

1. **SANACO report to Parliament**
2. **Background**

The South African National Apex of Cooperatives (SANACO) was established in 2008, initiated by cooperatives in the country, and the department that was given the mandate for cooperatives Department of Trade Industry ((DTI) felt that it was not so productive dealing with each cooperative individually, and that a cooperative body needed to be established where cooperatives can fall under one umbrella body.  The plan came into fruition in 2008 on the 30th of June at the Tshwane Showgrounds during a conference that was hosted by DTI to initiate the cooperatives Apex body. The following report will give the Regional background, National background, Continental background as well as the Global background of the organisation. Siyathuthuka Military Veterans and other tertiary cooperatives are members of SANACO. SANACO has been established by functional tertiary cooperatives that are functional and/or operational. SANACO footprints are at Municipal, districts, provincial, national, regional and global level.

Minister of Labour Ms Mildred Oliphant graced the launch of Vhembe Multi-Sectoral Cooperative in Limpopo.

1. **Participation in the SADC region**

* President Bale was voted as the chairman of the cooperative SADAC region board at the DBSA, Midrand, he was elected in a conference attended by 8 countries from the SADC region without any opposition. Other members of the region have since joined SADC-Cooperative Federation.
* SANACO has met with the other countries such as Namibia Swaziland Mozambique, Zimbabwe, Lesotho, Botswana, Zambia and Malawi. The most recent activity is collaboration with Swaziland and Lesotho to establish a cooperative financial institution.
* A cooperative from Lesotho called Boliba Multipurpose visited South Africa in August 2018 (see photos on annexure). SANACO delegation visited Lesotho in October 2018 honouring Basotho invitation to Boliba night. The visit was aimed at sharing ideas on the poultry industry and Savings and credit cooperatives. SANACO will be assisting Lesotho cooperatives specialising in poultry production linking by them with the Brazilian co-operatives that specialise in the poultry. This will enable cooperatives in Lesotho with to share skills and knowledge with the Brazilians.

1. **Events attended:**

ICA Africa

* SANACO is a member in good standing of the International Cooperatives Alliance (ICA) which was formed in 1895. This provides SANACO with an opportunity to participate in both regional and global cooperative activities representing all cooperatives in South Africa. SANACO has attended these meetings in the following countries, Lesotho, Namibia, Kenya, Botswana and Mozambique.

SANACO staff member and the National Secretary of SANACO youth Lawrence Monyahi represented SANACO at the Alliance Africa Youth Network recently held in Swaziland on the 30 October 2018. The conference was focused on the establishment of school cooperatives (credit and savings) and promoting the participation of youth in cooperative development.

* The President of SANACO Mr Lawrence Bale attended the 13th Regional Assembly and the 12th Africa Ministerial Cooperative Conference held in Abuja Nigeria from the 02-05 October 2018. SANACO has therefore been requested to host the 2020 Regional Assembly by Alliance Africa. SANACO will only accept the request after lobbying both the DSBD and parliament to host the event.
* SANACO is member in good standing of the International Cooperative Alliance and thus continues to strengthen its ties with other movements of cooperatives in the African region. This is a critical platform for cooperatives to cooperate and share good practice models across the African Region.

1. **BRICS**

SANACO hosted the 2018 BRICS Cooperative Leaders meeting held at the Premier Hotel, Pretoria, South Africa from the 08-09 October 2018. The BRICS Cooperative Leaders meeting was attended by cooperative movements from both the Peoples Republic of China and Brazil and India.

The meeting identified key area of collaborations within and amongst countries within the BRICS bloc anchored around cooperative to cooperative trade. Opportunities around skills transfer from the Chinese to South Africa around mass production was identified. Supply of raw materials such as beef, cotton, coffee, and many other raw material were identified.

