Barriers towards Enterprising of Cooperatives in Sesheke District of Zambia

By

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CERTIFICATE OF APPROVAL

We, the undersigned as Examiners, Chairperson of the Thesis Committee and Supervisor recommend that this Thesis has fulfilled the requirements for the award of the Degree of Doctor of Philosophy in Business Administration of the University of Zambia-Zimbabwe Open University.

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DECLARATION

I HABEENZU SIMAMBA, hereby solemnly declare that, this Thesis represents my own work and has not previously been submitted for a degree at the University of Zambia-Zimbabwe Open University or any other University and that it does not incorporate any published work or material from another University. This work has been developed and implemented with corporation between the University of Zambia, Zambia and Zimbabwe Open University, Zimbabwe.

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DEDICATION

I dedicate my Ph.D to my three daughters, Mizinga, twins Mpimpa and Banji Simamba for their endurance of leaving them alone at home during the long period of my study.

ACKNOWLEDGEMENTS

First and foremost, I wish to thank the Lord Almighty for having accorded me this opportunity of successfully completing my Doctorate Degree in Business Administration. Indeed, it was such a mammoth intellectual journey that I will live to remember in my life. The fact that I cannot mention every person that has assisted me to reach this far, there are some against whom omission would be an affront.

Thus, my appreciation goes to my Research Supervisor, Dr. Jason Mwanza for his unwavering mentorship and insightful commentaries rendered to me during the course of my study. Besides this, my gratitude also goes to Dr. Moonga Hangoma Mumba, the Research Supervisor that I was initially allocated to, for having laid a formidable foundation upon which my study thrived on.

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ACRONOMYS

DCU	District Cooperative Union
DSA	District Situation Analysis
FGD	Focus Group Discussion
GRZ	Government of the Republic of Zambia
ICA	International Cooperative Alliance
MAL	Ministry of Agriculture and Livestock
MCTI	Ministry of Commerce, Trade and Industry
NAMBOARD	National Agricultural Marketing Board
NGO	Non-Governmental Organizations
PCU	Provincial Cooperative Union
SACCO	Savings and Credit Cooperative
SAP	Structural Adjustment Programme
UK	United Kingdom
UNIP	United National Independence Party
U.S.A	United States of America
ZCF	Zambia Cooperative Federation

ABSTRACT

The purpose of the study was to explore on barriers to the enterprising of cooperatives in Sesheke District. This was against the background that cooperatives were not enterprising for over a decade. Thus, the study enquired on; what cooperatives were doing in their quest to enterprise, why they were in their current state of non-enterprising and what practical solutions would help resolve the problem.

The study took a phenomenological approach and generated data by enlisting nighty two (92) participants. These included eighty (80) participants from executive boards of cooperatives through focus group discussions and twelve (12) key informants through a workshop. The participants were sampled using Maximum Variation Sampling of which the information gathered was analysed using Qualitative Content Analysis.

The findings revealed that cooperatives of Sesheke District were not enterprising as its members were not collectively engaged into any activity. The non enterprising of cooperatives is attributed to six (6) internal and three (3) external barriers. Internally, the enterprising of cooperatives is impeded by lack of; a vision, business plans, internal resource mobilization, cohesion amongst members, good leadership and profitable investment decisions. While externally, a weak legal framework, lack of access to external aid and a conducive market environment are factors affecting the enterprising of cooperatives.

Cooperative members were not collectively engaged into any activity as they disregarded the cooperative ethics, values and principles. Besides cooperatives did not have vision statements and business plans as members lacked skill on how to formulate them. Apart from this, there was poor internal resource mobilization as members were reluctant to buy shares for fear that their money would be abused by their leaders. Further, lack of cohesion was due to the infighting among the members of cooperatives. While, poor leadership and unprofitable investment decisions were due to high illiteracy levels of its members. Externally, a weak legal framework, lack of access to external aid and poor market environment affected the enterprising of cooperatives due to the prevailing unfavorable policy framework. To overcome the internal and external barriers towards the enterprising of cooperatives in Sesheke District, the study recommended for the strengthening of the cooperative legislation, capacity build cooperatives and establishment of village cooperative banks.

CHAPTER ONE: INTRODUCTION

1.1 Overview

This chapter presents the background to the study, statement of the problem, research questions, purpose of the study, specific objectives, significance and limitations of the study. This is together with the delimitation of the study and an outline of the Thesis.

1.2 Background

Since the 18th Century, cooperatives as enterprises have been acknowledged as the engine of socio-economic growth of most developed countries of the world. This is attributed to their entrenched entrepreneurial tenets that are anchored on internal and external dynamics. Internally, the propensity by cooperatives to enterprise hinge on some factors such as; the vision, working capital and good decisions on investment portfolio (Plunkett, 2005). While externally, the prospects by cooperatives to enterprise are premised on matters pertaining to the legal framework (Khumalo, 2014). In this regard, cooperatives that are enterprising, greatly help to empower their members and communities in which they serve through the provision of affordable goods and services (ICA, 2007).

However, about seventy percent of cooperatives in developing countries have generally been characterised with entrepreneurial stagnation. This is not exceptional to cooperatives that are found in Zambia and Sesheke District in particular (Lolojih, 2009). These cooperatives have had a historical orientation of not enterprising. This problem dates back to the first republic (1964 to 1991) where cooperatives were generally nurtured by the government. The nurturing of cooperatives by the government was mainly in form of giving them handouts and preferential treatment on the market. This state of affairs stifled the cooperatives' propensity to sustainably enterprise, expand their economic activities and become self-reliant. Instead, cooperatives' premium in investing on consumption related projects at the expense of productive projects made them to develop a dependency syndrome (Moonga and Mgemezulu, 2006).

Conversely, with the ushering in of a liberalised market economy during the third republic era up to date (1992 to 2017), this status quo on cooperatives has made them vulnerable to competition on the market. It is for this reason why cooperatives are struggling to become enterprising due to their fragmented foundation upon which they were established (Yubai, 1999).

In the same vein, MAL (2015) asserted that periodical inspection reports from the Department of Cooperatives attributed the problem of non- enterprising of cooperatives to their failure to have a vision, business plan, resources and not operating their businesses profitably as explained in details below.

In the first place, Cook (2008) posited that failure by cooperatives to have a clearly defined vision greatly affect their prospects to enterprise. This is due to the fact that a vision statement creates a unity of purpose for cooperatives. The words contained in the vision statement acts as a framework through which planned activities and structural matters would be formulated, thereby creating synergies (Maghimbi, 2010). In instances where there is a clearly defined vision, all activities of a cooperative would depict what the cooperative stands for, where it is coming from and where it is headed to. In the same vein, having a clearly defined vision statement for a cooperative would set a tone of having an organisational structure that epitomises a corporate culture of enterprising among cooperatives. Ideally, cooperatives would enterprise if they have a responsive structure that clearly defines the roles and responsibilities of all workers. This would help to promote efficiency thereby minimising unnecessary costs to the business venture of the cooperative.

Besides the clearly defined vision, Maliti (2014) argued that the effort by cooperatives to enterprise is stifled by their failure to have business plans. A business plan is of paramount importance as it is a document that spells out the road map through which an intended business venture of a cooperative would be actualized. Indeed, confusion arising from uncoordinated effort would take center stage when executing a business venture that is not guided by a realistic business plan. To avert project failure, a business plan would help to insulate the business from unforeseen risks (Kaleshu, 2007). This is where the weaknesses and threats associated with the business would be offset by its strengths and opportunities. In order to meet the set objectives, rational allocation of resources (human, financial and material) would help to strike a balance between effectiveness and efficiency (Evans and Meade, 2006). Therefore, a business plan should be treated as a guiding document that requires constant review using various strategies. This would help to respond to both internal and external dynamics associated with the business. Eventually, the output of the business plan should be able to contribute towards the realization of the cooperative's overall goal and vision (Evans and Meade, 2006).

Furthermore, failure by cooperatives to mobilise financial resources affect their pursuit to enterprise. Financial resources play a critical role in propelling a planned business venture into fruition. Thus, cooperatives should mobilise resources from internal and external sources. Internally, cooperatives would generate capital through members' shares and retained earnings. Members of cooperatives should be encouraged to buy shares floated at a prescribed price for them to build up their capital stock. This would act as a primary means through which cooperatives would raise start-up capital to finance its businesses. With regards to fund raising through retained earnings, cooperatives should have a deliberate policy of ensuring that part of the profits be reinvested into the business. Externally, cooperatives would raise funds to finance their businesses through loans and grants from lending institutions such as banks and micro-credit firms. Loans are supposed to be repaid to the lender with interest, while grants do not accrue any interest and are not repayable (MAL, 2012).

Finally, cooperatives' failure to operate their businesses profitably is responsible for their non-enterprising. Thus, in order for cooperatives to operate their businesses profitably, they should strive to minimise operational costs. This would help to make the revenue side of the business exceed its expenditure side. On the contrary, once expenditure exceeds revenue, the business would run at a loss. In order to avoid loss making, maintaining records at every stage of the business would help to keep track of its progress. This should be done in conjunction with stock takings or audits in order to make timely corrective intervention where need arises. At the end of each trading period, all the subsidiary records should be aggregated into a profit and loss statement. The profit and loss statement helps to gauge the performance of the business i.e. whether it is profit or loss making. If the analysis shows that neither a profit nor a loss was made, it would entail that the business had a breakeven (Maliti, 2014).

1.3 Statement of the Problem

The Department of Cooperatives has in the past decade been conducting routine annual inspections to cooperatives in Sesheke District in order to assess their level of enterprising. These inspections have been carried out using the Cooperative Inspection Form. As shown under appendix 1, this form assesses the level of enterprising of cooperatives against set benchmarks such as having a vision statement, business plan, among others. In view of this, results from these inspections have consistently shown that cooperatives in the district are not enterprising. In the context of this study, the definition of an enterprising cooperative as adopted from the Cooperative Inspection Form, means a cooperative society that; has a vision, business plan, resources and operate in line with other acceptable business attributes. Thus, cooperatives that do not meet any of these standards are categorized as non-enterprising (MAL, 2015).

Despite these results of the inspections, the reports have not accounted for the barriers affecting these cooperatives in the district to fail to conform to the required standards of enterprising. There is also less intervention being done to help cooperatives to start enterprising as the government and its cooperating partners have not provided lasting solutions to the problem except for the recommendations that end up being filed. Indeed, if this situation remains unabated and if no research is carried out to advance possible solutions or strategies, the cooperative movement in Sesheke District would remain stagnant. Eventually, this would make the livelihoods of its members and the local people to further deteriorate.

1.4 Research Questions

Given this problem, the study's research questions were as follows;

1. What activities are the cooperatives of Sesheke District doing in order to enterprise?

2. Why are cooperatives of Sesheke District not enterprising?

3. How could enterprising be enhanced among the cooperatives of Sesheke District?

1.5 Purpose of the Study

The purpose of this study was to explore what cooperatives of Sesheke District were doing in their quest to enterprise, why they were non-enterprising and what practical solutions would be devised to enable them start enterprising.

1.6 Specific Objectives

1. To describe activities which cooperatives of Sesheke District are doing in order to enterprise.

2. To understand why cooperatives of Sesheke District are not enterprising.

3. To suggest measures that would help to enhance the enterprising of cooperatives in Sesheke District.

1.7 Significance of the Study

This study's findings would be of significance to; policy implementers, practioners of cooperatives and the body of knowledge in the following ways;

Firstly, the findings of the study would influence policy action aimed to resolve the internal and external barriers towards the enterprising of cooperatives. This would be realised by providing valuable suggestions to policy implementers at district level, to in turn make recommendations to policy makers in order for them to devise pro-cooperative policies. These policies may include among others; the strengthening of the legal framework on cooperatives, capacity building of cooperatives based on training needs assessments and the establishment of village cooperative banks.

Secondly, the study's findings would help practioners of cooperatives who include; ordinary members, board members and employees to be pro-active and resolve some root causes of cooperative failure. For instance, by resolving matters related to in fighting in cooperatives and the failure by cooperatives to lobby for better policies from the government would help to overcome internal and external barriers towards their enterprising.

Thirdly, the findings of this study would help to contribute to the existing body of knowledge by generating new insights on the key attributes that would help to stimulate the enterprising of cooperatives. This is against the background that most pieces of existing literature were generally on the mal-functionality of cooperatives and not as to why cooperatives are not enterprising. In the same vein, this study's unique methodology that is premised on both the nominalist and pragmatic ontologies, would serve as a guide to future studies on action research.

1.8 Limitations of the Study

Notwithstanding the significance of the study mentioned above, this study's limitation is that some key informants under the workshop based method may not have a good understanding of the operations of cooperatives. Thus, their some of their responses may be out of context.

1.9 Delimitation of the Study

This study was limited to only agricultural cooperatives that have been in existence for more than five (5) years in Sesheke District of Western Province.

1.10 Outline of the Thesis

This thesis is structured into six chapters. The first chapter gives a background to the study. The second chapter reviews literature related to the study. While, the third chapter presents the methodology of the study. The fourth chapter presents the findings of the study. The fifth chapter provides a contextual discussion of the research findings, while the sixth chapter consists of the conclusion and recommendations of the study.

CHAPTER TWO: REVIEW OF RELATED LITERATURE

2.1 Overview

This chapter strives to review and analyse various pieces of literature related to the study at global level, in Africa and in Zambia. This will be by exploring the developmental trends of cooperatives and an interrogation of the strengths and weaknesses of the literature. The aforementioned will be preceded by a conceptual/ theoretical framework non-inclusion statement, definition of cooperatives in the realm of entrepreneurship, ethics, values and principles. This will be coupled with the legal framework, structure, types and roles of cooperative societies together with a chapter summary.

2.2 Conceptual/ Theoretical Framework

This study was not guided by any concept or theory as it was anchored on the Anti-positivist Epistemology (Interpretivist). According to Blaikie (2010), the Interpretivist do not do an inquiry using a pre-determined concept or theory. This is due to the fact that the interpretivists researchers considered reality to be in the minds of the people being studied and not out there. This stance was further backed by Creswell (2008), who stated that the interpretivists do not start with a theory (as in post positivism). Instead, inquiries help to inductively develop a theory or pattern of meaning of a given phenomenon as shall be shown in Chapter Five, under 5.4 (The Novelty of the Study).

2.3 Defining Cooperatives in the realm of Entrepreneurship

There has been a proliferation of definitions of the term ‘cooperatives’ in the world. For instance, in America, a cooperative is defined as a business or group owned and democratically controlled by its members. These members use the services of their cooperative of which they derive benefits that are distributed equitably on the basis of their membership (Wilkins and Stafford, 2008).

Whilst, in the case of New Zealand, a cooperative is defined as an organization where all people that transact with the cooperative are considered as its shareholders. These shareholders formally control the affairs of the cooperative and derive significant benefits from the proceeds of the cooperative from time to time (Evans and Meade, 2006).

Besides this, in China, the Farmers' Cooperative Law defines a cooperative as a self-help organization. This is where members of the cooperative voluntarily join and participates in the business of the society and derive benefits from the cooperative (Liu, 2010).

Lastly, the universally agreed definition of the term cooperatives by the International Cooperative Alliance, being the apex body of all cooperatives in the world is as follows;

> *"A cooperative society is an autonomous association of persons that voluntarily unite in order to meet their common economic, social and cultural needs. This is realised through a jointly owned and democratically controlled enterprise (ICA, 2007)".*

In view of the foregoing, most cooperatives in Africa, Zambia inclusive belong to the Enterprise School of thought. This is on act of the fact that these cooperatives were established in order to be entrepreneurial. Therefore, Entrepreneurship in the context of cooperative development entails the innovative creation of new business lines in order to satisfy demand, remain competitive on the market and become self-reliant. To actualise this, the weaknesses and threats that are associated with the cooperative should be offset by its strengths and opportunities (Musahara, 2012).

The importance of the concept of cooperatives to this study cannot be over emphasised. This is where a cooperative by definition accords all members to collectively work together towards a given entrepreneurial goal. This implies that the cooperative members are supposed to work in unison by pooling their resources together, a matter that would make their society to start enterprising (MAL, 2012).

2.4 Cooperative Ethics, Values and Principles

According to the ICA (2007), all countries in the world have a universally agreed set of ethics, values and principles. The trio help to govern the affairs of cooperatives from primary cooperative, district cooperative, provincial cooperative, national cooperative (federation) levels to regional cooperative and international cooperative levels i.e. the International Cooperative Alliance in Geneva.

Cooperative Ethics

Cooperative ethics are the minimum standards of behavior which cooperative members are expected to exhibit pertaining to; being honesty, open, socially responsible and ready to care for others. The strict adherence to these ethical issues would greatly help cooperatives to enterprise. This is where ethics serve as a yard stick through which all members should not exhibit self-serving behaviour (interest) at the expense of the behaviour (interest) of the society. By so doing, incidences of dysfunctional conflicts would be minimal thereby directing all resources towards the furtherance of group enterprise (MAL, 2012).

Cooperative Values

Cooperative values are standards that should be exhibited by a united group (members) of people in a society. According to (Republic of Zambia, 2007), these values i.e. self-help, democracy, equality, equity and solidarity are of great importance towards the enterprising of cooperatives. The adherence to these values help cooperatives to enterprise as they harness members’ effort towards the realization of a common goal as explained below;

Self-help: Mandates cooperative members to have the will and capability to improve their living standards through joint action, as opposed to individual efforts and relying on external resources.

Democracy: Is the members' right to participate, be heard, be informed and be involved in decision making. This is premised on the fact that a member is the basic unit and source of authority in the cooperative.

Equality: Means that there should be equal rights and opportunities to participate and improve the use of the society's resources without any prejudices. This helps to strengthen mutual understanding, solidarity and reinforces ethical conduct of members.

Equity: Calls for the fair distribution of income and power in the cooperative society without any form of discrimination. Thus, there is need to ensure that rewards for active participation are equitably distributed through patronage bonus, dividends, allocation of capital reserves and increase in services or reduction in charges.

Solidarity: Means that there should be strength in self-help and collective responsibility for the well-being of the members. Cooperatives also promote solidarity by working with other cooperatives.

Cooperative Principles

With regards to the seven (7) cooperative principles, (ICA, 2007) assert that they have been used worldwide since the 18th and 19th centuries when the first ever consumer cooperative was formed by Rochdale. These principles are of paramount importance towards the enterprising of cooperatives. This is where they help to define the expected members and cooperatives' general conduct and operational mode as explained by each principle below;

Principle 1: Voluntary and Open Membership:

This principle implies that cooperatives as voluntary enterprises should be willing to embrace old, new and prospective members that would want to use their services. The embracing of these people should be devoid of all forms of discrimination if the cooperative is to enterprise.

Principle 2: Democratic Member Control:

Entails that cooperatives as democratically controlled enterprises, should empower their members to actively participate in the formulation of their policies and the making of profitable investment decisions. This should be premised on an equal voting threshold of one member, one vote, a matter that would make the cooperative to enterprise.

Principle 3: Member Economic Participation:

Means members should equitably contribute to the capital formation of their cooperative, thereby making the cooperative to enterprise. This is by reinvesting surpluses and sharing of dividends as prescribed by their by-laws.

Principle 4: Autonomy and Independence:

This principle posits that cooperatives as autonomous and self-help democratically controlled enterprises should not entertain any external interference in the running of their day to day affairs. This helps to make cooperatives self-reliant in their quest to begin to enterprise.

Principle 5: Education, Training and Information:

In this regard, cooperatives are expected to provide education and training to its members. This is together with sensitization campaigns to the general public in order for them to effectively contribute towards the enterprising of their cooperatives.

Principle 6: Cooperation among Cooperatives:

This principle serves to remind cooperatives to instill internal cooperation and external network with other cooperatives at local, national, regional and international levels in order to create synergies. These synergies would help cooperatives to start enterprising.

Principle 7: Concern for the Community:

Cooperatives are expected to extend their services to the communities in which they serve through corporate social responsibility. This helps to foster sustainable development of their societies and later on the enterprising of cooperatives.

