



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

# MAPPING: KEY FIGURES NATIONAL REPORT: LESOTHO ICA-EU PARTNERSHIP



*“This report has been produced with the assistance of the European Union. The contents of this report are the sole responsibility of ICA-Africa and can in no way be taken to reflect the views of the European Union.”*



## I. INTRODUCTION AND CONTEXT

This report is part of a Mapping exercise launched by the International Co-operative Alliance and its regional offices within the framework of a partnership signed with the European Commission for the period 2016-2020, which 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 Lesotho.

### i. Historical background

Cooperation among the Basotho people existed as an inherent culture long before the formal recognition of cooperative movement. Basotho people successfully worked together in building houses, ploughing the fields and harvesting to mention but a few. In 1931, the first cooperative buying syndicate was formed which was reportedly destroyed by the managerial problems and lack of experience. In 1933 Bishop Joseph Cyprus Bonhomme of the Roman Catholic Church arrived in Lesotho with experience with cooperatives in Canada. He promoted and formed cooperatives across the country. These cooperatives thrived although there was no regulatory framework at the time. It was until the Cooperative Societies Proclamation Act No. 47 of 1948 was enacted and cooperatives were formally registered and the first Commissioner for cooperatives was appointed in the same year of 1948. The types of cooperatives which were first registered included the wool and mohair cooperatives and marketing cooperatives. Later in the 1950's the farmer's credit union and consumer cooperatives were also registered and many other followed until the number reached about 1500 prior to the enactment of the new legislation of Cooperative Societies (Protection) Act No 10 of 1966. In the 1980's, cooperatives were famous and the government prioritized them in agricultural and food security policies.

## ii. Public National Statistics

According to the Department of Cooperatives Non-Financial Economic Report, the number of cooperatives listed in the report is 99. However, the list excludes the savings and credit cooperatives whose records have not been received when drafting this report. This is a decline from the 179 Cooperatives reported in 2016 in a Government Sponsored Study.

The cooperative movement is tabulated by district and gender participation as shown below:

S/N	District	No. of Coops	Male	Female	or groups	Institutions	Others: Non – accessing members	Total	%	Members	Average	Ranking Based on averages
1.	Berea	20	124	319	46			489	5.38%	26		4.5
2.	Butha Buthe	7	183	236	0		0	419	4.61%	60		2
3.	Leribe	19	141	303	0		0	444	4.88%	23		5
4.	Mafeteng	29	175	318	37		832	1362	14.98%	47		3
5.	Maseru*	69	542	1236	32		10	1820	20.02%	26		4.5
6.	Mohale's hoek	5	33	52	0		3	88	0.97%	18		7.5
7.	Mokhotlong	10	270	246	11		0	527	5.80%	53		3
8.	Qacha's neck	8	63	81	2		0	146	1.61%	18		7.5
9.	Quthing	4	7	69	0		0	76	0.84%	19		6
10.	Thaba Tseka	8	860	1338	8		1515	3721	40.93%	465		1
	<b>Total</b>	<b>179</b>	<b>2,398</b>	<b>4,198</b>	<b>136</b>		<b>2360</b>	<b>9,092</b>	<b>100.00%</b>	<b>51</b>		

Cooperatives are governed by the Cooperative Societies Act, 2000 together with Rules and Regulations promulgated under it and the Cooperative Societies (Amendment) Act, 2014.

### Categorization of Cooperatives in Lesotho

While there is no formal pre-categorization of cooperatives in Lesotho, new sectors emerge from time to time and there is currently sectors classified as agricultural, pharmaceutical, crafts, industrial, consultancy, buying and selling, housing/property, horticulture, financial cooperatives, wool and mohair cooperatives and others.

### Employment – Cooperatives contribution to employment in Lesotho

The cooperative movement in Lesotho is reported to have created employment opportunities for nearly 320 people. These includes, temporary placements and seasonally boom according to different types and operations of cooperatives.

### 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 organizations, considering that a worldwide survey has very challenging goals, and while the value of directly collecting data from non-member cooperatives must be recognized, the present Mapping exercise targets cooperative organizations 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 Lesotho, the Mapping questionnaire, was distributed to, and completed by the one ICA member 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.

### iv. ICA Member Data

Lesotho counts one ICA member organization; Cooperative Lesotho (**Coop Lesotho**)

Cooperative Lesotho Ltd is an apex organization in Lesotho. In 1957 the cooperative movement cooperated and formed the Basutoland Cooperative Banking Union (BCBU) which was intended to serve as a bank for the movement. However, in 1963, it was declared insolvent due to managerial

problems and was liquidated. The government responded by creating the Finance and Marketing Cooperative Union of Basutoland (FMCUB) to serve as an apex for the cooperative movement. This apex changed its name to Cooperative Lesotho in 1970. In 1980, six secondary cooperatives compiled the new Bylaws of Cooperative Lesotho, together with the Government of Lesotho appearing as founding Members of Cooperative Lesotho. In 1993, an inquiry into the constitution and affairs of Cooperative Lesotho was instigated resulting from which it was decided to be liquidated. This liquidation was challenged in the courts of law by the cooperative movement and later on never seen its execution. The courts ruled that Government has never been a member of Cooperative Lesotho as it cannot be a referee and a player at the same time. In 2002, another dissolution order of Cooperative Lesotho was issued. The liquidation process was tracked for years and could not come to completion. In 2006, the incumbent Commissioner audited the liquidation process and ordered that Cooperative Lesotho be resuscitated. Upon this revival, membership to Cooperative Lesotho was allowed to have primary cooperatives and the Bylaws of Cooperative Lesotho were reconstructed and re-registered in 2013.

