



**International Co-operative  
Alliance – Africa**  
A Region of the International  
Co-operative Alliance

**MAPPING: KEY FIGURES  
NATIONAL REPORT: UGANDA  
ICA-EU PARTNERSHIP**

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## **I. INTRODUCTION AND CONTEXT**

This report is part of a Mapping exercise launched by the International Cooperative Alliance and its regional offices, within the framework of a partnership signed with the European Commission for the period 2016-2020. The programme aims to strengthen the cooperative movement and its capacity to promote international development. Other research projects led within this partnership include a worldwide Legal Frameworks Analysis, and several thematic researches on themes of significance for cooperatives.

Responding to challenges and existing knowledge gaps facing the cooperative movement, this research seeks to provide exhaustive information on cooperatives worldwide. This is achieved through a process jointly conducted by the ICA and its four regional offices – Cooperatives of the Americas, Cooperatives Europe, ICA Africa, and ICA Asia-Pacific – using a common methodology. Each office collected the input of ICA members present in the countries within its geographic area, by using the same questionnaire, and completing it with relevant national statistics, in order to obtain an accurate picture of the national situation. Mapping out cooperatives in each country provides a more precise picture of the cooperative context at national and regional levels, enhances the movement's visibility, networking, partnerships opportunities, as well as advocacy, and empowers cooperators by providing them tools for positive change.

Within this framework, the present report showcases information about the cooperative landscape in Uganda.

### **i. Historical background**

Cooperatives in Uganda date back to 1913 when Ugandans started organizing as cooperatives. These early cooperatives operated informally until the first cooperatives ordinance was enacted in 1946. This development also marked the establishment of the cooperatives department as a government entity and the birth of the cooperative movement. By the end of 1946, there were 75 cooperatives organizations with the majority being agricultural marketing societies. The cooperative movement flourished rapidly to an extent that by 1951, cooperatives handled as much as 14,300 tons of two key agricultural products, cotton and coffee. With the acquisition of processing facilities, the movement handled a combined volume of 89,300 tons of cotton and tea by 1960 and 1965, out of 438,000 bales of all cotton produced; cooperatives handled more than 60% (267,400 bales).

However, in 1970s Uganda went through turmoil of civil wars, which badly affected the operations of cooperatives. Cooperatives lost their assets stock and membership through death. The Current NRM government ushered in peace in 1986 and as cooperatives were regrouping and recovering from the shock structural adjustment programs of 1990's like economic liberalization privatization etc. were adopted by government of Uganda which actually exposed cooperatives to competition from multinational corporations. These economic policies too contributed to the collapse of the cooperatives.

Despite all these challenges Uganda cooperative Alliance Ltd has been at the forefront of revitalizing cooperative Movement.

## ii. PUBLIC NATIONAL STATISTICS

For a more comprehensive picture of the cooperative movement in Uganda, the present section provides key data from the country's public registers as a useful background context to the ICA members' data showcased in Section II of the report.

As of February 2020, the cooperative movement in Uganda comprised of 21,346 registered cooperative societies with an estimated 5.6 million members. This compares with the 10,746 societies registered as of January 2011. There is however, insufficient monitoring of cooperatives to complete the picture. For example, it is not known how many cooperative societies are actually active on the ground, employment and production value details.

**Table 1: Registered Cooperatives by Type as at February 24, 2020**

Type	Total
SACCOs	<b>9,431</b>
Agricultural Marketing	<b>9,567</b>
Transport	<b>417</b>
Diary	<b>332</b>
Housing	<b>81</b>
Energy	<b>26</b>
Fishing	<b>88</b>
Area Coop. Enterprises	<b>134</b>
Multipurpose	<b>1006</b>
Unions	<b>134</b>
Others	<b>130</b>
<b>TOTAL</b>	<b>21,346</b>
Probation	<b>10,219</b>
Permanent	<b>11,127</b>

### **Legal Structure**

The cooperative movement in Uganda is regulated under the cooperative societies ACT Cap 112 of 1991 and regulations of 1992. This law is currently in the Parliament of Uganda for amendment. The Ministry of Trade Industry and Cooperatives [www.mtic.go.ug](http://www.mtic.go.ug) has a department of cooperative development where the commissioner for cooperative development acts as the registrar of cooperatives in the country. Each cooperative then has a set of byelaws. In addition to the law, the government of Uganda has been guided by a

cooperative development policy of 2011 that is currently under the final processes of review and will then evolve into the cooperative policy.

### **Gender**

From the study that was done in 2018 on 1449 cooperatives in Uganda, only 997 were able to disintegrate their data sets for males and females. From the 997 the study established membership of 859465 individuals of which 663,297 (77%) were male and 196, 297 (23%) were female. In Uganda, the cooperative movement is still male dominated. Although women are fewer they are continually most sought after as better leaders of cooperatives because they are deemed more trustworthy with members assets

### **Employment contribution by cooperatives**

The cooperative movement in Uganda employs about 16% of the country's population, Mostly from financial Cooperatives and Agricultural cooperatives.