2.5 Legal framework of Cooperatives

In the case of Zambia, Cooperative Societies are formal organizations that are registered by the Registrar of Cooperatives in the Ministry of Commerce, Trade and Industry. The legal status of cooperatives is backed by the Cooperative Societies Act No. 20 of 1998 (see appendix 2) and the Cooperatives By-Laws (see appendix 3). The By-laws of each cooperative are an excerpt of the principal Act of Parliament (Cooperative Societies Act No. 20 of 1998) that represent the character of the cooperative society as a body corporate. The By-laws spell out the relationships between and among the organs of the cooperative, thus serves as a guide on the day to day operations of the cooperative.

This legal framework on cooperatives is critical towards the enterprising of cooperatives. For instance, on one hand the current legal framework recognizes cooperatives as autonomous body corporates that can conduct business just like enterprises and companies. However, on the other hand, the current legal framework does not give cooperatives an enabling environment (i.e. no preferential treatment on the market) in order for them to enterprise (Republic of Zambia, 2007).

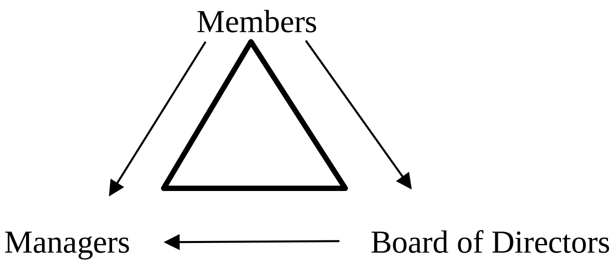
2.6 Structure of Cooperatives

Cooperatives as formal organizations have an internal and external structure that guide their operations (MAL, 2012) as;

Internal Structure of a Cooperative

The internal structure of a cooperatives is in a triangular form involving three parties as shown under figure 1 below;

Figure 1: Internal Structure of a Cooperative



Source: MAL (2012)

Members: Every cooperative society is composed of the general membership. The members own and control the affairs of the cooperative. The fact that not all members can run the affairs of their cooperatives at the same time, they delegate their powers to the Board of Directors, whom they elect from amongst themselves during annual general meetings (Nyambe, 2010).

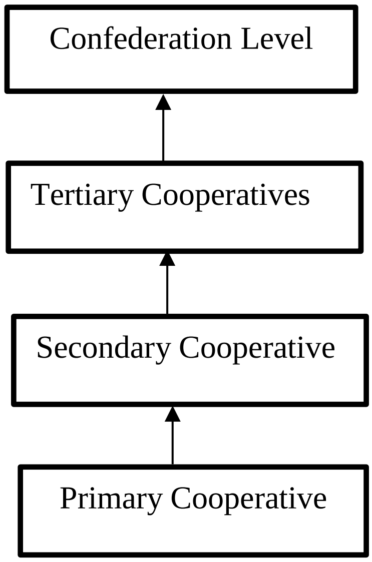
Board of Directors: The fact that the Board of Directors is a group of members elected from the general membership at an annual or special general meeting, they are mandated to represent and safeguard the interest of the members in the cooperative society. They are further responsible for recruiting of the staff of the cooperative to whom they delegate some of their powers to. The Board of Directors are answerable to the general membership of the cooperative (Nkhoma, 2011).

Staff: The third group of people which has the task of making the society succeed comprise the members of staff. These are employees of the cooperative society who work on a day to day basis and are remunerated thereof. They are answerable to the Board of Directors on behalf of the general membership (Musahara, 2012).

External Structure of the Cooperative Movement

The cooperative movement has a three tier organisational structure. This is coupled with a structure at global level where they feed in. The levels are at primary, secondary and tertiary cooperative levels. This is together with the confederation level i.e. the International Cooperative Alliance as shown under figure 2 below;

Figure 2: External Structure of the Cooperative Movement



Source: MAL (2012)

Primary Cooperative Society

At the bottom level of the structure is a primary cooperative society that is formed by ten (10) or more persons as prescribed in the Cooperatives Act and By-Laws. Membership to a cooperative society is open to anyone and is on voluntary basis. Discrimination based on gender, race, religion, politics are highly discouraged (Epetimehin, 2006).

Secondary Cooperatives

In view of the 6th cooperatives principle, "cooperation among cooperatives", primary cooperative societies join together to form a secondary cooperative society. The secondary cooperative society is commonly referred as the District Cooperative Union (DCU). The role of the DCU is to coordinate the activities of other primary cooperatives in the district (Epetimehin, 2006).

Tertiary Cooperatives

The District Cooperative Unions in a province come together to form a tertiary cooperative which is commonly referred to as a federation, i.e. an apex body at national level. In the case of Zambia, the apex body of all cooperatives in the country is the Zambia Cooperative Federation (ZCF). This cooperative coordinates the activities of all cooperatives in the country (Republic of Zambia, 2007).

Confederation

All apex bodies in various countries affiliate to either the regional and/ or international cooperative bodies. In the case of Zambia, the Zambia Cooperative Federation is an affiliate of the International Cooperative Alliance (ICA). The International Cooperative Alliance as an apex body of all cooperatives in the world was formed in 1895 and is headquartered in Geneva. The ICA was established in order to coordinate cooperative activities in the world i.e. like the crafting of the universal cooperative principles that are currently being observed globally (ICA, 2007).

In a nutshell, the internal and external structures of cooperatives is of paramount importance towards the enterprising of cooperatives. In light of this, the internal structure helps to avert role conflict in the cooperative. This is where the members, board of directors and employees would have a clear work break down structure thereby making their cooperatives to enterprise (Republic of Zambia, 2007). Similarly, the external structure helps the cooperative movement to enterprise. This is where advocacy for an enabling environment for cooperatives at primary, district, provincial and national (federation) levels would help to make the cooperative movement enterprising (Yubai, 1999).

2.7 Types of Cooperatives and their Roles

There are different types of cooperatives that exist in the world. These cooperatives are classified either as single purpose or multipurpose cooperatives (Republic of Zambia, 2007). Single purpose cooperatives are societies which only conduct one type of a business activity while, multipurpose cooperatives are societies that are involved in more than one type of a business activity. The primary objective of these cooperatives is to serve the interest of their members and society at large.

Generally, cooperatives are broadly classified by the sector in which they fall under and the the functions which they perform. In the case of agricultural cooperatives that are usually engaged into crop farming and livestock rearing. Charinda (2015) posited that these cooperatives are classified into three types as; marketing, input supply and services cooperatives.

Marketing cooperatives are societies that assist the farmers to actively participate in the market economy by bargaining for better prices. These cooperatives facilitate the setting up of distribution and marketing infrastructure thereby enabling the farmers to sell their produce in large quantities at relatively attractive prices. The establishment of responsive marketing channels prevent middlemen from exploiting farmers along the value chain. Therefore, marketing cooperatives stand on behalf of farmers and transact on businesses in a cost effective manner.

Besides this, marketing cooperatives have been cardinal in helping the farmers to meet the required sanitary and phytosanitary conditions when selling their produce to local and foreign market segments. Indeed, through collective action, agricultural cooperatives have been helping the farmers to process and grade their produce to the required quality standards. The enhancement of value addition has made farmers to sell their produce at a much higher price compared to their counterparts that sell unprocessed products. In the same vein, division of labor and specialization in the realm of collective effort, has helped to increase the production and productivity of farmers. In a nutshell, agricultural marketing cooperatives have also helped to create employment opportunities in the agricultural sector. This has been actualized through their resilient business models to economic and environmental shocks. By so doing these cooperatives have demonstrated the potential of creating massive employment opportunities for enterprising cooperatives (Chambo, 2009).

With regards to input supply cooperatives, these cooperatives have been helping farmers in the provision and distribution of farming inputs such as seed, fertilizer, feed, chemicals, petroleum products, farm equipment and building supplies. By so doing, such cooperatives have contributed towards the enterprise development of farmers. In most cases, members obtain inputs at producer prices thereby reducing the risk of low production. Besides this, input supply cooperatives have helped to create indirect and direct employment opportunities in the sector. This is where owners of these input shops accrue a benefit from the booming of their businesses, while their employees are directly remunerated for the services that they render. Eventually, this bolsters the enterprising of input supply cooperatives thereby alleviating poverty at household level. The uplifting of the livelihood of farmers has led to increased productivity (Chambo, 2009).

Furthermore, service cooperatives that have been working in collaboration with training institutions, private companies and Non-Governmental Organizations (NGOs) have been empowering farmers with hands-on knowledge and information. The services rendered have been in areas such as; trucking, storage, ginning, grinding, drying, artificial insemination, irrigation and insurance to the farming community. Other services that these institutions have been offering are; communications, facilitation in securing land rights and negotiating for better terms of engagement in contract farming. Indeed, such interventions have helped farmers to increase their productivity and to keep up with new technologies, thereby enabling the farmers to sustainably enterprise through synergies (Charinda 2015).

Lastly, according to MAL (2012), cooperatives also provide financial related services to its members. These cooperatives fall under the category of Savings and Credit Cooperatives (SACCOs). These SACCOs are known by different names in various parts of the world i.e. village cooperative banks, savings and credit cooperative unions, thrift and credit cooperatives.

Thus, these cooperatives serve as financial institutions that are owned and controlled by its members. They adhere to the governance principles of a typical cooperative. These cooperatives pool funds from members’ savings which they later give out as loans to eligible clients at reasonable rates of interest. Ultimately, this facility helps to improve the members’ socio-economic standard of living (Republic of Zambia, 2007).

2.8 Review of the Developmental trends of Cooperative Societies

This study endeavoured to review the developmental trends of cooperatives at Global level, in Africa and Zambia. This general information on the development of cooperatives helped to create a foundation upon which the study was anchored on.

2.8.1 Review of the Developmental trends of Cooperatives at Global Level

The researcher reviewed the developmental trends of cooperatives at global level. This was with regards to the following 10 countries; United Kingdom, Germany, France, Italy, Belgium, Greece, United States of America, China, Malaysia and Nepal as contained hereunder.

United Kingdom

Historically, cooperatives in the form of an enterprise originated in Europe in the 18th and 19th centuries. The cooperative movement came into existence as a self-help vehicle of overcoming extreme poverty which was exacerbated by mostly the worst hardship of low remuneration which workers encountered during the industrial revolution era (Dejene, 2014:11).

Thus, in 1844, the United Kingdom witnessed the formation of the first ever consumer cooperative society in Europe called Rochdale Society of Equitable Pioneers Limited. This cooperative was founded by a group of weavers who came together to champion the deteriorating conditions of service at their places of work. Therefore, the cooperative aspired to uplift the welfare of its members through the provision of; food, education, better housing, employment opportunities together with other socio-economic needs.

Then, in 1867 the first farmers' cooperative was established so as to provide goods and services to its members and society as well. However, in the succeeding years, the cooperative movement mainly developed in the supply sector with less progress in the marketing sector. It was until the 1920s after the collapse of the Federal Agricultural Wholesale Society when agricultural cooperatives were rejuvenated. These cooperatives diversified their activities to value addition i.e. processing coupled with the offering of other essential services to their members. These services ranged from technical to management services.

On the status quo of cooperatives in the UK, cooperatives have been facing stiff competition on the market against the products of other organizations. This is together with a legal framework that is characterized with flaws as it does not clearly define the role of cooperatives in the economy. However, the registration of cooperatives is permissible under the enabling Acts of the Industrial and Provident Societies or the Companies Act. Instead, the term "Farmer Controlled Business" is increasingly used to designate all organizations, including cooperatives, in which farmers hold both control and the majority of shares in the ownership structure (Dejene, 2014:11).

Germany

In the 1840s, Germany became the birthplace of the formation of credit cooperatives (village cooperative banks) in Europe. These cooperatives grew and became very successful in the latter half of the 19th to 20th centuries. Therefore, urban based cooperatives that had limited liability were known as; Schultze-Delizsch Banks, while those cooperatives that had unlimited liability were known as Raiffeisen (Banaszak and Beckmann, 2006). The cooperatives that did not fall in any of the two categories were known as the Haas. By the end of the 19th century, the Raiffeisen cooperatives unlike the Schultze-Delizsch and Haas grew throughout Germany at a very fast pace. This is evidenced by the fact that by 1885, there were about 245 Raiffeisen village cooperative banks, such that by 1919, the number rose to over 14,500 together with 1.4 million members (Banaszak and Beckmann, 2006).

On the legal framework, the influence of the first Prussian Law of 1867 and the Reich Law of 1889 on cooperatives, are in essence still valid today. These laws, facilitated the creation of cooperatives by limiting their civil responsibilities, assured solid waste management, compulsory inspection by controlling bodies and restricted non-members from participating in the affairs of the cooperative. The success which the village cooperative banks recorded with regards to their lending operations helped them to take stock of who was borrowing and for what purpose. This ultimately helped them to ensure that all loans were recovered as scheduled.

Furthermore, the management of the affairs of the cooperative movement in the country became streamlined as each cooperative operated in a given region. This helped members to have information about each other's progress with easy. Thus, in an effort to enhance transparency and accountability, these cooperatives were subjected to annual audits. This helped to ensure that all employees and the board of directors were working within the confines of the laid down guidelines (Chambo, 2009).

France

In the case of France, although agricultural cooperatives existed as early as the 12th century, modern cooperatives developed at the end of the 19th century. Charles Fourier pioneered the establishment of worker cooperatives in an effort to fight poverty. This was done by the pooling of resources by workers that lived together. This was with a view of consolidating their effort so as to collectively fight for better conditions of service (Charinda, 2015).

Thus, the wine cooperatives had a big influence on the development of the cooperative movement in France. However, in 1904, during the large wine crisis, cooperatives diversified into the rearing of livestock i.e. dairy cattle, a matter that saw the creation of dairy cooperatives. These cooperatives improved agricultural techniques, expanded markets for agricultural products, though faced massive competition from its rivals (Jarka, 2002:21).

Conversely, the cooperative movement was restructured during the inter-war period through the collaborative effort of public authorities and farmer organizations. This was amidst the wheat market crisis of the 1930s which led to the development of cereal cooperatives and the establishment of the wheat office. During this period, cooperatives faced the challenge of limited capital for investment as they needed to produce more in order to meet demand. Thus, after the World War II of 1945, a national association of cooperatives was established by the government in a bid to look at the plight of cooperatives in the country. This enabled the farmers to increase their production through agricultural cooperatives (Jarka, 2002).

From the 1960s onwards, the French agricultural cooperatives transformed and experienced concentration. The legal framework on agricultural cooperatives was enshrined in Book 5 of the Rural Code. Therefore the government considered cooperative societies as commercial or civil societies, whose prime aim was to decrease the cost price of certain products and services. This was together with the adding of value to farmers' produce thereby improving the quality of products on the market (Jarka, 2002).

In order to consolidate the country's agricultural productivity in the economy, the French Government ensured that farmers worked through the cooperative model as was the case with the dairy, cereals and wine sub sectors. Generally, French farmers became active members of the cooperative movement. This arrangement also allowed non-members to trade with cooperatives. Although business with non-members was permissible, the extent to which trade occurred was restricted to 20 percent of the cooperative's turnover. The legal framework also stipulated that individuals and corporate entities that did not use the services of cooperatives, were free to contribute through share capital. This made them to equally become members of these cooperatives as shareholders. Such members were referred as investor-members of which their voting rights were proportional to their shares (Jarka, 2002).

Italy

The Socialists and Catholics contributed towards the growth of the cooperative movement in Italy. The duo regarded the cooperative movement as an impressive tool for socio-economic aggregation. This was despite their (Socialists and Catholics) ideological differences on which cooperative model was appropriate. In this regard, the Socialists facilitated the growth of labour cooperatives among farm laborers. This was in a bid to help mitigate the problems which they encountered in their course of working (Borzaga and Santuari, 2001).

On the contrary, the Catholics promoted the growth of the credit cooperatives i.e. village cooperative banks in Italy. This was actualized through the creation of a network of credit associations to the rural middle classes that were not reached by the socialists. These village cooperative banks were modelled along the German Raiffeisen model. However, the performance of these village cooperative banks were better in the Northern than the Southern part of Italy. Researchers attribute this variance to environmental dynamics of the two regions. In essence, this dissimilarity in performance was due to the differences in the levels of social capital in the Northern and Southern Italy (Borzaga and Santuari, 2001).

Over time, the village cooperative banks bolstered Italy's economy as they raised funds through public deposits and also obtained loans from commercial banks that were secured through the unlimited liability of their members. As a way of trying to instill fiscal discipline in these cooperatives, fines were imposed on members who failed to attend meetings and meet other financial obligations. In the North of Italy, where these cooperatives were relatively successful, the cooperative movement obtained most of their funds through current and savings accounts, while in the South, where they were much less common, loans from commercial banks were on the rise. Some village cooperative banks later developed into commercial banks and often these institutions had deposits of about 2 to 3 times as large as their loan portfolio with the excess being placed in other commercial banks (Borzaga and Santuari, 2001).

With time, the cooperative movement in Italy took a broader perspective away from the labour and village cooperative banks. The cooperative movement diversified to other sectors of the economy which were not limited to; agricultural production, manufacturing, services and housing.

Structurally, the cooperative movement is represented by three national organizations as; "Lega Nazionale delle Cooperative e Mutue" at national level, "Confederazione delle Cooperative Italiane" at district level and "Associazione Generale delle Cooperative Italiane" at primary level. These organizations are further organized into cooperative unions, known as "Consorzi", with local, regional, national or international responsibilities that play a fundamental part in the Italian cooperative movement and its development. These Consorzi further provide the cooperatives with services of a very varied nature or raise funds, which the cooperatives could not obtain on their own (IFAD, 2011).

Lastly, cooperative enterprises in Italy are legally organized as mutual associations. The legal framework is laid down in article 45 of the Italian constitutions. The law on cooperatives was reformed in 1992 with the intention of increasing flexibility with regard to the financing of cooperatives. Prior to registration, each cooperative was subjected to a number of obligatory principles. Upon fulfilling these rules, the group was officially registered as a cooperative. With regards to the membership, the minimum number of members was fixed at 50 for consumption cooperatives, 15 for production and worker cooperatives and 9 for other types of cooperatives, which also comprised the agricultural cooperatives. Cooperatives are exempted from paying most local taxes. This is meant to cushion the challenge of massive competition which cooperatives are facing on the market. Thus, the tax exemption only applies if the total remuneration of the members is more than 60 percent. In addition, cooperatives are eligible for tax exemption if the other costs making up the added value of the undertaking is between 40 and 60 percent and if the tax is only half of the normal rate (IFAD, 2011).

Belgium

In the 19th century, the cooperative movement in Belgium originally started in the marketing sector. These cooperatives were mostly consumer based as they championed the plight of their laborers. Due to differences in the ideological and political landscape of the country, labor based cooperatives over shadowed the development of producer cooperatives (Jarka, 2002:15).

Thus, three sections of society namely the Christians, Socialist and the Non-aligned citizens were key in the formation of the cooperative movement in the country. The aim of Christian cooperatives was to give material help to workers, unite the social classes and halt the rise of socialism. In contrast, the Socialist cooperatives were based on opposing ideology. The objective of the Socialist based cooperatives were to fight against the capitalists and merchants. Besides this, Socialist based cooperatives were mandated to supply goods and services to workers at low prices. Gradually, cooperation became a vehicle for social change and an alternative to the capitalist system (Jarka, 2002).

The absence of a legal framework on agricultural cooperatives, made farmers under the agricultural sector not to operate as cooperatives, but as corporations. Agricultural cooperatives were regarded as corporations that met the least regulations by law.

Nevertheless, agricultural cooperatives strove hard and were given official recognition. This made Belgian cooperatives to be active in crop farming i.e. horticulture and livestock rearing i.e. for the meat and dairy sectors. Although a large number of cooperatives were involved in the dairy sector, approximately half of the total Belgium milk supply was collected by private companies on a daily basis. This is the competition problem which cooperatives are still grappling with on the market.

