperative society, a small organic rooibos tea marketing cooperative, in South Africa. Fair-trade producers and consumer cooperatives have shortened supply chains so as to establish direct purchase lines between them and reduce the risk of higher food prices. Other cooperatives are using the organic produce label to find niches on the international market for their produce. To this end, cooperative ventures in Africa are increasingly becoming market-driven and responsive to changing circumstances that are beyond national boundaries.

On the whole, the list of examples of successful cooperatives in the neo-liberal era in Africa can be long, just as the list of unsuccessful ones may as well be. What is certainly emerging from the field as highlighted by Wanyama 2012, is "*the liberalization of the economy and cooperatives is steadily offering many cooperatives the opportunity to reinvent their solidarity and mobilize business ideals among their members*"(p.8). Develtere et al. observe that a third generation of African cooperatives appeared: "*authentic self help organizations*

began emerging from the grassroots, being rooted in local communities, giving voice to local producers and building strength in local economies" (Develtere et al. 2008:5)

9.2.d The critique of cooperatives in the 1970s

Especially in the mid- 1970s there was a growing belief that most cooperatives failed to live up to expectations. Much of the debate came out of an United Nations Research Institute for Social Development (UNRISD) report in 1975 that declared that "*cooperatives had seldomly achieved the development goals set for them by the "economic and social planners*" and that "*they bring little or no benefit to masses of poor inhabitants*" (UNRISD, 1975). The report based its findings on the compilation of case studies and the stated goals of 40 cooperatives in 10 developing countries in Africa, Latin America and Asia.

Such generalizing statements do, however, not reveal much about the factors behind the real or alleged shortcomings of cooperatives as instruments for development. A closer look at the complaints most frequently mentioned is therefore needed. As with expectations, shortcomings are interrelated but for analytic clarity they are listed below and will be shortly discussed.

- Cooperatives bring no structural change.
- Cooperatives do not benefit the poor.
- Cooperatives suffer from bad management.
- Cooperatives are exhausted by government interference

Many scholars such as Laidlaw (1978) heavily criticised the report, pointing out that the UNRISD report failed to understand the nature of cooperatives. He argued that the researchers were not aware that cooperatives, abiding to the cooperative principles, are owned by their members and that they do not create the environment they operate in. As such, cooperatives do not bring structural change, however this is due to the fact of the way they were introduced, thus they contributed to the existing social structure, rather than seeing it as an obstacle to be overcome.

Furthermore, Holmen (1990) noted that the expectation that cooperatives should (mainly) benefit the poor, or even that the objective of cooperation (primarily) is to serve the poor rural population is a false assumption. This objective is neither mentioned among the basic cooperative principles, nor is it mentioned in ILO's more relaxed definition of cooperatives, and for good reasons: "*In order to cooperate, you must have something to pool, and most of the Third World's rural poor have not*" (Holmen, 1990, p.38). Cooperatives needed members who were able to pool their resources in order to reach a common goal. They

needed access to a market, and a surplus producing group of peasants. They could only function on an equitable basis when traditional dependencies had been relaxed.

Third, regarding the poor quality of management; national planning departments had established them at a fast pace, beyond the availability of skilled managers. Fourth, they had never been truly autonomous. Neither before nor after independence have they been established from below as spontaneous self-help organizations. Peasants had often been coerced to join, or induced by the need for credit. They had monopolies in trade, with prices centrally determined, and had often been turned into instruments of taxation. In addition, according to Birchall they tended often to be sexist, in that men were registered as members, while the women did most of the farming. They were seen by local people as mere external resources to be utilized (Birchall, 2003).

Additionally, Laidlaw argues that the report neglected the issue of education and training for members and did not theorize the relationship with the government. Nor did researchers provide a substitute for cooperatives that might do the job better (Laidlaw 1978). In the same year a World Bank Sector Policy Paper on Rural Development found the experience with cooperatives was positive and such organizations provided the participation and impetus in rural development programs that was hard to secure in any other way (ICA, 1977 p.7 as cited in Birchall 2003 p.72).

Hence, critique of cooperatives, as they have generally functioning in the past, as in the area of state sponsored or state controlled cooperatives has generated a bad reputation for cooperative societies in general (Münkner HH, 1984, p31). Nevertheless as noted by Birchall 2003, Holmen 1990, Laidlaw 1978, much of the critique of the cooperative form of organization has been unjust and misdirected. It is therefore of fundamental importance to acknowledge that cooperatives in the present are not the same as in the past. As Holmen 1990 underlines:

> "*The bad reputation of cooperatives has very little to do with 'inappropriateness' of cooperatives as such. Nor can it be explained by reference to peasants' traditionalism or unwillingness to modernize. Rather, when seeking to understand the 'failure' of cooperatives as development instruments, examining the adequacy of the promotion policies and strategies pursued leads us to other explanations. It then becomes clear that outside goal-setting, inflexible bureaucratic routines, and paternalistic management attitudes are the major causes for mis-management, non-participation and dis-satisfaction".*

Cooperatives to the present day have evolved, and have become independent forms of enterprises, promoting the simple organizational pattern of cooperative organization which is open for adjustment to local conditions. Analyzing cooperatives in the past it becomes clear that too often in the past have been instructed to do what they are not meant to do (control that production follows a national plan, administer rural taxation, maintain political stability, and provide social security to the destitute), while, at the same time, they have been hindered to do what they are meant to do-enable their members to help themselves through innovative economic activities (Holmen 1990).

