

COPRORIZ - Ntende

COOP CARD*

Location: Ntende, Gatsibo District

Year of foundation: 2005

N° of members: 3,761

Sector: Agricultural cooperative

Key themes: Poverty reduction, responsible investments, community development.



CONTEXT

Rwanda has a tragic recent past: the story of a genocide that happened in 1994, when almost 1,000,000 Rwandans, mostly Tutsi but also Hutu, were killed. Since the genocide, Rwanda has seen over two decades uninterrupted economic growth and social progress. Here are some interesting facts and figures about this country:

- It ranks 6th for gender equality according to the Global Gender Gap Report;
- Human development in the country is increasing at a fast pace, with the Human development index increased from 0.3 score in 1998 to 0.52 score in 2017, growing at an average annual rate of 2.95 %;
- 55.3% of the population over 16 years old are members of cooperatives. So, cooperatives are in fact an important player to pull people out of poverty.

AUTHORS

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*Information collected during a fieldwork carried out in February 2019.

COOP STORY

The story of COPRORIZ-Ntende started in 2003 when it was set up as an association, becoming a cooperative in 2005. Today it includes 3,761 members, 2,450 of which are men and 1,311 are women (34%). This was linked to a government intervention that transformed the Ntende territories in 2003. At the time, wide expanses of land were used by local populations to grow mainly sweet potatoes for food, but this did not produce enough even for domestic consumption. As a result, there was deep poverty and famine. Government intervention consisted mainly in building a dam and creating a marshland and farmers were encouraged to come together and cultivate that land. Things were difficult at first. Though farmers were highly motivated to improve their wellbeing, they had limited skills at both production and managerial levels. In addition, they did not even speak to each other because of lingering mistrust left by the genocide. However, the wish to work together by overcoming internal divisions attracted funds and training provided by external players. This was a turning point in the story of COPRORIZ-Ntende. Farmers started to grow rice and, little by little, they learned how to increase rice production, how to manage pests, and above all how to manage a cooperative which conformed to the seven principles. One of the successes of the cooperative has been the dynamic of investments in the same cooperative to improve the services to the members (e.g. financial services, health insurance, pension schemes; training) and expand the business model. For instance, they have built a hotel run by the cooperative and additional investments are under way, such as a poultry farming project and the foundation of a farming association composed of members' children who, after completing their studies, engage in fishing activities at the dam for earning their own income.

Another important moment for the story of the cooperative was when its members secured a contract with a national buyer, which assured them a profitable access to the market for rice production. Nowadays the cooperative generates an annual surplus of 40 million RWF (44,300 USD) from rice production and another 60 million RWF (66,500 USD) out of the hotel. This is crucial as it not only means that the level of services assured to members is not affected in case of a bad harvest, but also that the cooperative can meet emerging needs.

HOW HAS THE COOPERATIVE CHANGED MEMBERS' LIVES?

Decent housing, thanks to higher income and easier access to bank loans facilitated by the cooperative that works as a guarantee;

Children's education until university level thanks to small loans from the cooperative to pay children's school fees, the coop shop to buy books and stationary; and easier access to bank loans to access university;

Pension for members older than 70 years old paid by the cooperative fund;

Medical insurance provided by the cooperative fund;

Funeral services paid by the cooperative fund in case a member or any of their relatives pass away;

Increased farming knowledge, thanks to training and technical advice provided by the coop;

Feeling more empowered, thanks to collective power, by actively participating in committees and training;

Easier and stable **access to market**;

Improved nutrition and food security, more knowledge about the balance diet thanks to cooperative training; higher income to buy diversified food; cattle and goat breeding;

Access to electricity thanks to solar panels.

SELECTED QUOTE

“One of the best possibilities to eradicate poverty for many people at once is through cooperatives... Coop leaders, please work hard in transparency and ensure freedom for all members because cooperative failure, success and pride is not only yours... remember that you will always reap what you sow, there is huge opportunity ahead if you aim at common interest!”

Jean de Dieu, managing director



KEY LEARNING POINTS

- Cooperatives set up through a bottom-up process are more likely to survive and perform well than those that are initiated under external initiatives. However, the Coproritz shows that under some circumstances it is also possible to develop a sustainable coop, even in absence of initial local collective action. This happened mainly because of committed and visionary leaders who managed to rebuild trust and motivate farmers, but also thanks to the good support of external actors who provided effective training.
- The role of women in Rwanda is impressive. After the genocide, they became the backbone of the country's development. Targeted training for women had an important role to support them in their process of self-development and in their active participation in the cooperative. Within the cooperative, they also have their own commission where they discuss themes of their specific interest. However, a higher representation at leadership level would be desirable also for the COPRORIZ-Ntende cooperative.
- Investing responsibly to provide demand-driven services to members has been crucial for cooperative development. This coop story showed how cooperatives are capable of generating investment through share capital and loans. Moreover, by creating financial viability and providing effective services to their members, they managed to increase the willingness of members to reinvest in the cooperative itself, generating a virtuous circle of responsible investment and sustainable development.

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This brief has been co-funded by the European Union. The contents of this brief are the sole responsibility of the International Cooperative Alliance and can in no way be taken to reflect the views of the European Union.