Greece

The development of the cooperative movement in Greece has been organised using a top-down approach. This is due to the absence of a strong membership base at grass root level, thereby rendering the agricultural cooperative movement weak. This problem was aggravated by the fact that Greek peasant farmers had never been organised into a strong agrarian unit (Kokkinidis, 2010).

Instead, the demands of the Greek peasants were represented by the major bourgeois parties. This struggle by the peasant farmers to be united saw the formation of the Greek Agrarian Party in 1922. This type of organization and representation of farmers' interests was aimed at aligning the farmer's demands with the political machinery of the state. This meant that agricultural cooperatives in Greece hardly exercised any autonomy to formulate their vision and make their own business plans.

On the legal framework, much as the state enacted a cooperative law in 1915, its interference in the running of cooperatives heightened. This perpetuated problems in the operations of cooperatives as societies were compelled to act in the interest of the state i.e. at the expense of their members. Consequently, the state imposed inexperienced people as leaders of most cooperatives, a matter that caused disharmony amongst the members (Kokkinidis, 2010).

The cooperative law only allows a minimum of 7 persons per cooperative. For a group to operate legally as a cooperative, the Ministry of Agriculture has to grant permission, failure to which, such a group can be disbanded. The role of the ministry equally extends to the supervision of cooperatives in the country. But in 1929, the supervisory role of the Ministry of Agriculture to cooperatives was transferred to the development bank. This move contributed towards the growth of the cooperative movement in Greece to the present day.

United States of America

With regards to the United States of America, the Philadelphia Contributionship as one of the earliest cooperatives was established in 1752. This mutual fire insurance cooperative was mandated to insure houses against the risk associated with fire of which the society still exists today (Fredrick, 2007).

In the 1900s, agricultural cooperatives in the U.S.A sprung up. These cooperatives were established to cushion the economy from a combination of economic, farm organization and public policy problems. To particularize, these cooperatives were formed mainly for two reasons. The first reason was premised on the fact that individual producers needed institutional mechanisms to bring economic balance under their control. This move was necessitated in order to resolve the excess supply-induced prices that became severe during the agricultural depression (Plunkett, 2005).

Secondly, agricultural cooperatives that were formed as individual producers, needed institutional mechanisms to countervail opportunism and hold-up situations encountered when markets failed to be responsive. This made most agricultural producers in the U.S.A to work collectively as cooperatives thereby depressing prices and market failures. The depressing of prices or market failures create incentives for producers to thrive. Much as the cooperatives in the USA are performing well, they are only grappling with apathy from their members. This is where members feel that cooperatives as bulkers of their produce are acting like middle men and reap more at their expense.

China

The development of farmer cooperatives in China can be categorized into four periods as; before 1949, from 1949 to early 1980s, from early 1980s to 2007 and from 2007 to date. Before the 1949 era, both government and NGOs tried to promote modern cooperatives in rural China. However, due to a varied understanding of approaches in promoting cooperatives, results and efforts were different. The ‘top down’ approach of forcing citizens to participate in the affairs of the cooperatives yielded poor results. This is where cooperative members did not understand the vision of their cooperatives. Worse still, cooperative members did not participate in the formulation of their business plans. While the ‘bottom up’ approach proved to be more productive as members that voluntarily joined cooperatives became more active. This led to the formation of producer’s cooperatives, consumer cooperatives, marketing cooperatives and village cooperative banks (Liu, 2010).

In 1949, the establishment of the People’s Republic of China (PRC) brought a new era to the development of farmer cooperatives in China. In the 1950s, the land reform program made farmers to be landowners thereby raising farmer’s enthusiasm. On the legal framework, a new agricultural cooperative law was enacted by the government to develop and guide farmer cooperatives. However, the government viewed the transformation from individual farmer proprietorship to collective farming as a long-term process. This made the government to recognize collectivization as a way to mobilize rural surplus labor. This transformation process proceeded gradually, through three distinct phases as; firstly, mutual aid teams were voluntarily formed by 6 or more households, secondly, ‘semi-socialist’ or ‘low’ agricultural producing cooperatives were constituted. This is where land was pooled and farming was done cooperatively, though farmers still retained their ownership of land. Thirdly, ‘higher’ or ‘advanced’ cooperatives were established where private land ownership was abolished. This policy resulted in the rapid growth of farmer cooperatives in rural China. Under this communal farming system, each unit planned its own activities, including the overall management of its small industries, secondary education and hospitals. It covered almost everything related to its members' lives. Consequently, this 'rushed' government policy failed due to the lack of mass support coupled with bad weather. With time, farmer cooperatives stagnated in the 1960s and the 1970s (Liu, 2010).

The 1980s to 2007 period was characterized by the implementation of the household contract responsibility system. This system was based on the central government decision and the establishment of farmer specialized cooperatives. The household contract responsibility system together with remuneration was linked to the output as the main policy tools for the reform in rural areas. The people's communal farming system was cancelled and a system of township government was restored. Farmers were given greater freedom to choose which crops to cultivate and the household became the dominant unit of production. This legal framework greatly enhanced and stimulated farmers' motivation and resulted in increased agricultural productivity and rural incomes. Towards the end of the 1980s, various households combined and specialized associations began to appear. However, since there was no prompt formulation of the cooperative law, those specialized farmer associations could not register and obtain legal status as cooperative enterprises. They were unable to carry out independent economic activities. These types of new farmer associations were left to live or die (Liu 2010).

In the 1990s, earlier experiments in enterprise development began to spread nationwide. This was followed by the publication of the Ministry of Agriculture circulars whose aim were to standardize models. At this stage, attention was particularly focused on specialized production within technical associations and to reform township and village enterprises into shareholding cooperatives i.e. village cooperative banks. By 1997/1998, the ground rules for the agricultural economy began to fundamentally change, as emerging national markets in agricultural production shifted, from a supply to a demand orientation. Thus, farmer specialized cooperatives begun to emerge, especially in crop farming of fruit and vegetables. These specialized cooperatives were involved in pre and post farm production activities. This was in relation to the purchasing, processing and marketing demands that arose at that time.

In the 1990s and early 2000s, there were two main types of farmers' economic organization, which included farmers' specialized association and farmers' specialized cooperatives. The main difference between these two forms of organizations was the ownership of fixed assets and the functional activities in terms of production, marketing or processing. The specialized cooperatives were registered with the Administration of Industry and Commerce Bureau and had fixed assets while farmer specialized associations were registered at the Civil Affairs Bureau and they normally did not have any fixed assets. It was clear that the lack of a good legal framework had affected the development of farmer cooperatives in China. In 2006, the Chinese Farmer Specialized Cooperative law was enacted aimed to formalize and standardize the farmers' economic organizations and took into effect in 2007.

From 2007 to date, the enactment of the Farmers' Specialized Cooperatives Law of 2007 and other pieces of legislation, made farmer cooperatives to develop very rapidly in rural China. According to the data from the Ministry of Agriculture, there were about 310,000 registered farmer cooperatives with 26,000,000 household members by June 2010. These farmer cooperatives had shown remarkable results in the acceleration of the agricultural development and an increase in farmers' revenue. Since then, the development of farmer cooperatives became a highlight in the innovation of China's agricultural management organizations and systems (Liu, 2010).

Malaysia

The cooperative movement in Malaysia has since the pre-independence era been considered as the third engine of economic growth besides the public and private sectors. Cooperatives have been regarded by the government as a tool for the country's economic development especially in helping to eliminate rural poverty and enhance urban development. This has been together with the resolving of the inequality income disparity between the rural and urban dwellers (Azmah, Fatimah, Rohana and Rosita, 2013).

To further enhance the growth of the cooperative movement in the country, the Government of Malaysia has been providing technical assistance to cooperative societies. This has been through the seconding of government officers to newly established cooperative societies. These officers have been instrumental during the initial developmental stage of most cooperatives. Indeed, such technical input, has helped cooperatives to overcome their initial financial burden and enterprise sustainably.

With regards to the legal framework, the Malaysian Cooperative Societies Act of 1993 has been in congruency with the prescriptions of the International Cooperative Alliance. This is where the government define a cooperative, as an organization formed and owned by a group of individuals for the purpose of improving their participation in economic and social activities of its members, based on the cooperative principles. Thus, all cooperatives in Malaysia have been managed based on the values of self-help, self-responsibility, democracy, equality, equity and solidarity. This is together with the adherence to the seven universal principles. By December 2010, there were about 8,146 registered cooperatives in Malaysia with 6.6 million members. This entails that about 23.3 percent of the country's population is a member of some form of a Malaysian cooperative (Azmah et al., 2013).

Although these figures give an indication that cooperatives are doing fine, to the contrary, cooperatives in Malaysia are still at cross roads. This is due to the stiff competition on the market which cooperatives face from other institutions. The competitors that are working in the same sector where cooperatives are operating from, pose a threat to the survival of the cooperative movement. Thus these problems which the cooperative movement has been facing require the intervention of the cooperatives themselves and the government. Besides this, cooperatives would have thrived, if the National Cooperative Policy gave preferential treatment to cooperatives over their rivals. By so doing, cooperatives would only enterprise if problems that threatened their survival such as; their smallness in size, members' apathy, poor networking amongst cooperatives and the failure to generate sufficient capital would be resolved (Azmah et al., 2013).

Nepal

Finally, with regards to the Nepalese context, the modern cooperative movement was established in 1953. The cooperative movement came into existence with a view to support the flood victims of Western Part of Nepal. These flood victims that were given humanitarian assistance were resettled to drier areas (Anup, 2014).

However, prior to the establishment of the modern cooperative movement in Nepal, different types of informal cooperatives existed in various communities across the country. Most of them were village cooperative banks whose line of business was to do with credit and savings. These groups operated informally as they were not officially registered. This was due to the fact that the legal framework was not in place by then. Thus, the enactment of the Cooperative Societies Act in 1959 gave legal identity to 13 village cooperative banks that the government registered. With time many laws and acts were amended to try and promote the growth of cooperatives in the country (Anup, 2014).

Therefore, after the restoration of democracy in 1990, the democratic government enacted the revised Cooperative Act of 1992 coupled with the Cooperative Regulations of 1993. The enactment of these pieces of legislation prompted many people to join effort and established their own cooperatives. Therefore, cooperatives were allowed to operate in any sector of the economy, provided their activities did not infringe on the provisions of the constitution of the land.

However, Nepalese cooperatives are still facing numerous challenges. These ranged from lack of donors to provide capital for reinvestment, inexperienced leadership, unfair trade on the market and members' apathy to buy shares.

Summary of key issues

The developmental trends of the selected countries at global level helped to provide a basis upon which the study was built on. In the United Kingdom, Germany, France, Italy and Belgium, cooperatives were transformed from the Rochadale model of weavers to village banks. This bolstered the capital base of the cooperative movement. While, in the USA, cooperatives were organized around the insurance industry where investment became secured. Lastly, in the Asian Countries i.e. Malaysia, Nepal and China, cooperatives were used to resolve the income disparity gap between the urban and rural dwellers.

2.8.2 Review of the Developmental trends of Cooperatives in Africa

The researcher reviewed the developmental trends of cooperatives in African. This was with reference to the following 10 countries; Egypt, Nigeria, Ethiopia, Kenya, Uganda, Rwanda, Tanzania, Malawi, Zimbabwe and South Africa as discussed hereunder.

Egypt

According to Mohamed (2004), the history of the cooperative movement in Egypt can be traced to 1908 as part of the national movement against the British occupation of Egypt. This campaign was waged to force the colonial masters to leave production resources and country management to the locals.

Thus, in 1910, the first agricultural cooperative was established through the famers' self-effort. Four years later, the number of household cooperatives in Egypt reached 17. Many attempts to issue a legal framework for the promotion of cooperatives was blocked by the British occupants. The British blocked this law for fear that the cooperative movement would be used to chase them out of Egypt.

In view of this, many agricultural cooperatives did not succeed in this period. By 1923, the cooperative movement showed signs of deterioration as the colonial government was not generally supportive. The year that followed, the government issued the first cooperative legislation in a bid to promote the growth of cooperatives in the country. Unfortunately, this legislation was defective as it required cooperatives to work like 'a company' in terms of its capitalist structure. This was a serious blow to the cooperative movement as they were undercapitalized, thus could not afford to make the prescribed profits. Worse still, this law only restricted cooperatives to operate in the agricultural sector (Mohamed, 2004).

But, in 1927, a second cooperative law was enacted, which allowed cooperatives to operate in different kinds of sectors. This law made a number of cooperatives to increase to 297 by 1930. The government also started supporting these cooperatives with loans for recapitalization (Mohamed, 2004). To augment this, the Egyptian

Agricultural Credit Bank was set up by the government in 1931. The bank was tasked with the responsibility of lending funds to agricultural cooperatives and farmers. In 1944, another law on cooperatives was enacted. This law allowed farmers and cooperatives to have shares with the Agricultural Credit Bank. In addition, the new law gave cooperatives some duty and tax exemptions in their course of production.

Further, the government empowered cooperatives with productive assets and instituted a prudent management system. This made the government to start monitoring and auditing cooperatives. Eventually, way was paved for the formation of cooperative unions, public associations and a consultative council for easy coordination. The supportive hand which the government rendered to the cooperative movement increased the number of agricultural cooperatives to 1,664 in 1948. Generally, cooperatives continued to perform sustainably up to the 1960s (Mohamed, 2004).

However, during the period 1961 to 1967, the cooperative movement greatly deteriorated. This was as a result of increased leadership problems within cooperatives which culminated into poor service provision. Thus, a commission of enquiry was appointed to identify the root cause of these problem. The commission found out that most cooperatives were undercapitalized as they did not have business plans to give direction of what they envisioned to be in future. This made these cooperatives to venture in consumption related activities.

As a result of the commission of enquiry's recommendations, the running of cooperatives got back on its right track to the present day. In order to make the cooperative movement sustainable, agricultural cooperatives were linked to other sectors of the economy where they invested in capital projects. This helped to create economies of scale across various sectors. Further, agricultural cooperative union embarked on division of labor and specialization as a way of improving the strategic management of their cooperatives. This greatly enhanced efficiency of the cooperative movement in the country as members were encouraged to work cohesively. This is where each field i.e. crop farming, livestock rearing, fish culture had its own independent cooperative structure with a general assembly up to the top (Mohamed, 2004).

Nigeria

The notion of cooperation amongst cocoa farmers of Nigeria started as far back as 1907. Notable among the earliest cooperative societies was Agege Planters Union of cocoa producers. Primarily, over 400 cocoa farmers worked together to make cocoa the country's major foreign exchange earner (Epetimehin, 2006).

From the proceeds of cocoa production, the colonial government acknowledged the importance of working through cooperatives. Therefore in 1935, the colonial government enactment the first cooperative legislation in a bid to make cooperatives to thrive in Nigeria. Through this avenue, the government further promoted the culture of savings among the cocoa producers and other low-income earners.

This necessitated the massive formation of Cooperative Thrift and Credit Societies in 1936. This type of cooperative spread all over Eastern and Western Nigeria. The enactment of the cooperative ordinance prior to independence propelled the further development of cooperatives in the country. In 1953, the cooperative movement formed a cooperative bank. The bank was meant to provide financial needs to members of cooperative societies across the country (Epetimehin, 2006).

After independence in 1960, several cooperative societies and union were formed and registered by the government. This was to bring cooperatives nearer to the grass roots of various communities.

However, as cooperatives have been developing, there are various problems that have been affecting their performance. Some of the notable challenges have been; members' unwillingness to commit their limited resources (shares) to the cooperative movement, and inexperienced leadership. Other factors that have led to poor performance of cooperatives are related to lack of empowerment from the government coupled with lack of external aid from cooperating partners (Owojuyigbe, 2007).

Ethiopia

In the initial days of the imperial regime, the organization of Ethiopian agricultural cooperatives was completely different from the Western type of agricultural cooperatives. This is where agricultural cooperatives were setup in form of production (livestock rearing) or agricultural (crop farming) collectives to jointly produce livestock and cash crops such as coffee, tea and spices. However, collective based production cooperatives in Ethiopia were not in a position to operate efficiently and effectively due to competition on the market, incoherent efforts from members, insufficient aid from the government and poor business planning (Deininger, 2007).

While, during the socialist regime, agricultural cooperatives did not operate sustainably as they continued to receive arms (handouts) from the state. The state capitalized on the vulnerability of cooperatives and started using them as instruments for controlling the agricultural sector. In addition to this, the state was using cooperatives to prevent the rise of capitalistic forms of organization in the country. In the socialist era, there were two types of agricultural cooperatives that existed. These were production cooperatives that were engaged in collective production and service cooperatives that were handling modern inputs, credit, milling services, selling of consumer goods and purchasing of farmers produce. The production based cooperatives were cost-effective and operated over 50 percent of the nation's cultivable land in the realm of joint production. However, ill-conceived policies coupled with the general apathy of farmers resulted in lower production and productivity. Ultimately, the labor cost shot up as farmer laborers were deployed to cater for individual farmers that withdrew their participation in cooperatives. Besides this, the coercing of farmers to work with and through cooperatives coupled with the constant interference of the government in the running of cooperatives contributed to their poor performance. This was attributed to the fact that members of these cooperatives did not have a sense of responsibility as they did not join willfully (Dejene, 2014).

Prior to 1990, agricultural cooperatives in Ethiopia were 'quasi' cooperatives both in their undertakings and membership. During the late 1990s, the government of Ethiopia revived its interest in cooperatives. This made cooperatives to become part and parcel of the country's agriculture and rural development strategy (Dejene, 2014).

In particular, the government strongly promoted agricultural marketing cooperatives to encourage smallholder farmers' participation in the market. As proclaimed in the new legal framework, this new wave of cooperative organizations was thought to be different from previous cooperative movements. Although externally induced formation of cooperatives was still prevalent. In relative terms the new policy allowed cooperatives to be diverse and independent participants in the free market economy.

With the introduction of a new mixed economic system in 1991, farmers were given the choice to work on either communally or individually owned land. It was at this time that the country witnessed a massive relocation of most of the farmers from common lands to individual holdings (Bernard, Spielman, Taffesse and Gabre-Madhin, 2010).

Consequently, this led to the weakening and subsequent collapse of most production cooperatives in the country. Despite the effort made by the government to create an enabling environment for agricultural cooperatives through the issuing of new regulations, the shift from communism to individualism continued. Not only that, most cooperatives down sized on their own due to the massive competition from the private traders.

As part of the government support towards cooperative promotion, cooperative governance was also reinforced through the establishment of the Federal Cooperative Commission in 2002, a public body to promote cooperatives at national level. The commission was established with a view of providing cooperative services to two-thirds of the rural populations. This was also aimed at increasing the share of agricultural cooperatives in input and output marketing through the establishment of at least one primary cooperative in each district. Much as the country has witnessed massive growth of the cooperative movement, its coverage per district has been around 35 percent with about 17 percent of the households living in these districts as members (Bernard et al., 2010).

Kenya

The evolution of Kenya's cooperative movement has been quite dynamic i.e. from the 1900s to date. In the colonial days, the cooperative movement in Kenya was mainly organized around experimentation on agricultural activities, i.e. crop farming of mainly cereals and livestock rearing of dairy cattle. The cooperative movement witnessed the enactment of a legislation on cooperatives in the 1930s. This piece of legislation facilitated the reorganization of cooperatives in terms of acquisitions and mergers. This was across various value chains of the economy. These independent cooperatives, coalition and acquisitions did not have a definite organizational structure (Ochanda, 2014).

After independence in 1963, the government further reorganized the cooperative movement. The new cooperative structure was premised on a three tiers system of organization. The three levels comprised, the grassroot cooperatives, district cooperative unions and the national cooperative union (Ochanda, 2014).

Besides this, another important milestone that was recorded in the same year was the establishment of the cooperative bank of Kenya. The cooperative bank was instrumental in the recapitalization of the cooperative movement. These reforms were supported by the enactment of the Cooperatives Societies Act Cap 490 of 1966. The act provided for the creation of the office of the Commissioner of Cooperatives which replaced the Colonial Registrar of Cooperatives.