At strategic level, the meeting recommended the establishment of the BRICS Cooperative Leaders permanent secretariat that will facilitate future engagements and follow-up on the implementation of the resolution taken in the previous meetings. Part of the mandate of the permanent secretariat will be to identify legislation that impede cooperative to cooperative trade within the BRICS bloc. The permanent secretariat will also explore the support for cooperatives from the BRICS Development Bank. SANACO has been requested to facilitate the establishment of the permanent secretariat. SANACO will first engage both DSBD and parliament before accepting the role of coordinating the BRICS Cooperatives Leaders permanent secretariat.

Each country within the BRICS bloc should be represented in the BRICS cooperative leaders steering committee. Countries should make submission of the names of the people who will represent each country to SANACO. The committee will then allocate responsibility to each steering committee member.

1. **Relationship with Lega Coop (Italian based movement of cooperatives)**

Lega Coop from Reggio Emilia in Italy visited South Africa from the 23-25 October 2018. SANACO met with the Italians as part of strengthening the ties between Reggio Emilio and Gauteng Government. Development Finance Institutions and government departments were given an opportunity to present at the meeting with the Italians.

SANACO has a long-standing MOU with Lega Coop since SANACO visited Italy. The ties between Reggio Emilio and South Africa dates back to the days of struggle when the former President of the ANC signed an MOU with the City of Reggio Emilia in 1977.

At least two of SANACO members, Hydrangea Primary Cooperative Limited and Bright future Agri Primary Cooperative Limited were identified and were part of the site visits. The visit was aimed at providing an opportunity to South African cooperatives to showcase their work. The Italians also offered to provide support to those identified cooperatives.

1. **ICD 2018**

International Cooperative Day (ICD) ,which SANACO has never missed since 2009.

1. 2009 was held in Pietermaritzburg, KwaZulu-Natal
2. 2010 it was held in Johannesburg, Gauteng
3. 2011 and was held in East London, Eastern Cape
4. 2012 it was held in Kimberley, Northern Cape
5. 2013 and was held in Durban, KZN
6. 2014 it was held in Limpopo
7. 2015 and was held in North West
8. 2016 it was held in Nelspruit Mpumalanga
9. 2017 Edwards held in Bloemfontein, Free State

SANACO convened the 2018 ICD celebration held on the 06-07 July 2018. The first day (06 July 2018) was the cooperative conference followed by the celebration on the last day (07 July 2018).

The Deputy Minister of Small Business Development Mr Cattle Mathale addressed the cooperative conference. In his address he emphasised a need for the cooperative movement to take its space the cooperative development space. The second day was characterised by different festivities with Zion Christian Church Brass Band and St Engenas Church choir entertaining the cooperatives.

The event was held at a cooperative venue, Catered for by a cooperative company, the apparel was also supplied by a cooperative company and the transport was also provided for by a cooperative company.

1. **Other Invites and collaborations**

NEDLAC

* SANACO is the only body that sits on the community constituency on behalf of cooperatives.

Job Summit

* SANACO was part of the preparations that took place for the job Summit tusk team that also included education, small business, labour, and community, prior to the Job Summit

Investment Conference

* SANACO was invited to the 2018 Investment Conference where President Bale addressed the house and spoke on behalf of cooperatives

Invitation to Workshop of Poverty Alleviation in China

* SANACO has been extended an invite by the Chinese cooperation body to attend workshop on “Capacity Building and Case Studies for Poverty Alleviation Through Cooperatives”, between 10th – 15th December,2018 in Haikou, Hainan Province, China.

Russian Cooperatives Federation

* President of SANACO will be visiting the Russia Cooperatives Federation in Russia to engage with them because the Russians could not attend the BRICS leadership meeting the resolution of the BRICS block countries agreed that the president of SANACO who's now the chairperson of cooperatives must visit the Russian

HIT SOLUTIONS

* HIT Solutions invited the president of SANACO as a guest speaker to National Conference for Rural and Urban Communities on Expropriation of Land without Compensation and Radical Economic Reforms as Key Strategies for driving-forward Vibrant, Equitable and   Sustainable Economic Growth to Combat Poverty and Inequality, scheduled from 4 – 6 December 2018 at the Hilton Hotel in Durban

Capacity Building Workshop in Tanzania

* The General Manager of SANACO has been invited to attend a Capacity Building Workshop between the 26th -30th of November in Kilimanjaro, Tanzania. The workshop is a follow-up from the previous year’s workshop which she also attended.