### **Economic contribution**

Cooperatives contribute 2,326,527,074,886 of the country's GDP translating to about 2.68%contribution to the GDP. While this contribution is noteworthy the potential of the cooperative sector is yet to be fully exploited for a more impactful role in Uganda's social economic development

## **iii. Research methodology**

The aim of the mapping research is to collect and make publicly available reliable and up-to-date data to understand what the cooperative movement represents in the targeted country. With this view, the data detailed in the present report has been collected using the methodology detailed below.

The methodological tools include a questionnaire used to collect the data, which was distributed online to the members, as well as a methodological note provided for further guidance. They were built jointly with all ICA regional offices with the support of external experts from the European Research Institute on Cooperative and Social Enterprises (Euricse) and are applied in a harmonised way in all the target countries.

The classifications used in the research are consistent with the internal system used within the ICA movement (e.g. on membership status and types of cooperative organisations) and with standards increasingly adopted in recent studies and by international organisations like the ILO – e.g. using international classifications of economic activities such as the International Standard Industrial Classification (ISIC) rev. 4, which ensures the comparability of statistics both nationally and internationally, as well as with statistics on other forms of enterprises.

Regarding the target organisations, considering that a worldwide survey has very challenging goals, and while the value of directly collecting data from non-member cooperatives must be recognised, the present Mapping exercise targets cooperative organisations members of the ICA.

Furthermore, in order to complete the ICA members' data, the decision was taken to also look at external sources, to provide additional and more exhaustive cooperative statistics for the country. As a result, the data is collected following two strategies contemporaneously: 1)

collecting statistics already available in the country; 2) carrying out a survey targeting ICA cooperative members.

In Uganda, the Mapping questionnaire, was distributed to, and completed by Uganda Cooperative Alliance; ICA member organisation in the country. After some additional follow-up and clarifications from the member, the figures provided were compiled to be presented in the next section.

## **II. KEY FIGURES**

This section presents the results of the data collection directed by the ICA members. It is different from the general estimates for the country provided in the public national statistics.

Uganda counts one ICA full member organization<sup>1</sup>, the Uganda Cooperative Alliance (UCA)

### **iv. UGANDA COOPERATIVE ALLIANCE LTD (UCA)**

Uganda Cooperative Alliance (UCA) ltd is an umbrella / Apex organization for all Cooperatives in Uganda established in 1961. In Uganda, UCA serves as the voice of the Cooperative movement at both national, regional and international level. UCA is mandated by the Cooperative Act to consider and make recommendations to Government on matters of policy relating to Cooperative movement, make representation to government on matters affecting Cooperative societies and to carry out arbitration in case of disputes within Cooperative Movement.

#### **VISION**

A strong and vibrant umbrella organization of prosperous Cooperatives with empowered members.

#### **MISSION**

To provide high quality support services to Cooperatives and their members on a sustainable basis.

#### **VALUES**

Honesty, Transparency, Dedication and Integrity

#### **UCA Mandate**

- ❖ To advocate and represent the interests of the cooperative movement in Uganda
- ❖ To carry out arbitration on disputes affecting the cooperatives in Uganda as mandated by the cooperatives ACT
- ❖ To provide capacity building in cooperative leadership
- ❖ To mobilize resources for the cooperative movement in Uganda

#### **Services Offered**

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<sup>1</sup> This category covers members with voting rights – as opposed to associate members (which can include for instance governmental agencies).

- ❖ Provide training in cooperative development
- ❖ Lobby and advocacy for better working conditions and policy framework and also make recommendations to government on matters affecting the cooperative movement.
- ❖ Linking Cooperatives with the service and resource providers, the market and development partners.
- ❖ Providing advisory services on matters of Cooperative formation and registration

## **MEMBERSHIP**

UCA'S membership consists of Regional, District and National Cooperative Unions, Area Cooperative Enterprises, Saving and Credit Cooperatives (SACCOs). All these have direct membership and access to UCA. UCA is mandated by law to represent all cooperatives in Uganda, however, only 200 members actively subscribe currently.

Uganda Cooperative Alliance Ltd with support from Swiss Contact has also supported 800 youth groups across the country to form cooperatives.

## **EMPLOYEES**

Uganda Cooperative Alliance employs about 50 staff 17 are women and 33 men

## **LEVELS OF COOPERATIVE INSTITUTIONS**

### **Primary Cooperative Societies (PCS)**

This is the base of the Cooperative system. Primary Societies are formed by a minimum of 30 individuals and or groups of people who engage in production of a commodity or provision of services. They are usually formed at parish/village level.

### **Area Cooperative Enterprises (ACEs)**

This is a secondary co-operative formed usually at sub-county level by a minimum of two registered primary Cooperatives. However, a minimum of 5-10 primary co-operative societies (PCS) is recommended for sustainability. ACEs need to specialize in a maximum of 3 enterprises they can do well for their efficiency. ACE's carry out collective production, bulking, value addition and marketing of Members' enterprises in return for a commission that is pre-determined by the Members. Value addition may be in form of cleaning, grading, sorting, processing and packaging where possible. The ACE is fully owned, controlled, used and benefiting the PCS.