In 1964, the government created the Kenya National Federation of Cooperatives as an apex body of all cooperatives in the country. The apex body was tasked with a responsibility of promoting the development of cooperatives in the country through a well-coordinated effort. The apex body became a focal point on matters related to cooperative policy, conflict resolution and representation at both national and international fora. Further, the apex body assumed the role of official national and international voice of the Kenyan cooperative movement. The apex body drew its membership from grassroots cooperatives, district unions to the national cooperative organizations and by 1990 it had a membership base of about 8,000 cooperatives (Wanyama, Develtere and Pollet, 2009).

However over the years the apex body started performing poorly. This was due to the fact that it lost its vision by veering off from its coordination role to the execution of technical activities which were supposed to be undertaken by national cooperative organizations and district cooperative unions. Consequently, problems such as nepotism, gross mismanagement, inability to pay the affiliation fee to the International Cooperative Alliance due to poor resource mobilization and poor leadership became the order of the day for the apex body. In the 1990s the apex body was headed for collapse as it lost over 96 percent of its affiliates. The affiliates pulled out as the apex body did not have a clear business plan as a basis of spending their contributions (Wanyama et al, 2009).

Then in 2005, it took the parent institution, the Ministry of Cooperatives to save the apex body from being liquidated. The apex body's leadership was replaced by an interim technical team of which after two years, the new leadership was elected. This saw the revision of the by-laws of the apex body and the creation of a new governance structure. This governance structure had 6 levels i.e. the general assembly as its supreme body, the national governing council, technical committee, regional and national representatives together with a secretariat.

Since then, the cooperative movement in Kenya remained stable with the savings and credit cooperatives together with the insurance cooperatives in the lead. On average, the cooperative bank of Kenya had lent approximately Euro 35,000,000 to Savings and Credit Cooperative Societies over a decade ago. This was meant to boost their liquidity, thereby meeting their members' demands for loans, personal emergencies and recurrent seasonal expenses. In order to further help the cooperative movement to hedge against risks, the Kenyan government established a Cooperative Insurance Service. To date, this institution is the largest insurance company in Kenya employing over 800 staff and has branches in all major towns (Republic of Kenya, 2008c).

Uganda

The role of cooperatives in Uganda just like in many other African countries has been changing in accordance with the varying focus of the government and its cooperating development partners. Thus, cooperatives have been serving as; recipients of aid meant to help others, promoter of rural development, facilitators of commercial enterprise development and market players of different value chain activities (Sara, 2010).

After Uganda's independence in 1962, the new government gave the cooperative movement a key role in their development strategy. This led to a strengthened cooperative movement that had a weaker grass root. Conversely, the turbulent reign of President Idi Amin Dada in the 1970s greatly weakened the cooperative movement in the country. This was due to persistent state interference in the running of cooperatives together with the corresponding economic down turn that had hit the country at that time. Hence, cooperatives started working arbitrary without any vision and business plan as the state dictated what to do (Flygare 2007).

The ascendancy of the present political administration i.e. National Resistance Movement under President Yoweri Museveni to power in 1986, brought hope to the cooperative movement. This is where the present administration initially promoted the growth of cooperatives in the country. Cooperatives were promoted as part of the reconstruction of the agricultural sector.

However, the implementation of the International Monetary Fund's structural adjustment programme during the same period undermined efforts that were put in place to try and revamp the operations of cooperatives. These structural adjustments led to the collapse of the cooperative movement in the country (Flygare 2007).

In the year 2000, the Ugandan government launched its Plan for Modernization of Agriculture which promoted cooperatives as facilitators of rural industralization. Since then, the country has had a steady growth of cooperatives to an extent where some cooperatives developed as civil society organizations. Statistical evidence from the International Cooperative Alliance (ICA) and Uganda Cooperative Alliance indicated that the number of cooperatives had increased from 554 in 1995 to 7,476 in 2005 (Wanyama et al. 2009).

However, the cooperative movement in Uganda has had external obstacles affecting its expansion. These challenges include; low external aid, high competition on the market, a lack of a coherent legal framework and rural women's weak ownership rights. To counter these impediments, the cooperative sector in Uganda have been working towards the devising of an organizational structure that would cope with these external challenges. The structural changes would also be resilient to the effects of a liberalized market economy (Wanyama et al. 2009).

Rwanda

The periods of primitive accumulation in Rwanda just like in many African societies, indicate different forms of mutual help and cooperation that can be identified even today. The spirit of cooperation as part of traditional social capital has existed in Rwanda from time immemorial. Thus, cooperation in terms of modern cooperative organization in Rwanda dates back to 1949. This was a century after the first cooperative in the world was formed in UK i.e. Rochdale in 1844. The cooperative movement in Rwanda unlike the Rochdale model started in a different context at different times (Musahara, 2012).

During the colonial rule, cooperatives in Rwanda started following a prohibitive law on rural cooperatives which was enacted by the state. The legal framework had flaws as it generally limited the development of cooperatives. However, another law was passed which allowed for mergers and also raised the period of license of cooperatives to 50 years.

Thus, after the formation of the first cooperative in 1953, the pace at which cooperatives developed was slow, where, by 1962, there were only 8 cooperatives that had been formed countrywide. These cooperatives were centered on mining or crop farming of tea and coffee. These cooperatives were formed to solely benefit the colonial government. On the other hand, other cooperatives were equally formed by the church as its beneficiaries, while some cooperatives were formed by Europeans. The European based cooperatives did not operate as communal entities as they had limitations on the membership base (Sentama, 2009).

Therefore, after independence the new government endeavored to use cooperatives to organize people for economic development. This saw an increase in the number of cooperatives to 36 i.e. between 1962 and 1966. In 1966 the government passed another law on cooperatives. This law liberalized the formation of cooperatives and saw the growth of cooperatives to 423 i.e. between 1967 and 1973. While, between the years 1974 to 1980, cooperatives grew to 1,203 coupled with a considerable institutional development. In 1975 an office in charge of cooperatives and community development was established and in the same year a cooperative bank was registered. This was followed by the establishment of a cooperative research center which was launched in 1981. Therefore, from 1981 to 1983, the growth of cooperatives had rose up to 1,528 (Sentama, 2009).

In 1984 the Ministry of Youth and Cooperatives was formed and by 1988 another law was enacted, which saw a further growth of the cooperative movement. Under the new law, communal groups were allowed to either register as cooperatives or associations. This made most households of Rwanda to belong to one organization or another (Musahara, 2012).

However, the genocide that had hit the country disoriented the strides that were made in the development of the cooperative movement in the country. Not only were people killed but, cooperatives and associations were equally disintegrated. The saw the running of most cooperatives without a vision, as those that took over the leadership of these cooperatives were illiterate. Disharmony amongst members over resources became the order of the day. Worst still, cooperative resources were invested for personal gain as there was a total breakdown of law and order.

Thus, in 1994, a new rationale in the formation of cooperatives was based on post conflict reconstruction. This is where the mandate of cooperatives shifted from being used to counter market imperfections to addressing vulnerability and poverty reduction. Thus, as one of the few vehicles for reconciliation, cooperatives and associations were preferred by the hundreds of NGOs that rushed into Rwanda to offer relief and rehabilitation support.

From 2008 to date, the formation of the Rwanda Cooperative Agency has managed to strengthen the cooperative movement at all levels i.e. top management, middle management and grass root levels. Generally, registered cooperatives have become a considerable force in food security, export earnings and raised livelihoods. Cooperatives have been most dominant in agriculture, consumer value chains, producer, marketing, credit and saving, housing, handcrafts and other multipurpose activities. The credit and saving cooperatives have become a tool for recapitalization of low income earners among farmers, civil servants and the military (Musahara, 2012).

Tanzania

In Tanzania the pioneer cooperators were peasant farmers who owned land and were engaged into crop farming of coffee, cotton, tobacco and cashew nuts. Around 1925, these peasant farmers initially belonged to informal (unregistered) cooperatives. These peasant farmers cooperated so that they could make profit out their produce. This was amidst foreign competitors that had invaded the county (Maghimbi, 2010).

Thus, the cooperative model which the peasant farmers later adopted was neither premised on the Rochdalean model of UK nor the Raiffeisenian model of Germany. Instead, they adopted the Chayanovian cooperative model. This model was postulated by the famous Russian Theorist, Alexander Chayanov who did some remarkable studies on the organization of peasant cooperatives in 1919 (Chayanov, 1966). This model proved relevant to Tanzania as it advanced the position of the poor without making any special changes in the economic equilibrium. This helped to avert the substantial destruction of the organizational plan of the small scale rural economy of Tanzania. Over the years, the peasant cooperatives became successful in organizing markets for members and supplying inputs at low costs countrywide. In view of this, the country recorded a boom in all their major crops which cooperatives handled. This ultimately made Tanzania to be the only African state that consistently maintained a growth trend in food production, higher than that of its population (Kaleshu, 2007).

In the 1940s and 1950s other cooperatives and unions were formed and registered. These were consumer cooperatives, transport cooperatives as well as savings and credit cooperatives. By 1960 Tanzania had the largest cooperative movement in Africa and the third largest cooperative in the world in terms of percentage of the market share of agricultural exports (Kaleshu, 2007). With the support from the government, the number of cooperatives continued to rapidly increase in the country.

After independence in 1964, the National Cooperative Bank was established. The bank's mandate was to provide loans to cooperatives for the purchasing of crops. These loans catered for all value chains in the agricultural sector. Besides, cooperatives were allowed to buy shares of which they also maintained current and fixed deposit accounts in the bank.

Much as there was political will and expediency to form many cooperatives after independence, some cooperatives did not meet the feasibility criteria. As a result, mismanagement of resources and corruption became the order of the day, a matter that threatened the sustainability of cooperatives. Some illiterate political cadres took over the leadership of cooperatives. These leaders abandoned business planning, vision formulation as they based their investment decisions on political patronage.

In an effort to salvage the situation, in January 1966, President Julius Nyerere appointed a special Committee of Enquiry. This committee of enquiry was tasked to; review the staffing and organizational structure of the cooperative movement and make recommendations on how the cooperative movement would be strengthened (Maghimbi, 2010).

Thus, the committee of enquiry recommended for the dissolution of most apex bodies of cooperatives in the country such as the Victoria Federation of Cooperative Unions and the National Cooperative Bank. The committee also recommended for the formation of a Unified Cooperative Service Commission which would be responsible for the recruitment, discipline, terms of service and dismissal of all employees of registered cooperatives.

The government implemented the recommendations of the committee of enquiry. These radical changes by the government marked the beginning of a partial collapse of the cooperative movement in the country. This is where all primary cooperatives were abolished by the government. Their crop marketing functions were taken over by communal villages. At the same time cooperative unions were also abolished and their functions were taken over by parastatal crop authorities, which had to buy crops directly from villagers. The other services which were rendered by the abolished cooperatives, such as wholesale and retail trade, were taken over by state owned companies (Maghimbi, 2010).

This partial collapse of the cooperative movement was felt by the whole economy. This is where the newly established crop authorities failed to buy crops from peasant farmers owing to lack of experience. Besides, these parastatals failed to provide price incentives to the farmers which the cooperative movement was doing. Their performance was poor in the supply of farm inputs and credit. Consequently, the country recorded a poor crop output coupled with a shortage of foreign exchange. The treasury also lost the potential of local revenue that would have resulted from increased crop production (Maghimbi, 2010).

These problems prompted the government to reverse its earlier decision of banning cooperatives. Therefore, in 1982, the government formally announced the re-introduction of the primary cooperatives and cooperative unions. Nevertheless the damage was already done as cooperatives had lost much of their property and highly trained manpower had left for greener pastures.

To date, the cooperative movement has not fully recovered from the shock of disorientation as the morale of its members is still low. The cooperative members are still disillusioned such that they doubt the sincerity of the government's new efforts that are aimed at reviving cooperatives. However, SACCOs have grown rapidly after the re-introduction of cooperatives in 1982. So far, SACCOs have remained more stable than the crop marketing cooperatives. Thus, the current model of cooperatives in Tanzania has been anchored on Chayanovian cum Raiffeisenian (Maghimbi, 2010).

Malawi

Cooperative development in Malawi took off during the colonial regime. This is where, in 1946, the Cooperative Act was enacted by the colonial government. This helped to see the formation of various cooperative societies across the country. Coordination structures were formed at district, provincial and national levels (Borda-Rodriguez and Vicari, 2014).

Despite the effort which the colonial administration had put in place towards the promotion of cooperatives in the country, the new government after independence in 1964 reversed the trends. This is where the government of President Kamuzu Banda embarked on a massive deregistration of agricultural cooperatives. This allowed the state owned enterprises to take the role of these cooperatives (Borda-Rodriguez and Vicari, 2014).

However, after the collapse of the agricultural cooperatives, another form of cooperatives emerged. These were the savings and credit cooperatives that flourished because the government had no interest of regulating the financial sector. Thus, these SACCOs were allowed to operate independently of which they established coordinating bodies at district, provincial and national levels (Matabi, 2012).

After the reintroduction of the multiparty system in 1994, the cooperative movement was revived. This led to the formation of agricultural cooperatives and associations, as part of an increasing emphasis by the government on the use of local initiatives to spur development (Nkhoma, 2011).

Since then, a new legislative and policy framework was put in place in tandem with the dictates of the International Cooperative Alliance on the promotion of cooperatives. In 1997, the government formulated a cooperative development policy which was revised the year that followed (1998) and after four year (2002). The revision of the cooperative law gave greater autonomy to cooperatives. Later, in 2011 a new legislation was enacted to oversee the management of SACCOs countrywide.

Conversely, cooperative development in Malawi has had numerous challenges. These have ranged from; lack of market access, poor governance and lack of managerial skills by cooperative leaders, to lack of government consultation with the cooperative movement when formulating policies. Indeed, by not consulting cooperative members, operational gaps have been created between the government and the cooperative movement over which vision to follow. Consequently, the alienation of cooperators has made most policies not to be fully owned by the cooperative movement (Nkhoma, 2011).

Zimbabwe

During the pre-independence era, particularly in the 1930s, Zimbabwe witnessed the introduction of formal cooperatives. The operations of these cooperatives was premised on the British- Indian pattern of cooperation together with a special Cooperative Act. The legal framework was augmented by the subsequent establishment of an implementing agency, i.e. the Registrar of Cooperatives (Charinda, 2015).

In essence, the British government introduced agricultural cooperatives in order to increase cash crop production. This was also meant to control economic activities in the rural areas where most production was largely done. The cooperatives were further meant to protect farmers against exploitation from traders and money lenders. These agricultural cooperatives were also tasked to facilitate the organization of input supply and marketing of produce of peasant farmers (Timba, 1992). In this regard, small scale farmers were supplied with inputs such as hybrid seed and fertilizers to improve crop yield. This was in addition to the provision of a ready market to sell their produce.

In 1937, agricultural cooperatives were strengthened of which many farmers joined the movement. This is where the colonial government set up cooperative bodies in all provinces. These cooperatives were tasked to provide extension services and distribute land to their members i.e. small scale farmers. This exercise was done in most rural districts of the country. The fact that the land belonged to the government, the state did not hesitate to repossess land from some farmers that had failed to put it to good use. The repossessed land was redistributed to farmers that had the capacity to increase agricultural production in the country.

After independence in 1980, the government changed the colonial based model of managing cooperatives. The main feature which changed from the colonial way of managing agricultural cooperatives was based on ownership and the level of participation by members. Thus, personal to holder cooperatives were made to be wholly owned by its members. This necessitated the members to work collectively towards a given goal. The government made cooperatives to be more inclusive as a way of solving the unemployment problem in the country. Therefore, all citizens were encouraged to belong to cooperatives so that collective effort would help to develop the agricultural sector. The initiative included ex-freedom fighters (war veterans) that formed producer cooperatives as a new form of production organization in Zimbabwe (Timba, 1992).

To actualize this effort, the government increased the budgetary allocation on agricultural investment. This investment mainly targeted the small scale farmers that worked through cooperatives unlike the commercial farmers that operated individually. Later, the government set up marketing cooperatives in all districts of the country and provided them with financial and technical support. This was together with the setting up of grain marketing depots for the purchase of commodities from cooperatives across the country. The agricultural cooperatives were provided with good agricultural research and extension services, a matter that made them to develop the agricultural sector.

Around 1986, the cooperative movement faced a myriad of sustainability challenges. Some of the factors that hindered their success were; lack of finance, poor business planning, lack of members' commitment and unqualified leadership. These factors inhibited the success of cooperatives together with lack of a good legal framework from the government (Timba, 1992).

As a response to the inadequate support by government and other service organizations to the cooperatives movement, a Collective Self Finance Scheme was launched in 1988 (Timba, 1992). This scheme was established by a group of eight cooperatives with the principal objective of providing credit guarantees and entrepreneurship training to members. This was against the background that the cooperative movement felt that they needed to create an institution whose services they would determine, own and control. The scheme further acted as a credit guarantee mechanism which provided an interface between viable cooperatives with commercial banks. The scheme also provided a technical back-up service to its member cooperatives in form of management development systems, marketing research and development, production management and training. These services were designed to help cooperatives generate sufficient profits to repay loans and raise the standards of living of their members, thus liberating them from the poverty trap. This programme ran successfully for about three and a half years until the introduction of the Structural Adjustment Programme (SAP) in 1990.

Finally the introduction of the Structural Adjustment Programme in 1990, compelled the Zimbabwean government to rationalize its expenditures. This drastically reduced the investment in the agricultural sector from 4.3 percent over the pre SAP period to an average of 3.2 percent over the 1990 to 2000 period. This resulted into reduced support for the agricultural cooperatives in the country. This situation was aggravated by the economic sanctions which the western world imposed on Zimbabwe. These threats rendered a country that was once a bread basket for Southern Africa to become food insecure. This is owing to the fact that most of the agricultural cooperatives collapsed or remained operating at very low capacity (Charinda, 2015).

South Africa

Agricultural cooperatives in South Africa emerged during the colonial rule when white farmers organized themselves into groups around 1910. This was after the Anglo-Boer War which left devastating effects in the country. However, despite the prohibitive Act which was in place during the apartheid era, the levels of discrimination against the blacks by the whites, made the blacks to cooperate (Khumalo, 2014).

Thus, between the 1970s and 1980s, the early cooperatives for the black people emerged. These cooperatives emerged as a survival means against some socio-economic woes like unemployment and to get acceptance into the community. Unfortunately, due to the apartheid policies, the cooperatives for the blacks did not enjoy sufficient legislative and economic support as compared to cooperatives for the whites. But the critical role of the Catholic Church in supporting the establishment of cooperative enterprises in the country gave birth to the first savings and credit cooperative i.e. the Cape Credit Union League. This was together with the emergence of rescue cooperatives in South Africa in 1989. These cooperatives strove to provide employment for retrenched workers.

After independence in 1994, the new democratic government in South Africa has been supporting the growth of cooperatives. This has been especially among the historically disadvantaged South Africans, as a strategy to alleviate poverty and create jobs. Therefore in 2002, South Africa became a signatory to the International Labor

Organization's Promotion of Cooperatives Recommendation, 2002 (No. 193). The government further took some steps of promoting cooperatives by drawing up of the Cooperative Policy of 2004, Cooperative Integrated Strategy on the Development and Promotion of Cooperatives 2012-2022 and the Cooperative Banks Act of 2007 (Khumalo, 2014).

This was together with the enactment of the Cooperative Act of 2005 which recognized the cooperative values of; self-help, self-reliance, self-responsibility and democracy. It further postulated that a viable, autonomous, self-reliant and self-sustaining cooperative movement would play a major role in the economic and social development of the country. This supportive legal environment enabled the cooperative movement to develop and flourish. As at present, there are different types of cooperatives participating in the economy. These include; user cooperatives such as; burial societies, savings and credit unions, village cooperative banks and mutual banks. The second category is for; Agriculture Cooperatives which are under the Agri-Business Chamber of South Africa with a focus on input supplies, joint marketing and processing. The third class of South African cooperatives is the Housing Cooperatives and Social Housing Initiatives. These provide a range of models of collective ownership of housing stock and form part of a wider set of "social housing" initiatives that also include self-build schemes, based on collective or cooperative approaches to home building. While, the fourth group of cooperatives consists of consumer cooperatives (Department of Trade and Industry, 2012).