Annex 10 Cooperative support institutions in Tanzania

10.1 Director and Registrar of Cooperatives

The Director and Registrar of cooperatives is the government department, under the Ministry of Agriculture, Food Security and Cooperatives (MoAFC) which oversees cooperatives and enforces co-operative legislation. This department prepares the Cooperative Development Policy in collaboration with stakeholders and ensure that cooperatives operate according to the 2003 Cooperative Societies Act. The role of the Registrar is to promote, inspect and advise cooperatives. It is also the duty of the department to encourage the formation of cooperatives, which it does through seminars and campaigns. It disseminates government policy through meetings and the public media and encourages the youth and women to join existing cooperatives or form new ones that respond more effectively to their needs. With regional offices in all the 21 regions of Tanzania mainland, the department is headed by a senior government cooperative adviser (also known as Regional Cooperative Officer). The assistant registrar undertakes the registration of primary cooperatives and supervises activities related to cooperative development in his/her region.[26] It is to be noted that the entire department of cooperatives has limited staff (around 60), which has been pointed out by some stakeholders as an important impediment to effectively develop and implement a new cooperative policy.

10.2 Co-operative Audit and Inspection Corporation

The Co-operative Audit and Supervision Corporation (COASCO) was legally established by the Act of Parliament No. 15 in 1982. Its primary function was to provide audit, supervision and other consultancy services to Cooperatives in Tanzania. The Act was amended by the Parliament in April 2005 to extend its audit and consultancy services as well to non-Cooperative entities (COASCO, 2021). It is responsible for the audit of the financial affairs of cooperatives in the country and for ensuring that records are maintained by cooperatives. Its headquarters are in Dodoma and it has 14 zone offices spread all over the country that provide auditing and supervision services. A cooperative stakeholder stated that although the audit and inspection of corporation was said to function, in reality, the audits are not done on a frequent and routinely basis, due to the lack of resources and staff. This can be confirmed by the data found on the TCDC's website (Figure below), although there can be seen a sharp increase in the numbers, in 2018 only 827 had been audited and 676 inspected.

[26] In addition, it has an office in every district in Tanzania mainland headed by a District Cooperative Officer.

Figure: Number of cooperatives audited and inspected over years

Year	Audited	Inspected
2013	68	96
2014	123	136
2015	119	159
2016	323	380
2017	360	364
2018	827	676
Grand Total	**1,820 (56.3%)**	**1,811 (43.7%)**

Source: TDC Field Data October 2018

10.3 Tanzania Federation of Cooperative

At the top of the cooperative structure is the Tanzanian Federation of Cooperation (TFC), registered in 1994 under the 1991 cooperatives Societies Act. The confederation represents, promotes, serves and coordinates the development of all cooperatives in Tanzania mainland. It is an independent, non-governmental organization that observes international cooperative principles and is a member of the ICA. TFC has grown overtime to 46 members, 33 being secondary cooperatives and 13 primary societies. In total these 46 members represent more than 4000 primary co-operative societies in different sectors such as tobacco, cashew nut, coffee, sisal plant, cocoa and potatoes. In return, TFC members make annual subscription fees to the organization (TFC, 2020).

The TFC is considered to be the main voice of the cooperative movement by the government, members and international organizations. The federation, along with other cooperative stakeholders, was instrumental in advocating and organizing for the Cooperative Reform and Modernization Programme (CRMP). CRMP is the framework for policy and legal implementation of the 2003 Cooperative Development Policy. TFC continually makes assessments of cooperative policy and legislation. It produces simple versions (layperson's guides) of key documents, such as the Cooperative Development Policy and the Cooperative Societies Act for cooperative members.

Nevertheless, face to face consultation with members of the movement that are in need are said to be lacking, according to Moghimbi 2010. There seems to be a failure on behalf of the confederation to respond to the needs of the unions and the federations that deal directly with cooperative members. Notwithstanding, TFC is working hard through cooperative education to disseminate information to make members in remote areas and potential members aware of the cooperative movement and to improve the support and services that

it provides to its own members. However, the task is not easy because the confederation has a staff of only 24 people and there are over 8,500 registered cooperatives in the country.

The federation has been acknowledging some of its challenges, as stated on its website:

> "*The TFC current financial situation is not satisfying to deliver its services that meet the needs of its cooperatives members and Cooperatives movement in Tanzania. It needs resource mobilization, resource allocation, priorities, its actions and collaboration with partners in implementation of some of the issues that might need special attention and improvements depending on how it is agency and important to the Co-operative movement in Tanzania*" (TFC 2020).