Cooperative Bank

* SANACO has started to establish cooperative Bank for cooperatives in need for easier access to funds in order to survive and be sustainable there needs to be more than one cooperative bank established and a cluster of those cooperative Banks must work together to supply for the needs of cooperatives in the country .

1. **Role of SANACO in the cooperative development**

SANACO has been able to partner with the different Sector Education and Training Authorities (SETAs) on support for Cooperatives. SANACO facilitate education and training for cooperatives on different interventions addressing the needs of cooperatives in all the provinces of South Africa.

1. **Partnerships:**
   1. Productivity SA

Productivity SA and SANACO enjoys long standing relationship that dates back since 2012. SANACO facilitate the training of cooperative by Productivity in all provinces of South Africa. Productivity SA was able to surpass their annul target because of the partnership with SANACO.

Productivity SA invited SANACO to both Gauteng and national Productivity awards ceremony. SANACO was represented by Sylvia Choene at the Gauteng Productivity Awards held on the 27 September 2018. A table was allocated by SANACO at the national Productivity Awards held on the 19 October 2018. The president of SANACO addressed the awards on behalf of cooperatives. In his address, he emphasised a need for global collaborations on the development of cooperatives. He also handed over awards for cooperatives.

For the first time in the history of Productivity Awards, the awards included cooperatives. This was based on the lobbying that SANACO have been doing.

Cooperatives that have been trained through this partnership were awarded certificates. The Chairperson of the portfolio committee attended the certificate award ceremony in Vleifontein, Limpopo Province. The Minister of Small Business Development was the guest speaker at the certificates award ceremony in Gauteng. The Deputy Minister of Small Business Development delivered the key note address at the certificates award ceremony in Limpopo. The certificates award ceremony was also attended by the LEDET MEC Mr Seaparo Sikwati.

1. **Role of the NEDLAC social partners on the development of coops**

* SANACO is working with structures such as Financial Sector Commission Campaign (FSCC), South African youth council, South African National Civic Organisation, Women’s National Coalition and National Council for People with Disabilities.
* SANACO supports the resolution of the National Development Plan to address the triple challenges of poverty, unemployment and inequality through the establish of cooperatives.
* Cooperative remains the only vehicle that can drive the economic empowerment of the majority in South Africa.

1. **On the Cooperatives Act No. 6 of 2013**

SANACO has participated in the amendment of the Cooperatives Act No. 14 of 2005 through NEDLAC, parliament and public consultation processes. The Cooperatives Act No. 6 of 2013 usher a new leaf of life to cooperatives with introduction of the Cooperatives Tribunal, Cooperatives Development Agency, Cooperatives College and the Cooperatives Advisory Council.

1. **Intervention needed**

SANACO continues to sustain itself through services rendered to SETAs and other government departments. SANACO is not supported by government to focus on its core mandate to advocate and lobby for cooperatives in the country.

There is a need to speed up the implementation of the cooperatives Act No.06 of 2013.

1. **Funding of programmes**

The core mandate of SANACO include assisting cooperatives both financially and non-financially on compliance which includes assisting cooperatives with financial statements. SANACO will continue to engage all organs and state owned institutions to support cooperatives in South Africa.

1. **Opportunities on economic development**

The strengthening of existing cooperatives through incubation and the establishment of new cooperatives remains a critical platform for economic development in South Africa. South African remains one of the largest economies in the African regional and therefore present huge economic development opportunities.

1. **Conclusion**

SANACO remains committed to its mandate of advocating and lobbying for cooperative development in South Africa. Cooperative development remains a strategic centre for economic development and inclusion of the majority in the mainstream economy. SANACO has grown in lips and bounds and looks forward to a bright future of Cooperatives in years to come.