Despite, the growth of cooperatives in South Africa, there have been several hindrances towards their survival. These pertain to; lack of proper coordination between cooperative members due to poor leadership, poor financial and institutional support, lack of ready markets, no mentorship, lack of monitoring and evaluation and a lack of entrepreneurial skills. Apart from this, cooperatives have been facing operational challenges due to; members not knowing the vision of their cooperative, their obligations and rights, or how to manage their business as a result of not having a business plan. Furthermore, cooperatives' failure to provide transport for delivery of members' purchases, lack of membership's commitment and lack of understanding of members' roles have been factors contributing towards their poor performance (Nyambe, 2010).

Summary of key issues

The developmental trends of the selected countries of Africa level helped to provide a foundation for the study. For instance, in Egypt, Ethiopia, Uganda, Rwanda and South Africa, these countries' legal framework allowed all cooperatives to work in various sectors of the economy. This was with a view to improve the standard of living of people and their economies. While in Nigeria, Kenya, Tanzania, Malawi and Zimbabwe, the cooperative movement diversified to savings and credit activities. This helped to improve the investment portfolio of the cooperative movement.

2.8.3 Review of the Developmental trends of Cooperatives in Zambia

The history of the cooperative movement in Zambia can be traced to the colonial era. This is where the North West Rhodesia Farmers' Cooperative was established and registered as the first cooperative by the Registrar of the High Court on 16th October, 1914. The European settler farmers formed this cooperative as a means of marketing agricultural produce to the newly opened Copper Mines in the Copperbelt of Zambia and Southern Zaire. The cooperatives that were later formed were largely restricted to the Eastern and Southern Provinces of Zambia (Lolojih, 2009).

Despite the colonial policy of trying to protect the interest of the European settlers, several cooperatives also emerged among the small-scale African farmers. In 1947, the colonial government was forced to recognise cooperatives amongst indigenous Africans under a Cooperative Ordinance. This was followed by the formation of a Government Department, the Department of Marketing and Cooperatives in 1948, for the registration and regulation of cooperative enterprises.

This was despite the fact that the formation of agricultural cooperative societies by Africans was not permissible as Africans were not legally recognised as farmers. With this background and with the continued obstacles to the formation of cooperatives by Africans, it was not surprising that the Northern Rhodesia Farmers' Union at Independence in 1964 was essentially a union for the European commercial farmers. It was recognised as the only representative organisation for the farming community in the country (Moonga and Mgemezulu, 2006).

Immediately after independence the Zambian Government embarked on the active promotion of cooperatives throughout the country and for many types of economic and social ventures. Cooperatives at that time were largely viewed as a mechanism for stimulating rural development and not necessarily as institutions for meeting the economic and other needs of their members. This status on cooperatives was further reinforced by the policies of central planning which were actively pursued in Zambia at that time (Yubai, 1999).

Thus, in 1965, the country witnessed a massive registration of cooperatives in all provinces. This was necessitated by the abolition of the prohibitive colonial legal framework as the United National Independence Party (UNIP) government's policy was to enhance massive rural and agricultural development through cooperatives.

As a result, through the Government sponsored initiatives and often with support from the donors, primary societies were formed in all parts of the country. While many of those cooperatives were based on genuine grassroots mobilisation, others were established mainly to take advantage of the assistance that was available. From a total of about 500 cooperative at independence, the number approximately doubled in less than 10 years to about 1,000 in 1973. Secondary cooperatives, in the form of cooperative unions, were formed in the Southern, Central and Eastern Provinces during this period (Lolojih, 2009).

As the number of primary and secondary cooperatives continued to increase, it became clear that there was need to also create a national organization. This resulted in the formation of the Zambia Cooperative Federation (ZCF) in 1973, as the cooperative apex organization in the country. The ZCF was charged with the responsibility of coordinating the development of the cooperative movement in the country.

In 1983 cooperatives were declared a mass movement by Zambia's sole political party, UNIP. Through this measure, which included cooperative representation in the highest decision making body of UNIP, the cooperative movement became affiliated to the party (Moonga and Mgemezulu, 2006).

Therefore, in 1983, the Ministry of Cooperatives was created and given the responsibility of cooperative policy formulation. The Ministry included the Department of Marketing and Cooperatives and the Cooperative College, which had been established with donor funding in the early 1970s.

In 1984, the Government adopted a deliberate policy and formed Provincial Cooperative Unions (PCUs) in all the then 9 Provinces of Zambia. As a result, 6 unions were formed in addition to the 3 that were already in existence. The main function of the PCUs was agricultural marketing, initially as agents of the National Agricultural Marketing Board (NAMBOARD) (Lolojih, 2009).

However, the new PCUs were formed out of external influence, thus did not have a strong backing from primary cooperative societies. Notwithstanding this, primary cooperatives were obliged to buy shares from those PCUs. This process contributed to the erosion of cooperative autonomy and self-reliance. It was by then clear that the UNIP government had assumed the undisputed leading role in the formulation of cooperative policy and the development of the cooperative structure.

In 1988, as a result of lobbying from the cooperative movement, the government took away the maize marketing function from NAMBOARD and gave it to cooperatives across the country. In this regard, NAMBOARD was given a new responsibility of importing fertiliser and the maintenance of the strategic maize reserve for the country. The following year, in 1989, NAMBOARD was abolished and all its functions were transferred to the ZCF. In the same year, the government formed District Cooperative Unions (DCUs) countrywide (Lolojih, 2009).

During this period, there was increased dependency of the cooperative movement on the government. The fact that cooperatives were handling Maize as a country's staple food crop, this made them to be seen as important contributors towards the overall rural mobilization and agricultural development. This was at the expense of cooperatives being member based business organisations. This perception on cooperatives was incorporated into national development plans that were drawn up by the government. As a result, cooperatives were used by the government and donors, as instruments for general social and economic development in rural areas (Moonga and Mgemezulu, 2006).

It is against this background that the government's interference in the running of cooperatives became institutionalised. In this case government set the economic parameters for the cooperatives, involved itself in the financial and other operations of the cooperatives at all levels. The government further intervened and made organizational and personnel changes thereby overriding the democratic control of members by cooperatives.

However, the dawn of Zambia's multiparty system in 1991/92 ushered in a liberalized market economy which changed the landscape for cooperatives. This meant that the cooperative movement lost the market monopoly which it enjoyed, as conducting of business in a competitive environment became the order of the day. Since then, the ZCF and the entire cooperative movement's effort were negatively affected by this reform. Vision formulation and business planning were no longer practiced as cooperatives could not raise capital from its members nor externally. During this period, cooperatives were neglected as the legal framework was not favourable for their survival (Moonga and Mgemezulu, 2006).

Nonetheless, successive and the current governments have tried to rekindle the entrepreneurial spirit of cooperatives through the distribution of subsidized agricultural inputs and more recently, solar hammer mills. This is together with the transfer of the cooperative function from the Ministry of Agriculture to the Ministry of Commerce, Trade and Industry (MCTI) with a view of making cooperatives to be more business oriented.

With regards to the status of the cooperative movement in Sesheke District, MAL (2015) revealed that the first cooperative society i.e. Ilonga Brick Markers Cooperative was registered in 1967. Since then, the district has had a total number of 39 cooperative societies of which 10 are traceable though not exhibiting signs of enterprising.

Structurally, all cooperative societies at district level are superintended by a DCU. Despite the fact that most of these cooperatives are multipurpose in nature, their main economic activities are anchored on agricultural value chains such as; crop farming, livestock rearing and fishing. On average, cooperatives have a membership base of about 15 members that are gender disaggregated in the ratio of 2 male to 1 female.

2.9 Analysis of Literature Review on the Enterprising of Cooperatives

Arising from the review of developmental trends of cooperatives at Global level, in Africa and Zambia, numerous barriers affecting the enterprising of cooperatives emerged. Thus, the analysis of the literature will be categorised into internal and external thematic barriers. This will be followed by a highlight of the strengths and weaknesses (knowledge gap) of the literature and its summary under table 1.

2.9.1 Internal Barriers

Internally, the barriers towards the enterprising of cooperatives hinged on the following 6 themes; the vision of cooperatives, business planning, resource mobilization, cohesion of members, leadership and investment decisions as explained hereunder.

Vision

GRZ (2007) posited that a vision statement is an essential precondition towards the enterprising of cooperatives. This is owing to the fact that a vision statement spells out a strategic forecast of where the cooperative is headed to, coupled with the means of getting there. Besides this, a vision also serves as a critical path viz-a-vis the kind of decisions and activities which the cooperative may opt to come up with.

To actualize this, a responsive corporate culture amongst cooperative members should be entrenched into the envisaged business of undertaking. This entails that the beliefs, behaviours and attitudes of members of the cooperative should be in congruency with the ideals of the business. For instance, the handling of clients and other facets of the business should epitomise the corporate culture and vision of the cooperative. By so doing, the business would remain afloat and become a market leader.

Conversely, Tembo (2014), asserted that it is a well-known fact that a cooperative that has no clear vision becomes reactive in nature. In most cases, such cooperatives tend to do a multiplicity of activities without a business strategy. This haphazard mode of operation results into business failure coupled with being crowded out of the market by rivals that embrace vision formulation.

Business Plan

The need for cooperatives to have a business plan in relation to their prospective business undertaking cannot be over emphasised. This is due to the fact that a business plan is one of the key elements towards the enterprising of cooperatives (Yubai, 1999). This is as a result of the fact that it contains all relevant information for actualising the plan into an actual business. Some of the information contained in a business plan pertain to the description of the product and the target market.

Thus, cooperatives should ensure that its products and services meet the expectations of customers in terms of the quantity and quality specifications. If the products and services fall short of the expectations of the customers, cooperatives would consider employing different marketing strategies. For instance differentiation strategy i.e. through value addition would make the products and services of cooperatives unique from those of their competitors. Ultimately, customers would switch to products and services that are offered by cooperatives. To further retain these customers, the pricing of cooperatives should be competitive i.e. slightly lower than the prices of competitors (Yubai, 1999).

Resource Mobilization

Internal resource mobilization through members' share capital is cardinal for the enterprising of cooperatives. This fund raising mechanism builds the capital stock of cooperatives and also provide members with an opportunity to have some return on their shares invested. This is where the shares invested in the cooperative accrue some value over time, thereby strengthening members' loyalty for long-term patronage. By so doing, cooperatives would be able to enterprise, thereby creating wealth for shareholders through profit maximisation (Lolojih, 2009).

On the other hand, many cooperatives have been failing to generate sufficient capital for reinvestment into profitable activities. The effect of this shortcoming has led cooperative societies to fail to produce reasonable returns to its members. Worse still, some cooperatives with excess funds have not utilized the money economically but instead have channeled these resources towards consumption based projects. In the long run, these problems hinder cooperatives from enterprising.

Furthermore, the problem of lack of capital by cooperatives hinder them from maintaining a good level of accountability. This is where cooperatives neglect their compliance on financial regulations, a matter that has been predisposing them to becoming inactive and subsequently be liquidated (Lolojih, 2009).

Cohesion of Members

The enterprising of any cooperative society highly depends on the dynamics of its membership base (Bhuyan, 2007). Cooperatives should be able to attract and retain more members in order to attain their set goal. These members must be bound together in order to create harmony and mutual trust in the cooperative. Harmony among cooperative members brings cooperation which makes them to start enterprising.

Ang, Cole and Lin (2008) revealed that co-aligning members' attitude to the goal of the cooperative, highly enhances its prospects to enterprise. Members' participation in the governance of cooperatives would improve provided their contributions are also taken on board when coming up with final decisions.

Conversely, Kokkinidis (2010) argued that bureaucratic and undemocratic tendencies in cooperatives cause disharmony. This is where members exhibit their negative attitude by dividing themselves into interest groups thereby hampering the enterprising of cooperatives. Once the subdivision of cooperative members deepen, there would be no unity of purpose in the cooperative of which efforts to enterprise would be made futile.

Besides this, disunity among cooperative members are aggravated by their ignorance of the cooperative ideology as espoused by the ethics, values and principles governing cooperatives (Charinda, 2015). The ethics, values and principles help to realign members' behaviour towards the enterprising of cooperatives.

Leadership

Furthermore, matters related to leadership have a bearing on the enterprising of cooperatives. Leadership entails the directing of all cooperative functionalities in order to achieve its entrepreneurial goal. To realize this, the leaders of the cooperative should work with and through their members. This helps to ensure that all the policies formulated are executed as planned (Liu, 2010). For leadership of a cooperative to be effective in realising its entrepreneurial prospects, people with relevant competencies should be placed in their rightful positions.

Besides, the leaders should be transparent and be able to effectively communicate across the various structures of the cooperative. This helps to ensure the smooth transfer of information from management to its members coupled with a feedback. Ineffective communication creates a barrier in the flow of information, thus remains critical towards the enterprising of cooperatives. This slows down cooperative progress as members would not know what to do at a given time.

Eventually, accountability problems would set in the cooperative as there would be no benchmarks upon which performance would be based. This makes the cooperative non enterprising as it would be less competitive in comparison to its rivals (Amodeo, 2007).

Poor leadership based on ineffective communication would also cause role conflict between and among members of the cooperative. This is due to lack of clear guidelines of who should perform certain tasks and the extent (how) to which the tasks should be done. Such a problem if left unchecked would greatly affect the enterprising of cooperatives.

Investment Decision

The decision that a cooperative makes pertaining to its utilization of surplus capital would make it either to enterprise or remain stagnant. The cooperative would enterprise if it decides to re-invest most of its surplus capital unlike spending it on the payment of dividends (Arthur and Cook 2009).

Thus, there is need to reach a consensus among the different preferences of members over the disposal of the net surplus of the cooperative. Plunkett (2005) indicated that, highly specialized members tend to prefer investment that reflects their on-farm specialization, while more diversified members prefer investment that reflects their on-farm diversification. Therefore, it was further observed that the two divergent preferences should be harmonized in order to foster a unity of purpose in cooperatives. This would ultimately help to make cooperatives to start enterprising.

In view of this, Ozdemir (2007) asserted that for a cooperative to be entrepreneurial, there is need to maximize the wealth of shareholders. This would be realized by making a good financing decision i.e. besides the decision of re-investment of surplus or the paying of dividends. A good financing decision strives to determine when, where and how to raise funds for possible investment. The sources of finance include debt and owners' equity. A debt may involve a short term or long term loan, while owners' equity is the money from members' shares that is reinvested in the cooperative.

Fulton and Adamowicz, (2009) further argued that using owners' equity is preferable to contracting a debt when financing a cooperative. This is due to the fact a debt is costly as it requires paying back with interest, while owners' equity does not require to be paid back at all.

2.9.2 External Barriers

Externally, the barriers towards the enterprising of cooperatives are based on the following 3 themes; regulatory framework, external aid and the market environment as discussed below;

Regulatory framework

A favourable regulatory framework is cardinal for the survival and enterprising of cooperatives. This is where a good regulatory framework protects cooperatives against many forms of exploitation. The tendency by unscrupulous firms to engage cooperatives into fake transactions has drastically reduced over the years. This is due to the universal enforcement of cooperative principle number four (4) which discourages cooperatives from engaging into third party transactions. This principle recognizes the autonomy and independent nature of cooperatives (Birchall and Richard, 2009).

Further, Lolojih (2009) contended that the Zambian Government's interference in the running of cooperatives i.e. in the first and second republics was detrimental to their enterprising. This is where cooperatives became complacent due to government's induced monopoly on the market. With time, the competitive edge of cooperatives weakened, a matter that made them to fail to survive the wave of a liberalized market system of 1991/92.

In addition, the heavy control and politicization of cooperatives by the government affected their enterprising as members we demotivated to finance cooperatives. This is where the future of cooperatives was dependent upon the will of the political leadership in government. Thus, a strong network among cooperatives in form of a consortium of cooperatives would help to rebut all impediments affecting their enterprising.

External Aid

The fact that most cooperatives comprise resource constrained members, most of whom are peasant farmers, external aid is key to their enterprising. The external aid which is mostly in material or monetary form is cardinal for the recapitalization of the cooperative. Dejene, (2014) revealed that external aid helps cooperatives to improve their financial and asset base. This enables the cooperative to diversify from agro-related activities to other profitable entrepreneurial ventures.

On the other hand, external aid affects the enterprising and sustainability of cooperatives. This is where perpetual aid compromises the ideology of cooperatives' self-reliance. The aid attracts the joining of uncommitted members in cooperatives with a hope of benefiting from such aid thereby creating a free rider problem i.e. at the expense of enhancing the enterprising of cooperatives.

Besides, this MAL (2015), asserted that there are more farmers that join cooperatives during each year's farming season as compared to other seasons of the year. This happens as a way of accessing subsidized fertilizer and seed from government and other donors.

Yubai (1999) further posited that external aid has the potential of creating a dependency syndrome among cooperatives. This dependency syndrome weakens the cooperatives' ability to enterprise. The culture of dependency on aid which cooperatives inherited before the third republic, partly explains their current status of non- enterprising. Therefore, solidarity amongst cooperatives would help to ensure that aid is easily accessible by cooperatives and makes them to enterprise sustainably.

Market Environment

Lastly, the nature of a marketing policy that is in place would either stimulate or dampen the entrepreneurial growth of cooperatives. For instance, the monopoly which cooperatives enjoyed in the first and second republics was good for their entrepreneurial growth, though not sustainable. The fact that most cooperatives are still in their infancy stage, more preferential trading policies would help them to enterprise.

In line with this, GRZ (2007) argued that the exemption of cooperatives from paying taxes which private firms pay is a good incentive for them to enterprise. This is where cooperatives are given a relief to ensure that they re-invest the amount which they should have spent in taxes.

However, despite a seemingly conducive trading environment that is in place, cooperatives have not been enterprising. Amodeo, (2007) posited that cooperatives have not been enterprising as they are not competitive because of their poor pricing strategy. This is where their prices are higher in comparison to the prices of their rivals. Rivals are firms that deal in similar products and services as those of the cooperatives.

Further, Wanyama (2009a) argued that cooperatives have not been enterprising and competitive on the market as they have not differentiated themselves from their rivals. Differentiation entails making their products and services unique from those of their rivals.

Apart from this, the entrepreneurial stagnation of cooperatives in Africa has been due to the failure by cooperatives to have a niche on the market. This is as a result of the fact that these cooperatives have not identified a segment of the market where they would be competitive.

Thus, targeting broader markets has proved difficult for cooperatives to compete with their rivals as their products are usually of low quality in comparison to those of their rivals (Bruynis, Goldsmith, Hahn and Taylor, 2007). Thus, collective effort of cooperatives would help to fight for a fairer market environment from the government, thereby enabling them to make entrepreneurial progress.

2.10 Strengths and Weaknesses of the Literature Reviewed

In view of the literature reviewed, the following strengths and weaknesses (knowledge gap) emerged as;

Strengths

The review of related literature immensely contributed to a better understanding of various barriers affecting the enterprising of cooperatives. The studies highlighted relevant issues that would help in locating the debate on the non-enterprising of cooperatives at global level, in Africa and Zambia. This acted as a stepping stone in the actual investigations pertaining to this study.

These studies provided relevant insightful information on the internal and external barriers affecting the enterprising of cooperatives. Hence, the literature indicated that all issues related to the welfare of members should be properly handled. This is as a result of the fact that the entrepreneurial success of cooperatives hinge on how members are organized (Bhuyan, 2007).

Besides this, the review of related literature posited that effective leadership is cardinal for the survival and enterprising of cooperatives. Those in leadership should ensure that all members' conduct, collectively contribute towards the enterprising of the cooperative. This would in turn make cooperatives to have a competitive edge on the market (Amodeo, 2007).

