

Supporting public hearings on the East African Community Cooperative Societies Bill

East African Community



Investing in rural people

Country-level policy engagement aims to support the development and implementation of national policies that shape the economic opportunities for poor rural people. These case studies illustrate that by utilizing innovative mechanisms for policy engagement, large impacts are achievable with limited resources.

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The East African Community (EAC) is the regional intergovernmental organization of Burundi, Kenya, Rwanda, Uganda and the United Republic of Tanzania. Its headquarters are in Arusha, United Republic of Tanzania.

The East African Legislative Assembly (EALA) is the legislative sub-entity of EAC. Its membership comprises nine elected members from each country and seven ex officio members elected by the legislature of each country. The core functions of the EALA are legislating, oversight and representation.

The East African Farmers' Federation (EAFF) is an apex organization whose role is to voice the concerns and interests of farmers in the region. Its membership currently comprises 20 farmer and pastoralist organizations from nine countries: Burundi, Djibouti, the Democratic Republic of the Congo, Eritrea, Ethiopia, Kenya, Rwanda, Uganda and the United Republic of Tanzania.

Issues

Cooperatives play a significant role in the economies of the five countries of EAC. There are more than 30,000 registered cooperatives in the region and the movement employs – directly or indirectly – more than 15 million people. About half of these cooperatives are related to agriculture. Savings and credit cooperatives are also becoming increasingly popular in the region.

There are considerable differences in the legal frameworks for cooperatives in the different countries, and some national frameworks contain legal provisions that constrain development of the cooperative movement. A regionally based legal framework would incorporate good practices from the different laws across the region to create a common enabling environment for cooperative development. It would also enable the formation of regional cooperative societies and unions, and expand business opportunities.

Since 2009, in response to concern from its member organizations on the challenges facing the cooperative movement in the region, EAFF has been lobbying for such EAC-wide legislation for cooperatives. In 2009, EAFF commissioned a comparative study of the cooperative laws in the region to generate findings to inform its advocacy for a regional law. Between 2010 and 2013, it convened meetings with experts in cooperatives and stakeholders to discuss the contents of the proposed legislation. In April 2013, an EAFF team met the Speaker of the EALA and the EALA Committee on Agriculture, Tourism and Natural Resources (the Committee), one of whose members agreed to move the bill as a private member's bill in the assembly.

In January 2014, the EAC Cooperative Societies Bill 2014 was read for the first time in the EALA. The Speaker then forwarded the bill to the Committee for further consultations.

Summary

Countries: East African Community (EAC) – Burundi, Kenya, Rwanda, Uganda, United Republic of Tanzania

IMI funding: US\$59,200

Implementing partner: Eastern African Farmers' Federation (EAFF)

Key objectives: To assist EAFF's efforts in advocating for and supporting the development of an EAC Cooperative Societies Bill, by financing public hearings in two of the five countries (Kenya and Uganda) to obtain feedback on the proposed bill from stakeholders in and outside the cooperative movement.

Lessons and successes: IMI funding enabled IFAD to support the policy advocacy work of an organization that represents the interests of its smallholder farmer membership. In doing so, IFAD contributed to what is likely to be an important piece of legislation that will strengthen the legal framework for cooperatives in the five countries and enable the cooperative movement to exploit new regional business opportunities, particularly in agriculture. Through this experience, IFAD has learned much about the complexity of regional policy processes.

Actions

The next step was for the EALA Committee, in collaboration with EAFF and its membership, to convene public hearings on the bill in all five countries. These events were to serve both to raise awareness of the bill in member countries and to collect and consolidate views on the bill from stakeholders in and outside the cooperative movement.

The IMI funding enabled EAFF to sponsor the public hearings in two countries: Kenya and Uganda. The hearings were held in September 2014 and were attended by 65-70 people each, including representatives from the cooperative movements of the two countries, government ministries, parliaments, the private sector and the media. At both hearings, stakeholders in the national cooperative movement presented reports and participants commented on the draft bill. The IMI funding also supported media engagement, resulting in substantial media outputs in the two countries and growing public interest in the bill.

Following the Uganda public hearing (the last of the series of five), the Clerk and Secretary of the EALA Committee worked closely with the EAFF Policy Officer to collate all the comments received during the public hearings and consultation processes.

After this, the EALA's principal legal drafters, the Clerk of the Committee, a specialized lawyer and the EAFF Policy Officer prepared a report summarizing all the comments and proposals from the public hearings and consultations, and drafted a proposed schedule of more than 60 amendments to the bill. These were reviewed and clarified by the Committee and a team from EAFF.

In October 2014, the mover of the bill and the Chair of the Committee tabled the report of the public hearings and the schedule of amendments to the bill before the EALA, where they were debated and voted on during the second and third readings of the bill. In January 2015, the EALA passed the East African Community Cooperative Societies Act 2014.

As an act of the EALA, it now awaits assent by the Heads of State of the five EAC countries. Once ratified, it will become law and take precedence over existing national laws; this means that national laws will have to be amended wherever necessary to conform with the EALA act.

Following national ratification, EAFF intends to collaborate with its member organizations on awareness-raising efforts in all EAC partner countries. The act establishes the East African Cooperative Agency, which will develop the rules and regulations of the act as one of its first tasks.

Lessons learned

The EAC Cooperative Societies Bill 2014 is an important piece of legislation that will enhance the legal framework for cooperatives in the five EAC countries and create potential for the cooperative movement to grow by exploiting regional business opportunities. The bill is also likely to have substantive consequences for IFAD's target group in the countries. The public hearings supported by IFAD represented an important step in the long and complex process of policy advocacy led by EAFF. The experience has also been an important lesson-learning process on the policymaking process itself, enabling EAFF to learn much about policymaking and how to influence it most effectively. EAFF has recognized the importance both of promoting national ownership of the bill – partly to allay national governments' concerns that it was generated outside the national cooperative movement – and of working closely with the EALA as the policymaking institution. Both EAFF and the EALA now have a better understanding of each other.

In supporting EAFF's policy agenda, IFAD worked with an organization that seeks to represent the interests of smallholder farmers in the region, facilitating EAFF's advocacy of a policy change that is expected to bring real benefits to many of those farmers. The initiative built on a well-established partnership between IFAD and EAFF and the past support that IFAD has provided to building EAFF's capacity. Finally, with its regional scope, the experience offered IFAD a view of policy engagement at a different level from its more typical involvement at the country level, enabling IFAD – like EAFF – to improve its understanding of the complexities in the policymaking processes of a regional organization such as the EALA.



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