Similarly, an ICA national report of Tanzania in 2020, found that additional challenges faced by TFC include: weak membership base, inexorable bank liabilities, limited financial and manpower capacity, political interference and not being truly member-owned as it was established with government influence to take over assets and responsibilities, after the cooperative movement ceased to be one of constituencies of the ruling party (ICA Africa, 2020).

10.4 National Cooperative Bank

The cooperative movement after independence underscored the importance of rural financing in production and marketing as at that time the conditions for accessing financing from commercial banks were difficult to be fulfilled by farmers and cooperatives. In view of this, cooperatives formed their own bank in 1962 known as "The Cooperative Bank of Tanganyika " and later in 1964 after Tanzania Mainland united with Zanzibar it was changed to the "National Cooperative Bank (NCB)".

The bank provided loans to cooperatives for purchasing crops and supply of farm inputs. Cooperatives held shares and maintained current and fixed deposit accounts in the bank. The NCB also received overdrafts from the Central Bank of Tanzania. It was regarded as a landmark in the history of the cooperative movement in the country. The establishment of the bank triggered an increase in production of cash crops as farmers had reliable accessibility to farm inputs and were motivated to increase production as they were paid timely.

According to Maghimbi (2010), cooperatives handled 145,000 tons of produce in 1960, growing to 496,000 tons in 1965, and 628,833 tons in 1966. In order for National

Cooperative Bank to smoothen the process of providing loans to farmers and entrepreneurs it established a subsidiary company known as National Development Credit Agency (NDCA). The NDCA function was to provide the agricultural sector with credit in the form of cultivation and development loans. Legal backing for the cooperative movement was strong. The National Cooperative Bank and the NDCA were established under the National Cooperative and Development Bank Act, 1964. By using the cooperative movement to channel credit to rural areas, the NDCA was able to reach 100,000 small farmers every year. The establishment of the National cooperative bank had not only had an impact on the production and marketing of agricultural products but also people accessed loans from the bank and invested in other areas of the economy such as processing, wholesale and retail trading, etc and this contributed to the growth of the economy of the country. Nevertheless, the National Cooperative Bank and the National Development Credit Agency were dissolved in 1970 (Mruma, 2014). From 1970 up to now the cooperative movement has not been able to establish a national cooperative bank, which leads to one of the main challenges of cooperatives, leaving them with no choice than turning to commercial banks in most cases from which it is often difficult to access finance. This particular problem and alternative options will be discussed later on.

10.5 Moshi Cooperative University (MoCU)

Another long standing support institution is the Moshi Cooperative University (formerly Co-operative college Moshi) established by the government in 1963. P. Ananina, researcher and lecturer at Moshi Co-operative University explains:

> "*Back in the days, the college's primary responsibility was training of human resources to work in the co-operative sector under the Ministry of Cooperatives and Community Development. However, in 2004 it was transformed into a University College to offer university degrees adopting the name of Moshi University College of Co-operative and Business Studies (MUCCoBS) and in 2014 it was elevated to a full-fledged University. Now it has the status of a public University and functions as an autonomous institution"* (Anania, 2021).

MoCU offers Certificates, Diplomas, Bachelor and Master degrees, that have a heavy cooperative studies input, as can be seen by table 5 attached in Annex 2. The courses are open to all, not just the cooperative movement. In total the institution currently counts over 80,000 students, split between two campuses, the main campus located in Moshi in north eastern Tanzania in the Kilimanjaro Region and one teaching Centre at Kizumbi in Shinyanga Municipality. It also has 13 regional offices that cater for all Regions in Tanzania,

that targets cooperative members and grassroot communities on how they can best manage their cooperatives. They run training and capacity building to support the co-operative development; there are programs designed for members, board and managers. The emphasis is on how members can best own and manage their institutions through their joint ownership of resources. MoCU also conducts a range of residential, non-residential and distance learning programmes, tailor-made programmes, field training, research, and provides advisory and consultancy services.

In addition, Moshi advises the government on cooperative policy and has carried out research and consultancies on cooperatives for the government and other institutions. Based on the service and product offered by the Moshi Cooperative University, the university has become a centre of excellence in cooperatives education and practice, highly regarded in the East African region, welcoming also foreign students from foreign countries. Despite enormous success in training and research, the institution is said to face some constraints which include the employment of graduates by non-cooperative financial institutions located in urban areas. This has caused a shortage of expertise for rural financial cooperatives. To address this particular problem, Moshi Cooperative University has launched a specific project in cooperation with the NGO Rikolto, whereby recent graduates that have studied cooperative development can decide to join a program in which they are assigned to work with agricultural cooperatives/farmer groups as experts to support them in their development and training.

The university is supposed to reach all financial cooperatives in rural areas for training provision and conduct mentorship programmes but due to insufficient funds, the job cannot always be effectively performed. Increasing resources, especially funds could facilitate further training to the established financial cooperatives but also mobilization new financial cooperatives and allow new innovative research in addressing financial cooperatives issues. In addition, there have been problems accessing external donor funding, due to the perception that the University still has ties with the government.