Furthermore, studies also showed that making good investment decisions on how to dispose the surplus capital is important for cooperatives to enterprise. Arthur, *et al.* (2009) posited that these decisions should ensure that more money is allocated towards the re-investment of the cooperative and not towards consumption such as the paying of dividends to members.

Finally, pieces of literature reviewed gave insights on the importance of a good legal framework, external aid and a competitive market for the enterprising of cooperatives. However, the literature cautioned that perpetual aid is harmful to the capabilities of cooperatives as it creates a dependency syndrome.

Weaknesses

From the review of related literature, there is no study that gave a categorical account of barriers affecting the enterprising of cooperatives i.e. in relation to some factors like; a vision, business plan and resources mobilization. The findings from studies at global level, in Africa and Zambia had variations, thus did not represent the situation in Sesheke District. This is due to the fact that, these studies mainly focused on factors affecting the general functioning and not the enterprising of cooperatives (Liu, 2010; Pozzobon, 2011; Dejene, 2014and Yubai, 1999).

Besides this, the studies reviewed only highlighted and not comprehensively explained why some critical issues related to the internal and external factors affected the performance of cooperatives. For instance, in order to make leadership meaningful, attributes of a good leader and how to resolve conflicts were not discussed.

Lastly, most of the literature reviewed were not guided by any pragmatic research process. This is where there was no consistence in the use of standardized facets of research i.e. no triangulation of the methodology. Most studies hardly used the phenomenological research paradigm hereby making their findings to lack the originality from the minds of the participants and no solutions to the identified problems. These gaps rendered the findings from similar studies to have glaring variations.

2.11 Chapter summary

This chapter reviewed and analysed the pieces of related literature to the study together with its strengths and weaknesses. It was preceded by a conceptual/ theoretical framework (non-inclusion statement), definition of cooperatives in the realm of entrepreneurship, ethics, values and principles governing cooperative, an exploration of the developmental trends of cooperative societies at global level, in Africa and in Zambia. The chapter that follows will look at the methodology section of this study.

Table 1: Summary of Literature Reviewed

Author	Study	Findings	Identified Gap
Dejene (2014).	Assessment of Members' Perceptions towards Factors Influencing Success of Cooperatives in Ethiopia.	Results indicate that; participation of members in cooperative governance, mutual trust, membership homogeneity, communication medium, interpersonal skills and market access are success factors.	Study focused on general mal-functionality of cooperatives and not on barriers affecting the enterprising of cooperatives.
Charinda (2015).	Sustainable Solutions to the Resuscitation of Cooperatives in Manicaland, Zimbabwe.	Cooperatives are not sustainable as; members do not understand cooperative principles, only expectant to receive hand-outs, lack skilled management, poor policies and market problems.	The study did not use the search conference to get views from stakeholders.
Yubai (1999).	Agricultural Cooperatives and Rural Development: A case study of Mkushi District.	Cooperatives are weak as they have no clear objectives, no business plans, non-adherence to cooperative principles and are affected by external interference.	The study was not participatory in nature as it did not use Focused Group Discussions.
Nkhoma (2011).	Factors hindering Sustainability of Cooperatives in Malawi.	Results indicate that sustainability of cooperatives were hampered by lack of market access, poor governance and lack of managerial skills.	The study was not categorical on internal and external factors hindering the sustainability of cooperatives.
Lolojih (2009).	Bearing the Brunt of a Liberalized Economy: Review of Cooperatives in Zambia.	Findings indicate that cooperatives; have no vision, low income, structural problems, are non performing, cannot provide effective representation for its members and have failed to influence government policy.	The research did not consider reality to be in the minds of the people being studied.
Bhuyan (2007).	The "People" Factor in Cooperatives: Analysis of Members' Attitudes and Behavior.	Factors affecting cohesion in cooperatives are members' lack of; harmony, mutual trust and commitment towards the cooperative goals.	The study did not embrace the action research part, but merely looked at the attitude of members in cooperatives.

Amodeo (2007).	Be more Cooperative to be More Competitive.	Competitive edge of cooperatives is affected by poor leadership, disorganized members and lack of coordination of activities.	The study brought out solutions to the problem that were not backed by an in depth review of literature.
Plunkett (2005)	The Portfolio Problem in Agricultural Cooperatives: an integrated framework. USA.	Members are conflicting over the investment preferences to pursue. Specialized members prefer investment of on-farm specialization. While, diversified members prefer investment of on-farm diversification.	The problems identified were not in line with my study setting. However, the study brought a valid argument on investment portfolio in cooperatives.
Birchall *et al.* (2009).	What Motivates Members to Participate in Cooperative and Mutual Businesses?	A poor legal framework, fake transactions, and exploitation highly demotivate members' participation in the economic affairs of the cooperative.	The study lacked triangulation in the use of research tools and merely focused on participation in cooperatives.
Liu (2010).	Factors for Successful Development of Cooperatives in North West China.	Factors for cooperative success hinge on; policy, regulation, leadership, management, cooperative governance, membership dynamics and training and education.	The study did not look at how to resolve the problems that were facing cooperatives. However, the study came up with success factors for cooperatives.

Source: Researcher (2016).

CHAPTER THREE: METHODOLOGY

3.1 Overview

This chapter discusses the aspects pertaining to the methodology of the study. It includes; the research paradigm, research design, study setting (introducing Zambia and Sesheke District), study population and sampling, sampling techniques, demographics of the participants, data collection process, researcher's journal, research's trustworthiness, data processing and analysis, ethical issues and the chapter summary. In essence, the study followed the scheduled activities and time frame i.e. from proposal writing to the defence of the research report as indicated in the work plan and budget under appendix 4.

3.2 Research Paradigm

Researchers make philosophical assumptions of what constitutes knowledge (ontology), how we know it (epistemology) and the process for studying it (methodology). Thus, this study was anchored on the nominalist ontology (abductive logic) and the pragmatic ontology (pragmatic logic).

The nominalist believe that individuals construct the meaning of a situation in which they find themselves through their lived experience. The goal of these researchers is to rely as much as possible on the participants' views with regards to the situation being studied (Creswell, 2008).

To actualize this, the nominalist paradigm advocates for broad and open ended questions where participants' engage into a free discussion amongst themselves and between the interviewer(s). This philosophical assumption was appropriate for this study as it used focus group discussions among other tools to understand the phenomenon being studied (Creswell, 2008).

While the pragmatists' are concerned with the use of multiple approaches to understand and resolve a research problem. This is due to the fact that their worldview arises out of actions, situations and consequences rather than antecedent conditions. The pragmatists' philosophical underpinning was appropriate for this study as it was participatory and action based, thus sought to answer the 'what', 'why' and 'how' research questions (Creswell, 2008).

In view of this, a blend of the 'nominalist' and 'pragmatic' ontologies rendered this study's overriding paradigm to be premised on pragmatism. This was in congruency with the 'what', 'why' and 'how' research questions of this study.

Epistemologically, the research was guided by the anti-positivist, particularly the interpretivist. This was due to the fact that the interpretivists consider reality to be in the minds of people and that it does not exist "out there".

While, with regards to the methodology, the study employed a phenomenological approach which used non probability sampling (purposive sampling) and multiple research methods i.e. focus group discussions and workshop based method coupled with the researcher's journal where observations were also jotted down (Silverman, 2006).

Thus, the ontological and epistemological orientation of the study transcended into the formulation of a research design and its matrix. Blaikie, (2010) asserted that a research design is created by the researcher and in essence is moulded (rather than dictated) by the ontological as well as the epistemological assumptions guiding the inquiry.

Finally, in order to determine the techniques that were appropriate for this study, a research design matrix was developed. The matrix pointed to the logic(s) or research strategy which showed how each research question was designed and how it would be answered. This eventually helped to link each research question epistemologically to an appropriate sampling, data collection and analysis technique.

3.3 Research Design

In order to describe the research design that was appropriate for this study and to outline the philosophical assumptions guiding this inquiry, a research design matrix as a heuristic tool was used by the researcher. This matrix outlined the nature of the research questions linking them with an appropriate logical frame, population and sampling as well as techniques of data collection and analysis. In essence the matrix acted as a sign post for the research design as shown in table 2 below.

Table 2: Research Design Matrix

Research Question	Research Objective	Population and Sampling	Data Collection Techniques	Data Analysis Techniques
What enterprising activities are the cooperatives of Sesheke District involved in? (Nominalist ontology and abductive logic of inquiry)	To describe enterprising activities which cooperatives of Sesheke District are involved in?	6 to 10 participants from each of the 10 cooperatives were drawn by way of maximum variation sampling.	10 Focus Group Discussions.	Qualitative content analysis
Why are cooperatives in Sesheke District exhibiting this level of enterprising? (Nominalist ontology and abductive logic of inquiry)	To understand challenges (internal and external) affecting the enterprising of cooperatives in Sesheke District.			
How could enterprising be augmented among the cooperatives of Sesheke District? (Pragmatic ontology and pragmatic logic of inquiry)	To address the challenges cooperatives in Sesheke District are facing in the quest of enterprising.	12 participants (key informants) were purposively sampled. These comprised 10 chairpersons from the 10 cooperatives and 1 from the Department of Cooperatives and 1 from Action Aid, a donor agency. The sampling was by way of maximum variation sampling.	1 Workshop Based Method was used.	

Source: Researcher (2016)

In view of the research design matrix, this case study design was rooted in phenomenology with pragmatism as its overriding paradigm. In essence, this research design served as the blueprint of fulfilling research objectives and answering research questions. The research design further acted as a road map through which methods and procedures of data collection and analysis were clearly specified in relation to the problem under investigation (Yin, 2000; Creswell, 2008; Kasonde, 2014).

The fact that this study's research questions were linked to the nominalist and pragmatic ontologies coupled with the anti-positivist epistemology, the research employed both a qualitative paradigm and pragmatic paradigm one after the other as highlighted in subsequent sections.

The rationale of using the phenomenological approach as a mode of inquiry was to enable the researcher to describe the lived experiences of participants on a phenomenon being studied. It was for this reason why the paradigm was rendered subjective as its findings were centred on the participants' perspective in relation to the problem being investigated (May, 2011).

3.4 Study Setting

3.4.1 Introducing Zambia

Zambia is a landlocked country that is located in the Southern part of Africa. It lies between latitudes 8° and 18° South and longitudes 22° and 34° East with a total surface area of 752,612 square kilometres. The country is surrounded by eight neighbouring countries namely; the Democratic Republic of Congo to the North, Tanzania to the North-East, Malawi to the East, Mozambique, Zimbabwe, Botswana and Namibia to the South, and Angola to the West.

While administratively, the country is divided into ten (10) provinces. These provinces are Central, Copperbelt, Eastern, Luapula, Lusaka, Muchinga, Northern, North-Western, Southern and Western. The country has 105 districts with its capital city being Lusaka. For details, refer to figure 3 below showing the Map of Zambia.

Figure 3: Map of Zambia

Source: Goggle Map (2016).

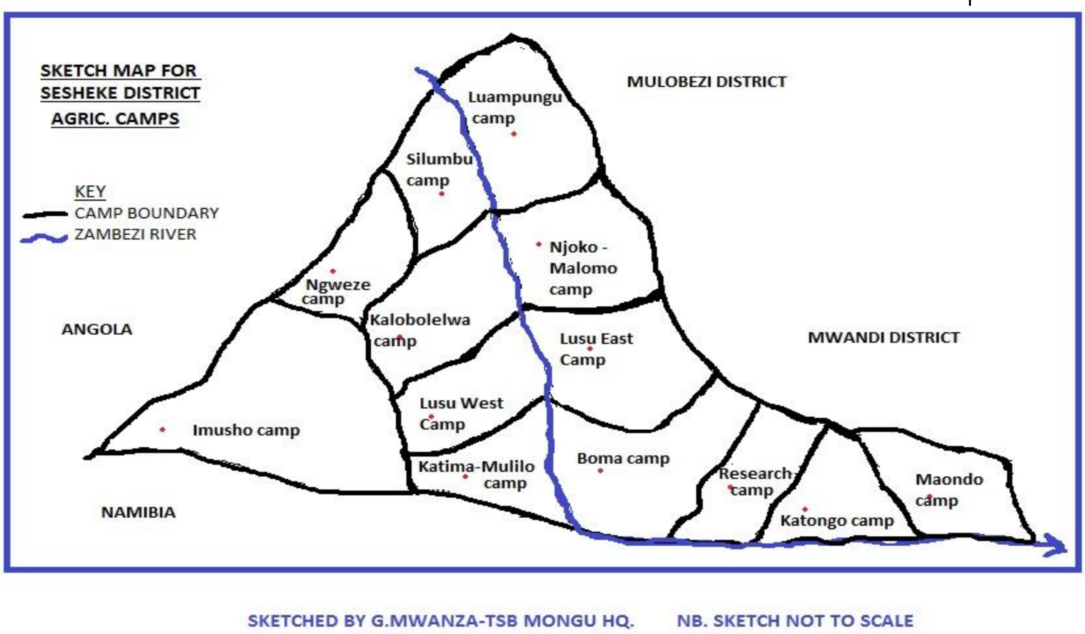
Politically, Zambia is a democratic state that attained its independence from Britain on 24th October, 1964. Demographically, Zambia's population is estimated at 15.9 million, with 7.9 million being males and 8.0 million as females. Economically, the country is dependent on copper mining, while agriculture remains the main economic activity of the vast majority of the population. The country is still poverty stricken with about 40.8 percent of the population being extremely poor (CSO, 2013).

3.4.2 Introducing Sesheke District

Sesheke District as a study site was chosen as it has one of the highest number of non-enterprising cooperatives in Western Province of Zambia (MAL, 2015). This was against the background that little is known as to why cooperatives in Sesheke District are not enterprising.

According to the DSA (2014), Sesheke District lies between 15° and 18 ° latitudes and 23° and 26° longitudes with a radius of 11, 252 square kilometers of land. The district shares international boundaries with Namibia to the South and Angola to the West. While internally, the district shares boundaries with Sioma, Senanga, Mulobezi and Mwandi Districts. Figure 4 below shows a sketch Map of Sesheke District

Figure 4: Sketch Map of Sesheke District **N**



Further, the district is characterized with a relatively flat topography, sandy soils coupled with a vegetative cover of forestry trees. It is endowed with the Zambezi River that stretches midway from the North-West to the South Poles.

Apart from this, Sesheke District experiences extreme weather conditions that average about 5 degrees Celsius in winter and 40 degrees Celsius in summer. The district has a single rainy season in the Months of November to March which averages between 405 to 500 mm.

As of the 2013 crop forecast survey, the district has a population of about 43,489 people of which slightly over 50 percent are female. A larger segment of this population comprise the Lozi speaking people. Culturally the Lozis are believed to be pastoralists of cattle.

With regards to the study setting, the fact that the main economic activity of the people of Sesheke District is subsistence agriculture (crop farming), followed by livestock rearing and fishing, the characteristics of the study setting are conducive for the enterprising of cooperatives. These economic activities that are conducted through cooperatives also include; timber production, crafts making and retail trading (CSO, 2013).

3.5 Study Population and Sampling

The population required for this study under the FGDs were the executive board members of cooperatives, while under the workshop included key informants as; chairpersons of sampled cooperatives, staff from the Department of Cooperates in the Ministry of Commerce, Trade and Industry and Action Aid as a donor agency.

The study's sample comprised 10 focus group discussions and 1 workshop. In order to effectively manage the deliberations of the focus group discussions i.e. as postulated by Tichapondwa (2013: 129), the size of the FGDs ranged from 6 to 10 participants. While, the workshop had 12 participants. Thus, the study had a total sample size of 92 participants disaggregated as; 80 participants under the FGDs and 12 participants under the workshop based method.

3.6 Sampling Techniques

The study employed maximum variation sampling technique in order to make the sample heterogeneous. Creswell (2008) argued that this technique is useful in the selection of participants that reflect variations of attributes along a continuum. Thus, this study employed maximum variation sampling technique when it selected its participants. The maximum variation sampling technique was interleafed with purposive sampling. The rationale of purposively targeting the participants of the study was based on the fact that they were of significant relevance to the phenomenon under investigation.

Under the focus group discussions, the deliberations of each group were held at different intervals. According to the schedule which is reflected under appendix 5, the focus group discussions were conducted in four days. This is where two (2) sessions were conducted on the first day, followed by four (4) sessions on the second day. While, on the third (3rd) and fourth (4th) days, three (3) sessions together with one (1) session were held respectively. On average, each focus group discussion session took about 45 minutes to an hour. Table 3 below shows the composition of the participant of each focus group discussion.

Table 3: Composition of participants of the FGDs

Membership Category	**Number**
Focus Group Discussion 1	7 Participants (3 Males : 4 Females)
Focus Group Discussion 2	6 Participants (1 Males : 5 Female)
Focus Group Discussion 3	10 Participants (4 Males : 6 Females)
Focus Group Discussion 4	10 Participants (4 Males : 6 Females)
Focus Group Discussion 5	6 Participants (3 Males : 3 Females)
Focus Group Discussion 6	6 Participants (3 Males : 4 Females)
Focus Group Discussion 7	8 Participants (4 Males : 4 Females)
Focus Group Discussion 8	9 Participants (5 Males : 4 Females)
Focus Group Discussion 9	8 Participants (3 Males : 5 Females)
Focus Group Discussion 10	9 Participants (5 Males : 4 Females)
Total	**80 Participants (35 Males : 45 Females)**

Source: Researcher (2017)

While as, the workshop was carried out in one (1) day as per attached programme under Appendix 6. As already alluded to, the workshop participants included ten (10) chairpersons of cooperatives that earlier on formed the FGDs, coupled with a representative from the Department of Cooperatives and Action Aid as a local donor agency. Table 4 below shows the composition of participants for the workshop.

Table 4: Composition of participants of Workshop Based Method

Membership Category	**Number**
Group 1	6 Participants (4 Males : 2 Females)
Group 2	6 Participants (3 Males : 3 Females)
Total	**12 Participants (7 Males : 5 females)**

Source: Researcher (2017)

3.7 Demographics of the Participants

In a nutshell, with regards to the demographical characteristics of the participants, out of a total number of 92 participants that took part in the study, 50 were females while 42 were males. The participants' ages ranged from 18 to 70 years with a mean age of 39 years. While, the educational levels of the participants ranged from Grade 1 to tertiary level of which Grade 7 was the mode. For details on the demographics of the participants, refer to appendix 11 to 23.

3.8 Data Collection Process

As already alluded to, the study used two research techniques and these included the focus group discussions (what and why questions) and a workshop based method (how question). These two research techniques were complimented by the use of the researcher's journal where observations were recorded. The data collection process of each technique were as follows;

With regards to the FGDs, a focus group discussion checklist/ moderator's guide was developed as indicated under appendix 7. The focus group discussion checklist had questions on three (3) sections. The first section had questions on demographics, the second section sought to find out what cooperatives were doing in their quest to enterprise and the last section endeavoured to know the internal and external barriers towards the enterprising of cooperatives. The specific questions were derived from a review of the literature and via experiences from previous evaluations by the Department of Cooperatives. The focus group checklist/ moderator's guide was originally prepared in English, but was verbally translated into Silozi during the sessions.

Prior to the conducting of the actual study, two FGDs were piloted of which the results indicated that no major modifications on questions were required. In all cases, participants of each FGD were contacted through their chairperson of which they consented before participating in the study.

The purpose of the study was explained to the prospective participants. Only those participants that showed willingness to participate in the study gathered at their respective cooperative premises. The FGDs were administered by the moderator (researcher) and a note taker to respective groups.

During the FGDs sessions, the participants were seated in a semicircle with the moderator in the centre. The participants were asked not to have mini discussions once the session was in progress. With the permission of the participants, the discussions were recorded using audio cellular phone.

The use of the focus group discussion proved advantageous as the method enabled participants to bring out more information that was relevant to the study. This was as a result of the fact that the tool associated with this method i.e. the FGD checklist/ moderator's guide had open and closed ended questions. Further, this approach afforded participants to freely interact amongst themselves (Tichapondwa, 2013).