### **Saving and Credit Cooperative Organizations (SACCOs)**

These financial cooperatives serve as the financial arm of the Cooperators, PCs and the ACE. SACCOs are; owned, controlled, used and benefiting their members as individuals, groups, primary Cooperatives, ACEs and Unions.

## **1National/Regional/ District Agricultural Co-operative Unions.**

These are commodity specific national cooperative unions that focus and bring all related commodities under one umbrella which cannot be done by the ACEs and or PCs. The ACEs are location specific and deal in up to 3 enterprises. The national unions are envisaged to take over many of the roles that UCA is playing in the development of ACEs and primary societies. These activities include input procurement, agro-processing, securing loan funds for ACEs and their members, product/service development, value chain development, provision of extension services, lobbying and advocacy, aggregating Members' produce and marketing at a higher level.

## **Other National/Regional/ District Cooperative Unions**

These are Cooperative Unions that operate either at National/ regional and district level. Their membership are either PCs and or secondary forms of Cooperatives. These Unions provide Business and support services to their members. The Cooperative unions are envisaged to take over many of the roles that UCA is playing in the development of ACEs and primary societies. Such roles may include capacity building, lobby and advocacy, business development and other support services.

## **AUTHORITY AND ORGANISATION STRUCTURE OF UCA**

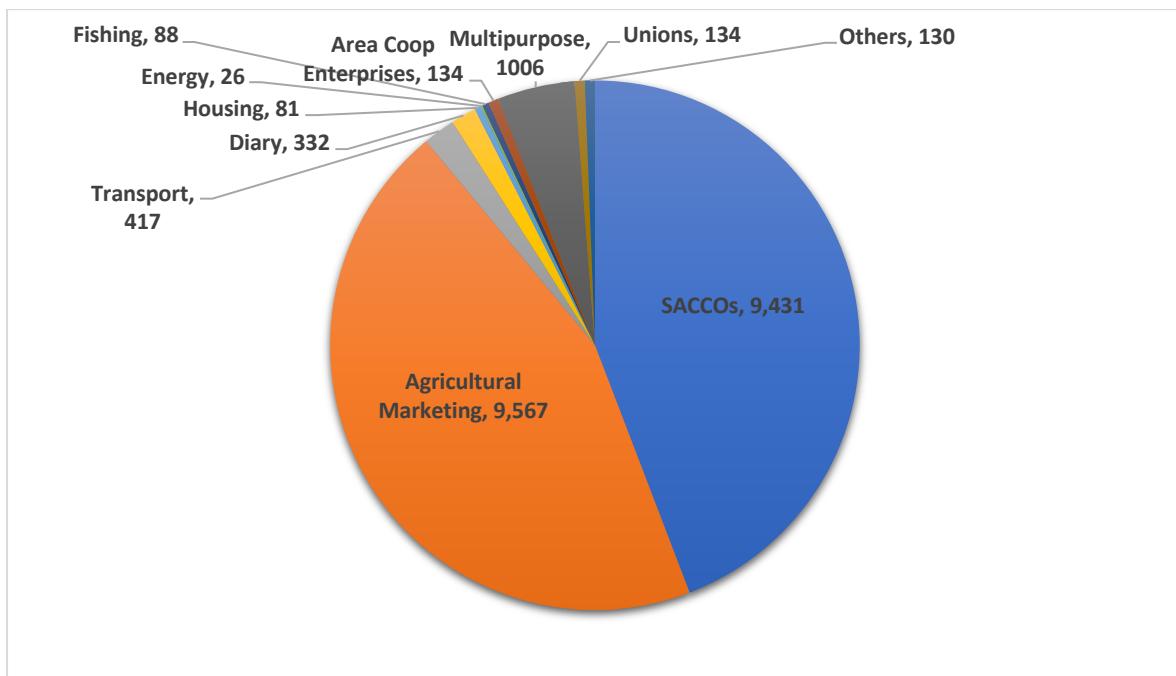
The Annual General Meeting (AGM) of UCA is her supreme policy-making body. During Members' AGM, delegates who represent UCA Membership elect a Board of Directors to take charge of the operations and affairs of UCA. The Board of directors in turn hires technical staff to run the day to day affairs of UCA but under close supervision and monitoring of the Board. UCA management structure is made up of Units including secretariat (which heads all the other departments), Finance & Administration, Agri-Business, Microfinance, Projects and Communication, Monitoring & Evaluation and then departments including, Capacity building, Audit and supervision. UCA fully funds the Secretariat and the Finance & Administration departments. Cooperative development programs are supported by both the secretariat and development partners.

## **SOURCES OF FUNDING**

- Member contributions including membership fees, Annual subscriptions and share capital.
- Grants and donations from Development Partners
- Sale of UCA's publications
- Rental income
- Agency fees

### III. GRAPHS

#### i. Number of cooperatives in Uganda by sector:



#### Contacts

Further details on the Mapping research and other country reports are available on [www.coops4dev.coop](http://www.coops4dev.coop)

The production of this report was overseen by staff from ICA-Africa and the International Cooperative Alliance. For any further information or clarification, please contact [mappingresearch@ica.coop](mailto:mappingresearch@ica.coop)

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