#### Objectives of the organization

- To facilitate marketing and distribution of agricultural inputs;
- To provide information, education and advisory services on cooperative principles and on the management of cooperative enterprises;
- To assist the study groups and registered societies to determining the feasibility of their projects;
- To facilitate the registration of new societies;
- To advise the Commissioner on cooperative development policy and legislation related issues;
- To represent the cooperative movement at national and international level;
- To coordinate activities of various societies and government agencies for promotion of cooperation.

#### MEMBERSHIP

Coop Lesotho membership comprises of the following types of cooperative societies:

- Poultry Cooperatives
- Dairy Farmers Cooperatives
- Savings and Credit Cooperatives
- Consultancy Cooperatives
- Farmers Cooperatives
- Multi-purpose Cooperatives
- Handicrafts Cooperatives
- Consumer Cooperatives

- Housing Cooperatives
- Industrial and Marketing Cooperatives
- Savings & Credit Cooperatives/ Credit Unions

### **Number of Cooperatives represented and membership**

Total number of cooperatives represented within Coop Lesotho is sixty-four (64) primary cooperatives including those cooperatives which were registered as Secondary Cooperatives prior to Cooperative Societies (Amendment) Act, 2014 which introduced the two-tier structure removing secondary cooperatives. This include Lesotho Cooperative Credit Union League (LCCUL) which has about 50 active Sacco's affiliated under it with general membership of approximately 10 000. Exclusive of LCCUL, Coop Lesotho represents 3 307 members.

### **EMPLOYMENT**

About 103 employment opportunities have been created in affiliate members.

### **SOURCES OF FUNDING**

Coop Lesotho generates income from subletting of its property. The reported revenue in the latest financial year ending 31<sup>st</sup> March 2021 is M1, 200, 000.

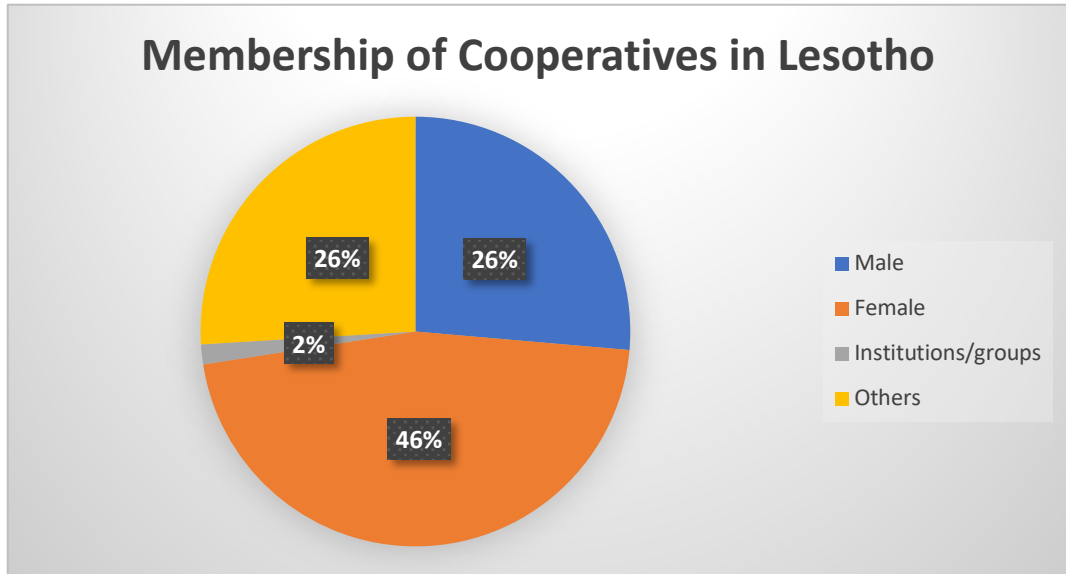
### **v. General overview**

The information provided below represents the data provided in form of infographs for ease of comprehension.

- Number of Co-operatives in Lesotho

	Category	Total
1.	Number of Co-operatives	99
2.	Number of Membership	9,092
3.	Number of cooperatives represented by Coop Lesotho	64

## Membership of Cooperatives in Lesotho



### Contacts

Further details on the Mapping research are available on the following website:

<https://coops4dev.coop/en>

The production of this report was overseen by ICA-Africa. For any further information or clarification, please contact the following address: [info@icaafrica.coop](mailto:info@icaafrica.coop)

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