On the other hand, in order to solve the research problem, a workshop based method in the realm of Contextual Action Research sometimes referred as Action Learning, was employed in this study. This method sought to answer the 'how' question of the study. It was done using the framework called 'social conferencing'.

Social conferencing is an approach derived from Trist's work on relations between organizations. It is contextual, in so far as it entails reconstituting the structural relations among actors in a social environment; domain-based, thus was used to involve all affected parties and stakeholders; holographic, as each participant understood the working of the whole and stressed that participants acted as project designers and co-researchers.

The concept of organizational ecology and the use of search conferences came out of contextual action research, which was more of a liberal philosophy, with social transformation that occurred by consensus and normative incrementalism (Max and Chisholm, 1993; ABL Group, 1997).

Thus, a "searching conference'' was carried out in a one (1) day workshop using a Workshop Based Moderator's Guide under appendix 8. The workshop session started by highlighting the barriers towards the enterprising of cooperatives in Sesheke District which were identified during the FGDs stage. Thereafter, the participants of the workshop were divided into two (2) equal size groups of six (6) participants i.e. in readiness for the plenary session.

During plenary, each group was tasked to thoroughly put forth measures that would help to resolve these barriers. This was followed by the groups' independent presentation of their findings on flip charts. After the groups' presentation of their findings, the content was deliberated upon in depth of which a composite resolution was arrived at as a workshop.

Chambers, (1997) contended that such a process requires the agreement of each participant in unison. He further posited that it is only when all this has been done, that consideration would be given to institute actionable steps aimed at resolving the problem on the spot.

3.9 Researcher's Journal

Giorgi, (2009) defined a researcher's journal as a document such as a diary or note book where salient features pertaining to the process of field data collection is recorded. Thus, the study maintained a researcher's journal on the side lines of the two research techniques that were used in the field. The information that was entered in the journal comprised a description of; the day and time each activity occurred, the nature of that activity and the participants' reactions coupled with the jotting down of key words, phrases and general observations as shown under appendix 9.

The rationale of maintaining a researchers' journal was to provide checks and balances throughout the process of data collection in the field. This helped to triangulate the scripts with the study's research techniques thereby averting the manipulation of the views of the participants by the researcher.

Besides this, the researcher's journal acted as a type of 'member check' in itself as it enabled the researcher to reflect deeper into the words, beliefs, behaviors of participants together with other insights of data collection (Marshall and Rossman, 2010).

3.10 Research's Trustworthiness

The trustworthiness of this study was enhanced by the use of Guba (1981)'s four (4) constructs namely; credibility, transferability, dependability and confirmability. Thus, the study was credible in terms of its internal validity by ensuring that its findings were in congruency with the phenomenon on the ground. This was firstly realized by the incorporation of research methods whose efficacy had been proven in previously conducted studies.

Secondly, credibility of the study was achieved by having developed a rapport between the researcher and the participants, a matter which helped the later to freely give out information that was elicited. Thirdly, triangulation in terms of the use of different research techniques, data collection sources and a diverse sample of participants helped to make the study credible. This is where triangulation compensated for individual limitations and exploited respective benefits pertaining to the various aspects of the methodology that was employed.

Fourthly, the use of interactive questioning greatly helped to enhance the credibility of the study. In this regard, probing and paraphrasing of questions minimized the eliciting of inaccurate data from the participants. Finally, member checks, in terms of the accuracy of the entire research process bolstered the study's credibility. This is where having maintained a researcher's journal, peer scrutiny and frequent debriefs between the researcher and supervisor helped to perfect the entire research process.

Besides this, the trustworthiness of this study was enhanced by the extent to which it was transferable to other settings. This helped to attain the study's external validity or generalizability provided practitioners believe their situations are similar to what was described in the study. Thus, in order to relate the study's findings to other settings, sufficient contextual information about the fieldwork sites was provided. This enabled the reader to make such a transfer. In addition, a description of the phenomenon under investigation was provided to allow readers to have a proper understanding of it. This helped to compare the phenomenon described in this study to the settings of other situations (Bless and Craig 2010).

Furthermore, dependability as a synonym of reliability helped to realize the trustworthiness of this study. This is where the processes within the study were reported in detail in order to make future researchers to come up with almost the same results. Thus, the research design was viewed as a prototype model with triangulated techniques such as the focus group discussions and the workshop based method. Eventually, such an in-depth research process allowed the reader to assess the extent to which they would replicate the whole process in their setting (Creswell, 2008).

Finally, confirmability in relation to the objectivity of the study was key in the realization of its trustworthiness. To attain the confirmability of this study, measures were taken to ensure the findings were in congruence with the views of the participants and not of the researcher. The use of triangulation enhanced the confirmability of the study, a matter that averted the researcher's bias. Thus, all methods that were adopted were substantiated coupled with its strengths and weaknesses. By so doing, a detailed methodological description allowed any observer to trace (audit trail) the course of the research step-by-step via the procedures that were used (Denzin and Lincoln, 2010).

3.11 Data Processing and Analysis

In order to derive meaning from the raw data that was collected from the participants, this study processed and analysed the data through a content analysis approach as postulated by Rossman and Rallis (2012) in the following ways;

Firstly, the transcribed views of participants from the focus group discussions and workshop, together with the notes recorded in the researcher' journal were sorted and arranged separately just as they came from each source.

Secondly, each of the sources of data were read through in order to have a glimpse of the general idea of what participants said, their tone and impression of their phenomenon that was studied.

Thirdly, the data was segmented into texts of sentences i.e. in paragraphs. The paragraphs were categorized by a code. This was followed by giving each category a theme in the margins.

Fourthly, the themes were used as headings in the findings sections. These themes acted as a basis upon which a description of multiple perspectives from the participants were displayed. This was followed by the augmenting of diverse quotations and specific evidence to the findings.

Fifthly, the study used narrative passages to convey the findings of the analysis in chronological order. The detailed discussion of several themes had sub-themes and specific illustrations like figures, or tables as adjuncts to the discussions. Finally, the study offered an interpretation to the findings by looking at the lessons learnt in relation to the phenomenon on the ground.

3.12 Ethical Issues

With regards to ethical considerations of the study, the researcher and his research assistant (note taker) formally introduced themselves to the participants. This was done verbally and through the introductory letter/ consent slip as indicated under appendix 10.

The purpose of the study was clearly spelt out to the participants in order to maintain transparency. This was through the sincere disclosure that the study was purely for academic purposes. The research team later got consent from the participants prior to the administering of the research tools coupled with permission to record the proceedings.

This made all the participants to voluntarily take part in the study as they had no objection. The participants were further assured of anonymity and confidentiality throughout the study. This is where the participants' names were not divulged as they were represented by a proxy i.e. a code. Further, the views of the participants were kept confidential and only used for research purposes. Finally, the proposal was submitted to the University of Zambia Ethics Committee for scrutiny and approval.

3.13 Chapter summary

The study employed a qualitative research design in the realm of a phenomenological approach. Data was collected from members of the non-enterprising cooperatives and key informants. This data was collected using a focus group discussion checklist/ moderator's guide and workshop based method. The two were augmented by the notes that were entered into the researcher's journal. The analysis of raw data was premised on notes taken and audio recordings. The chapter that follows will look at the presentation of the findings of the study.

CHAPTER FOUR: PRESENTATION OF RESEARCH FINDINGS

4.1 Overview

This chapter presents the research findings which are structured around the research questions. This is in accordance with De Vaus (2014)'s advice that the study's findings should provide answers to the research questions. This will be followed by the chapter summary and a summary of research findings under table 5.

4.2 Findings of the Study

This section presents the findings of the study by providing answers to the three research questions. As shall be explained hereunder, the logical connection of the three research questions to the study is that they strive to find out what cooperatives are doing in order to enterprise, why they are in their current state on non enterprising and how they would be made to start enterprising.

Findings on Research Question 1: What activities are cooperatives doing in their quest to enterprise?

Regarding the findings on the activities which cooperatives are doing in their quest to enterprise, one theme (no activity at cooperative level) and two sub themes (crop farming and livestock rearing respectively) emerged as;

Theme I: No activity at cooperative level.

In all instances, the findings from the participants of the focus group discussions indicated that cooperatives were not engaged in any form of activity. According to the participants' views, most of them demonstrated that it was only some of their members who are involved in either subsistence crop farming or livestock rearing i.e. in their individual capacity and not collectively as cooperative societies. The actual views of the participants were as follows;

> *Group 4, Participant 1: "Currently the cooperative is not doing any activity, except for its members that are involved in peasant farming i.e. at individual level".*

> *Group 10, Participant 9: "It was expected that some members who were better off were active at a personal level as they were involved either in crop or livestock rearing.*

Sub Theme I: Crop farming

In view of the main theme, the participants of the focus group discussions revealed that cooperatives were not doing any activity as a unit, except for some of its members that were involved in crop farming as illustrated below;

> *Group 3, Participant 4: "My cooperative is not doing any activity, save for some members that are involved in cultivation of maize and other crops".*

Sub Theme II: Livestock rearing.

Arising from the main theme, the participants of the focus group discussions asserted that cooperatives were not engaged into any activity. However, it were only some cooperative members that were doing livestock rearing i.e. at individual level, as illustrated below;

> *Group 8, Participant 4: "The cooperative has no activities, except for goat rearing. At the moment, I am selling goats on barter system and in the rainy season, I will be growing some fodder as feed for my goats".*

Findings on Research Question 2: Why are cooperatives not doing any activity in order to enterprise?

With regards to the findings as to why cooperatives are not doing any activity in order to enterprise, 6 internal themes and 3 external themes emerged as barriers towards the enterprising of cooperatives. Internally, the themes hinged on; a vision, business plan, resource mobilisation, cohesion of members, leadership and investment decisions. While as externally, the themes pertained to lack of; a favourable legal framework, external aid and a conducive market environment.

Internal Barriers

The internal barriers that made cooperatives not to be engaged into any activity and later on fail to enterprise were summarized into the following 6 themes coupled with their respective sub themes as;

Theme I: Vision

Under this theme, the cooperatives' failure to operate optimally was due to lack of a vision. Cooperatives attributed their lack of vision statements to ignorance on its importance and lack of know-how on how to write one. This theme was emphasised by nearly every participant of the FGDs as illustrated below;

Group 5, Participant 4: "A vision does not exist in this cooperative".

Group 8, Participant 7: "My cooperative has been in existence without any vision".

Sub Theme I: Ignorance on the importance of a vision statement

The participants of the FGDs unanimously attributed the lack of a vision statement in their cooperatives to ignorance by their members on its importance. The following illustration generally depicted the views expressed by participants as;

> *Group 1, Participant 3: "My cooperative has no vision because we do not know its importance".*

Sub Theme II: Lack of skill on how to write a vision statement

The participants of the FGDs asserted that their cooperatives do not have vision statements as they do not have the know-how on how to write it. This is evidenced by the participants' expression below;

> *Group 8, Participant 5: "My cooperatives has no vision, as no member has a skill on how to write it".*

Theme II: Business plan

The findings from participants of the FGDs revealed that cooperatives in Sesheke District do not currently have business plans. They further stated that they only used to formulate business plans during the first republic and that the trend did not continue with time. Failure by cooperatives to have business plans was due to their ignorance on the importance of a business plan coupled with lack of knowledge on how to craft one. This is evidenced by the views of the participants as illustrated below;

> *Group 4, Participant 1: "The cooperative does not have a business plan, as business planning went with the UNIP regime".*

Group 9, Participant 1: "These days, we have no business plan as a cooperative as was the case in the past".

Sub Theme I: Do not know importance of having a business plan

Arising from the main theme, where cooperatives showed signs of not having business plans, the participants attributed the status quo to not knowing the importance of having business plans. This is evidenced by the participants' actual expressions as;

Group 8, Participant 3: "We do not have a business plan because we do not know its importance".

Sub Theme II: Lack knowledge of how to compile a business plan

In view of the main theme, the participants of the FGDs attributed the failure by cooperatives to have business plans because of their lack of knowledge on how to formulate them. This claim was substantiated by the actual expressions of the participants as;

Group 10, Participant 4: "Lack of knowledge on how to write a business plan is hampering my cooperative from having a business plan"

Theme III: Resource mobilization

With regards to the internal mobilization of resources by cooperatives, the findings postulated that cooperatives had a weak financial base. This was due to the fact that its members were not willing to buy share capital as an internal resource mobilisation mechanism. The few members that had share capital in cooperatives did not buy them in full, fearing that their shares would be misused by cooperative leaders and that the price per share was too high. The actual views by participants of the focus group discussions were as follows;

Group 8, Participant 7: "My cooperative has a weak financial base due to poor internal fund raising mechanism from its members"

Sub Theme I: Unwillingness by members to buy share capital

In view of the main theme, cooperatives were characterised by a weak internal resource mobilization base. This was due to the fact that its members that were supposed to be the core funders expressed unwillingness to buy share capital in full. Members of cooperatives were not willing to buy shares as they were sceptical that their leaders would misuse their contributions. This is evidenced by the views of the participants from the FGDs as;

Group 1, Participant 4: "Members of my cooperatives do not fully pay for their shares".

Group 10, Participant 5: "As a society, we have no shares because members do not want to buy shares".

Sub Theme II: Fear of misuse of shares by cooperative leaders

Arising from theme I and sub theme I, cooperatives' internal resource mobilisation was poor as its members were not willing to buy shares. The members were discouraged from buying shares from cooperatives as they feared that their leaders would misuse their shares. The expression of the participants of the FGDs were as follows;

Group 1, Participant 3: "Members of my cooperative do not buy share capital as they feel their money will be misused by cooperative leaders".

Group 2, Participant 10: "Members are sceptical on how their money would be used by its board members, so do not buy shares in full".

Sub Theme III: Price per share too high

In view of the foregoing, members of cooperatives were not willing to buy shares in their cooperatives as the price per share was too high, thereby making them not to afford. The participants' views on this matter were as follows;

> *Group 4, Participant 3: "We are unable to buy shares because our members are resource constrained".*

> *Group 6, Participant 3: "Most members cannot afford the price per share, thus not able to buy shares in their cooperatives".*

Theme IV: Cohesion

The findings from the study revealed that members of cooperatives were not working cohesively as a unit, but rather individually. This was due to the in-fighting among members of various cooperatives. The actual views of the participants from the FGDs were as follows;

> *Group 7, Participant 4: "Our cooperative lacks unity of purpose as members are doing things in their own way".*

Sub Theme I: In fighting among members.

In view of the main theme, cooperatives were failing to cohesively work as an entity, as individual interest over rode collective effort of members. This was due to the in-fighting among members of most cooperatives. The views of the participants on this matter were as follows;

> *Group 10, Participant 5:"Due to the in-fighting amongst our members, my society is unable to cohesively work in unison".*

Theme V: Leadership

The cooperatives visited exhibited signs of poor leadership in their executive boards. This was on account of the fact that board members were illiterate. The views of the participants on this matter were as follows;

> *Group 2, Participant 10: "Our executive board is failing to move the cooperative forward due to poor leadership traits".*

Sub Theme I: Illiterate executive board

In view of the main theme, cooperatives were characterised by poor leadership as their board members were illiterate. This is substantiated by the views of the participants of the focus group discussion as;

> *Group 7, Participant 4: "As a result of the illiterate executive board, my cooperative is characterised by poor leadership".*

Theme VI: Investment decisions

Lastly, the findings from participants of the FGDs revealed that cooperatives have a tendency of making unprofitable investment decisions. These decisions were mostly on consumption unlike production thereby affecting the economic sustainability of cooperatives. This was due to the fact that the selection of projects was not guided by an appraisal process. The following are the views of the participants as;

> *Group 5, Participant 2: "My cooperative is failing to come up with profitable investment decisions, as they choose consumption unlike productive related projects".*

Sub Theme I: Lack of appraisal on projects

Arising from the main theme, cooperatives failed to come up with economically sustainable projects, as they did not subject the selection of projects to an appraisal process. This meant that unprofitable projects (consumption based) were chosen at the expense of productive projects.

> *Group 6, Participant 1: "Due to lack of appraisal on projects, my cooperative has been making unprofitable investment decisions".*

External Barriers

The external barriers that affected the propensity by cooperatives to be engaged into any activity and later on to enterprise were summarized into the following 3 themes coupled with their respective sub themes as;

Theme I: Regulatory framework

The findings of the study revealed that the operations of cooperatives were hampered by lack of a pro-cooperatives regulatory framework. This is where there was no compelling piece of legislation requiring different value chain players across sectors of the economy to work through a cooperative model. The cooperative model would help to create synergies thereby enhancing backward and forward linkages in the economy. The reason for lack of a pro-cooperative regulatory framework was caused by failure on the part of the cooperative movement to lobby the government. The following are the actual words from the participants;

> *Group 10, Participant 1 "My cooperative is not growing as there is no pro-cooperative regulatory framework".*

Sub Theme I: Lack of lobbying

In view of the main theme, operations of cooperatives were affected by a weak regulatory framework. This was on account of the fact that the cooperative movement did not lobby the government to have a pro-cooperatives regulatory framework. This claim was substantiated by the participants of the focus group discussion as;

> *Group 8, Participant 7: "The current regulatory framework does not favour the growth of cooperatives because the cooperative movement has not been lobbying to the government".*

Theme II: External aid

The participants of the focus group discussion asserted that cooperatives were failing to access external aid (grants and loans), thus were not empowered. They attributed their failure to access grants due to lack of information on providers of grants. While as, with regards to the failure by cooperatives to acquire loans, they pointed at lack of collateral security and high lending rates as some of the encumbrances. The views of the participants were as follows;

Sub Theme I: Lack of information

Arising from the main theme, cooperatives were failing to access external aid (grants and loans) due to lack of information on the prospective service providers. This claim was substantiated by the participants' views as;

> *Group 10, Participant 1: "As a result of lack of information on service providers, my society is failing to access external aid".*

Sub Theme II: Lack of collateral security

In view of the main theme, the participants of the focus group discussion posited that cooperatives failed to access loans due to lack of collateral security. The following were the expressions of the participants as;

> *Group 9, Participant 2: "Due to lack of collateral security, my cooperative is unable to access a loan"*.

Sub Theme III: High lending rates

With regards to the main theme on external aid, the findings revealed that cooperatives failed to acquire loans from financial institution due to high lending rates. This claim was substantiated by the participants of the focus group discussion as;

> *Group 3, Participant 2: "My cooperative is failing to access loans due to the prevailing high interest rates from lending institutions"*.

Theme III: Market environment

The findings from the focus group discussions revealed that cooperatives were unable to penetrate on both the local and international markets. This was due to lack of preferential trade policies in favour of cooperatives. This claim was substantiated by the participants of the focus group discussions as;

> *Group 1, Participant 3: "My cooperative is failing to find a niche on both the local and international markets"*.

Sub Theme I: Lack of preferential trade policies

Arising from the main theme, the participants of the focus group discussions asserted that cooperatives had failed to penetrate the local and foreign markets due to lack of preferential trade policies for cooperatives as illustrated below;

> *Group 8, Participant 7: "Due to lack of preferential trade policies, my cooperative is failing to have a good market share on the market".*

Findings on Research Question 3: How enterprising could be augmented among cooperatives?

Arising from the findings on the second research question, the participants of the study through the workshop, unanimously came up with resolutions (findings) aimed at augmenting the enterprising of cooperatives. Thus, the findings on this research question rested on the 6 internal and 3 external thematic barriers towards the enterprising of cooperatives.

Internal Barriers

The following themes were the participants' resolutions on internal barriers affecting the enterprising of cooperatives as;

Theme I: Solutions on the Vision

In view of the focus group discussions, the participants of the workshop alluded that cooperatives were not enterprising due to lack of vision statements. They further alluded that cooperatives failed to have vision statements due to being ignorant on its importance and lack of know-how on how to write one.

Thus, to counter all aspects surrounding the vision, participants of the workshop resolved the following;

Sensitize cooperatives on importance of a vision statement

In order to resolve the problem of ignorance on the importance of a vision statement by cooperatives, the workshop called on the government and relevant stakeholders to sensitize cooperatives on the importance of a vision statement. This would help to make cooperatives to be focused, for their onwards enterprising.

Training in vision formulation

Besides this, in a bid to resolve the problem of lack of skill on how to write a vision statement by cooperatives, the participants of the workshop resolved that the government and cooperating partner should train cooperatives in vision formulation. This would ultimately help to ensure the management of cooperatives in line with their vision statements.

Theme II: Solutions on Business Plan

In light of the findings from the focus group discussions, participants of the workshop stated that cooperatives do not have business plans. This was attributed to their ignorance on the importance of a business plan coupled with lack of knowledge on how to craft one.

Therefore, to resolve bottlenecks on the business plan, participants of the workshop resolved the following;

Exposure visits

In an effort to resolve the problem of not knowing the importance of a having a business plan by cooperatives, the participants of the workshop resolved that the government and relevant stakeholders should be conducting exposure visits. This is where cooperatives that do not appreciate the importance of having a business plan, should be taken to those cooperatives that have thrived as a result of using business plans. This would help those cooperatives that are lagging behind to learn in practice on the importance of business planning.

Train cooperatives in business planning and management

Apart from this, in an endeavour to resolve the problem pertaining to lack of knowledge on how to compile a business plan by cooperatives, the participants of the workshop resolved that the government and its cooperating partners should consider training cooperatives in all intricacies of business planning and management. This would help cooperatives to formulate realistic business plans for their onwards enterprising.

Theme III: Solutions on Resource Mobilization

The findings from the focus group discussions revealed that cooperatives had a weak financial base as they were failing to mobilize resources internally i.e. from their members. This was as a result of their members' unwillingness to buy share capital and being sceptical that their leaders would misuse their money. This was together with the alleged unaffordable price per share capital.

In order to resolve issues surrounding the mobilisation of resources, the participants of the workshop resolved the following;

Change mind set of members

In a bid to resolve the problem of unwillingness by cooperative members to buy share capital in their cooperatives, the participants of the workshop resolved that the government and its cooperating partners should help change the mind set of members. This is where the members' attitude of not paying for shares at the expense of waiting for handouts from well-wishers should be discouraged. This is due to the fact that cooperatives would only operate sustainably through members' share capital and not promissory handouts that hardly come their way. By so doing, cooperatives would bolster their internal generation of resources for their onwards enterprising.

Prosecute cooperative leaders that misuse funds

Apart from this, in order to allay fears that cooperative leaders would squander their members' contributions, the participants of the workshop resolved that the cooperatives act and by-laws should be revised. The revision of the two pieces of legislation should provide for the outright prosecution of the offenders so as to serve as a deterrent to others. This would help to promote transparency and accountability thereby rekindling the confidence levels of cooperative members.

Reduce price per share

Furthermore, in order to resolve the problem of high price per share, the workshop resolved that the government should regulate the price per share in relation to the performance of various cooperatives. This would help to make the price per share affordable to all members, thereby averting the exploitation of members. Once this hitch shall be resolved, internal resource generation would be bolstered thereby enabling cooperatives to enterprise.

Theme IV: Solutions on Cohesion of members

Apart from this, the findings of the focus group discussions revealed that members of cooperatives were not working cohesively as a unit, but instead in their individual capacity. Lack of cohesion was attributed to in-fighting among members of various cooperatives.

Therefore, in order to resolve the problem of lack of cohesion amongst cooperative members, the participants of the workshop resolved to;

Strengthen arbitration of conflict stricken cooperatives

In order to foster cohesion of members in cooperatives, the participants of the workshop resolved that the government and its cooperating partners should mitigate the problem of in-fighting among cooperative members. This would be by strengthening their arbitration role thereby mitigating dysfunctional conflicts in cooperatives. By so doing, this would make members to be committed, thereby increasing the cooperatives' prospects to enterprise.

Theme V: Solution on Leadership

Furthermore, the findings from cooperatives that were visited during the focus group discussions showed signs of poor leadership in their executive boards. This was due to the high illiteracy levels among board members.

Thus, to iron out this leadership crisis in cooperatives, the participants of the workshop resolved the following;

Set minimum requirements for cooperative leaders

In a bid to counter the problem pertaining to lack of quality leadership in cooperatives due to illiterate executive boards, the participants of the workshop implored the government to set minimum requirements in terms of qualifications and experience for prospective board members. By so doing, a crop of literate and numerate leaders would greatly facilitate the enterprising of cooperatives.

Theme VI: Solution on Investment decision

Lastly, the findings from participants of the focus group discussions revealed that cooperatives made unprofitable investment decisions. These decisions affected the economic sustainability of cooperatives as they were mostly based on consumption unlike production. This problem was attributed to lack of subjecting the selection of projects to an appraisal process.

Thus, to rid bottlenecks associated with investment decisions on projects, the participants of the workshop resolved the following;

Appraise all projects

In order to resolve the problem of selecting unprofitable projects as a result of making uninformed investment decisions, the participants of the workshop resolved that cooperatives should be subjecting all projects to an appraisal process prior to implementation. This would help to ensure that all selected projects should be resilient to internal and external impediments. Ultimately, this would help cooperatives to enterprise sustainably.

External Barriers

The following themes were the participants' resolutions on external barriers affecting the enterprising of cooperatives as;

Theme I: Solution on Legal framework

According to the findings of the focus group discussions, the enterprising of cooperatives was affected by lack of a pro-cooperatives legal framework. The lack of a pro-cooperatives legal framework was caused by failure of the cooperative movement to lobby the government.

Therefore, in order to rectify gaps in the legal framework, the participants of the workshop resolved the following;

Lobby for pro-cooperatives policies

In order to resolve the problem associated with a poor legal framework for cooperatives, the participants of the workshop called upon the cooperative movement to lobby to government for favourable policies. Indeed, having a policy framework that compels players in the economy to work through a cooperative model would greatly make cooperatives to create synergies and enterprise sustainably.

Theme II: Solutions on External Aid

With regards to the findings of the focus group discussions, cooperatives failed to have access to external aid (grants and loans), thereby remaining unempowered. The failure to access grants by cooperatives was due to lack of information on providers of grants. While as, the failure by cooperatives to acquire loans, was due to lack of collateral security coupled with high interest rates.

Therefore, to iron out the problems associated with external aid, the participants of the workshop resolved the following;

Sensitize cooperatives on how to access external aid

In order to resolve the problem of lack of information viz-a-vis the accessing of external aid by cooperatives, the participants of the workshop resolved that the government should sensitize cooperatives on where the relevant service providers are located coupled with their conditions. Such information, would enable cooperatives to make timely decisions thereby increasing their prospects to enterprise.

Government to act as guarantor for cooperatives

Besides this, in order to forego the problem of lack of collateral security by cooperatives when accessing loans, the participants of the workshop appealed to the government to act as a guarantor in such transactions. This would increase chances of cooperatives acquiring loans for production, thereby enabling them to enterprise sustainably.

Cooperatives to create a revolving fund

In order to salvage the problem of high interest rates which cooperatives encounter when accessing loans, the participants of the workshop advised cooperatives to pool their resources together and create a revolving fund. It would be through a revolving fund that the recapitalisation of cooperatives would be enhanced, thereby enabling them to enterprise.

Theme III: Solution on Market Environment

Finally, with regards to the findings from the focus group discussions, cooperatives failed to penetrate on both the local and international markets. This was due to lack of preferential trade policies in favour of cooperatives.

Therefore, in a bid to rectify the problem related to the market environment, the participants of the workshop resolved that;

Government should give cooperatives trading incentives

In order for cooperatives to counter the problem of not having a niche on both the local and foreign markets, the participants of the workshop appealed to the government to formulate preferential trade policies to cooperatives. Indeed, such policies would be of help to ensure that cooperatives are protected from unfair competition on the market. Ultimately, preferential treatment would help to incentivise cooperatives through tax rebates thereby making them to enterprise.

4.3 Chapter summary

This chapter presented the findings of the study. The findings were presented in relation to the three research questions (what, why and how) of the study. Thus, the chapter looked at what cooperatives are doing in order to enterprise, why they are not enterprising and how enterprising could be augmented amongst cooperatives. The chapter that follows will look at the analysis of the results.

Table 5: Summary of the Research Findings

Research Questions	Research Findings
1. What activities are the cooperatives of Sesheke District doing in order to enterprise?	**Activities cooperatives are doing in their quest to enterprise.** Theme I: There are no activities for the cooperative, except at individual level. Sub Theme I: Some members are doing crop farming. Sub Theme II: Other members are engaged into livestock rearing.
2. Why are cooperatives in Sesheke District exhibiting this level of enterprising?	**Why are cooperatives not enterprising (Internal barriers)?** **1. Findings on Vision** Theme I: Cooperatives do not have Vision Statements. Sub Theme I: Ignorance on the importance of a vision statement. Sub Theme II: Lack of skill on how to write a vision statement. **2. Findings on Business Plan** Theme II: Cooperatives do not have Business Plans Sub Theme I: Do not know importance of having a business plan. Sub Theme II: Lack knowledge of how to compile a business plan. **3. Findings on Resource Mobilization** Theme III: Failure by cooperatives to Mobilise Resources Sub Theme I: Unwillingness by members to buy share capital. Sub Theme II: Fear of misuse of shares by cooperative leaders. Sub Theme III: Price per share too high.

	4. Findings on Cohesion of members Theme IV: No Cohesion in cooperatives Sub Theme I: In-fighting among cooperative members. **5. Findings on Leadership** Theme V: Poor Leadership in cooperatives Sub Theme: Illiterate executive board. **6. Findings on Investment Decisions** Theme VI: Unprofitable Investment decisions in cooperatives Sub Theme I: Lack of appraisal on projects. **Why are cooperatives not enterprising (external barriers)?** **1. Findings on Regulatory framework** Theme I: Regulatory framework Sub Theme I: Lack of lobbying **2. Findings on External Aid** Theme II: External Aid Sub Theme I: Lack of Information Sub Theme II: Lack of collateral security Sub Theme III: High lending rates **3. Findings on Market Environment** Theme III: Market Environment

	Sub Theme I: Lack of preferential trade policies
3. How could enterprising be augmented among the cooperatives of Sesheke District (Internally and Externally)?	**On Internal Barriers** **Theme I: Solutions on Vision** Sensitize cooperatives on importance of a vision statement Training in vision formulation **Theme II: Solutions on Business Plan** Exposure visits Train cooperatives in business planning and management **Theme III: Solutions on Resource Mobilization** Change mind set of members Prosecute cooperative leaders that misuse funds Reduce price per share **Theme IV: Solution on Cohesion of members** Strengthen arbitration of conflict stricken cooperatives **Theme V: Solution on Leadership** Set minimum requirements for cooperative leaders **Theme VI: Solution on Investment decisions** Appraise all projects **On External Barriers**

	Theme I: Solution on Legal framework Lobby for pro-cooperatives policies **Theme II: Solutions on External Aid** Sensitize cooperatives on how to access external aid Government to act as guarantor for cooperatives Cooperatives to create a revolving fund **Theme III: Solution on Market Environment** Government to give cooperatives trading incentives

Source: Researcher (2017)

CHAPTER FIVE: DISCUSSION OF RESEARCH FINDINGS

5.1 Overview

This chapter presents the answers to the research questions and provides a contextual analysis of the findings. This is in relation to pieces of previous research done, coupled with the rendering of a critical appraisal from the researcher's field observations. A discussion on the significance and limitations of the study follows coupled with the chapter summary.

5.2 Overview of answers to the research questions

Arising from the previous chapter, the study was designed to answer the three research questions as follows;

Considering Research Question 1: What activities are cooperatives doing in order to enterprise?

There were no activities that cooperatives in Sesheke District were doing. It was only at individual level where some members were involved in crop farming and livestock rearing.

Regarding Research Question 2: Why are cooperatives not doing any activity in order to enterprise?

The findings revealed that cooperatives were exhibiting levels of non-enterprising due to Six (6) internal and Three (3) external barriers. Internal barriers included challenges pertaining to the structuring the vision, business plan, poor resource mobilization, lack of cohesion amongst members, poor leadership and investment decisions. While, external barriers included; lack of a legal framework, external aid and a conducive market environment.

With regards to Research Question 3: How could enterprising be augmented among the cooperatives of Sesheke District (Internally and Externally)?

The findings on this research question strove to resolve the 6 internal and 3 external thematic barriers towards the enterprising of cooperatives which arose from research question 2. Internally, to mitigate the barrier on the vision, the participants resolved to sensitize and train cooperative members on vision formulation and its importance. While to alleviate the barrier on business planning, it was resolved that cooperative members should be taken for exposure visits and also train them in business planning and management. To resolve the barrier on poor internal resource mobilization, it was resolved that members' mind set be changed for the better, prosecute cooperative leaders that misuse funds and consider reducing the price of share capital. In order to resolve the barrier on cohesion of members, it was resolved that arbitration of conflict stricken cooperatives be strengthened. While as, to resolve the barrier pertaining to leadership in cooperatives, it was resolved that there should be a minimum requirement for prospective cooperative leaders. Lastly, in an effort to resolve the barrier on investment decisions in cooperatives, it was resolved that all projects should thoroughly be appraised prior to implementation.

Externally, to resolve the barrier related to the legal framework, it was resolved that cooperatives should lobby to the government for pro-cooperatives policies. While to resolve the barrier on external aid, it was resolved that; cooperatives be sensitized on how to externally access such aid, the government should act as a guarantor for cooperatives when borrowing and that cooperatives should create a revolving fund. Finally, in an effort to resolve the barrier on the market environment, it was resolved that the government should give cooperatives trading incentives.

5.3 Contextual analysis of the Findings

Arising from the answers to the first and second research questions, this section strives to contextualize the findings of the study to various pieces of previous research done, coupled with the rendering of a critical appraisal from the researcher's field observations as follows;

Analysis of the Findings on Research Question 1: What activities are cooperatives doing in order to enterprise?

The findings of the study revealed that cooperatives were not enterprising as they were not collectively engaged into any activity. They were not bound together as they did not adhere to the cooperative ethics, values and principles. Instead, it was only at individual level where some members were involved in crop farming and livestock rearing.

These findings are in sharp contrast with the literature reviewed on the normal operations of a typical cooperative. According to the universal cooperative ethics, values and principles, Charinda (2015) asserted that a normally functioning cooperative exhibits signs of its members working together towards a common goal. The proceeds from such an initiative trickles down to its members and the general public in form of affordable goods and services. Further, Deininger, (2007) posited that in the case of agricultural cooperatives, members usually pool their resources together in order to procure an expensive state of the art productive asset. For instance, this asset may be in form of a milling plant that would hardly be procured by members working as individuals. In essence, by pooling together resources to actualise the hypothesised milling project, members' cost of processing right up to marketing of their produce would be lower. This would enable them to earn substantial profits, a matter that may not be attainable if they were working in their individual capacities.

In view of this, the researcher observed that cooperatives that were visited were failing to enterprise as members were indeed not working in unison because they disregarded the cooperative ethics, values and principles. This is evidenced by the fact that some members i.e. at individual level were involved in crop farming that ranged from cereals, legumes to vegetables. While, others were rearing livestock i.e. cattle, pigs, goats and chickens.

Thus, it would be assumed that cooperatives are not well organised as members do not appreciate the benefits of working together. This may be as a result of the fact that these cooperatives were not formed out of a felt need, but were instead formed after being promised to be given handouts by politicians. Some cooperatives that have received these handouts have developed a dependency syndrome and are not self-reliant. While, those that have never received any handouts have remained dormant.

This state of affairs imply that there is laxity in the current Cooperatives Act No: 20 of 1998 as cooperatives are being registered without a demonstrated felt need. Besides this, it seems that the DCU and the Department of Cooperatives have not done much to sensitize members of these cooperatives on the benefits of working through the cooperative model. It is only by working through the cooperative model that members would satisfy larger markets. These markets such as chain stores and super markets require consistent mass supply of produce which members working disjointedly can hardly afford to meet the target.

Analysis of the Findings on Research Question 2: Why are cooperatives exhibiting levels of non-enterprising?

The analysis as to why cooperatives are exhibiting levels of non-enterprising will be premised on the identified internal and external barriers towards the enterprising of cooperatives as discussed hereunder;

Internal barriers

The analysis of the findings pertaining to the identified internal barriers towards the enterprising of cooperatives will be anchored on 6 themes as; the vision, business plan, resource mobilization, cohesion of members, leadership and investment decisions.

Analysis on the Vision

The findings of the study pointed out that cooperatives were not enterprising because they did not have a vision. This is on account of cooperatives' ignorance on the importance of a vision statement coupled with their lack of skill on how to formulate it.

These findings are at variance with the dictates of the literature reviewed on a typical cooperative. Tembo (2014) asserted that a vision statement is one of the prerequisite towards the enterprising of cooperatives. Therefore, operating without a vision statement constrains an organisation's effort to enterprise. In the case of cooperatives, it predisposes them to work haphazardly and without a clear work breakdown structure. Ultimately, this renders the direction in which cooperatives are headed to and the means of getting there to remain vague.

This state of affairs is consistent with the researcher's field experience as the cooperatives that were visited were indeed operating without a vision. This is evidenced by the fact that these cooperatives did not have a written down vision statement. Further probing that was done, revealed that neither did any member nor worker knew the vision statement of their cooperative.

Thus, it would be assumed that cooperative members expressed ignorance on the importance of a vision statement due to their low educational levels. Indeed, having Grade 7 drop outs at the helm of leadership of these cooperatives i.e. as indicated by their demographic profile, explains why cooperatives are failing to enterprise. Besides this, lack of skill by cooperative members on how to formulate a vision statement entails that the Department of Cooperatives and other relevant partners have done less to capacity build these cooperatives.

Analysis on Business Plan

The research findings revealed that cooperatives were not enterprising as they did not have business plans. This is due to not knowing the importance of having a business plan coupled with lack of knowledge on how to compile one i.e. on the part of the cooperative members.

These findings are in disagreement with the literature reviewed, as embracing business planning by cooperatives is a gate way to their enterprising Charinda (2015). The failure by cooperatives to have business plans, greatly affect their propensity to enterprise. This is due to the fact that there is no plan of action to refer to and actualize all the intricacies of a business worth undertaking. Furthermore, Liu, (2010) posited that running an organization without a business plan greatly lessens the competitive edge of any prospective business. This is where a business that operates without a clear business plan and strategy would easily be crowded out of the market by its rivals (competitors).

Therefore, in accordance with the researcher's field observations, the cooperatives that were visited never embraced business planning. These cooperatives exhibited signs of not having a road map through which they would collectively harness their resources in order to realise their entrepreneurial goal.

Conversely, it would be assumed that cooperative members do not know the importance of having a business plan due to their humble educational background. Besides, lack of knowledge by cooperatives on how to craft business plans may imply that the Department of Cooperatives and its partners have not done much in the area of capacity building (training) of cooperatives.

Analysis on Resource Mobilization

The findings of the study affirmed that cooperatives were not enterprising due to their failure to mobilize resources. The reasons that were advanced pertained to members' unwillingness to buy share capital and perceived misuse of members' shares by cooperative leaders. This was in addition to the unaffordable price of each share.

These findings are not in support with the literature reviewed as Tembo (2014), argued that the enterprising of cooperatives would significantly be propelled by the injection of resources. These resources mainly comprise capital, besides the human and material resources. Therefore, the failure by cooperatives to internally mobilise resources from its members entails that their desire to enterprise would remain bleak and unattainable. This is due to the fact that resources act as a catalyst towards the jump-starting of entrepreneurial activities of cooperatives. Furthermore, Lolojih (2009), also pointed out that the contributions from members would only be bolstered if the price of a share would be affordable. The making of the price of a share to be affordable would subsequently attract more subscriptions from members.

These findings are in congruency with the researcher's field experience as the cooperatives that were visited showed signs of a weak resource base. These cooperatives did not have cash at hand nor at the bank. They only have a few low valued assets like semi-permanent cooperative structures to point at. Generally, the balance sheet of most cooperatives seemed to have more liabilities than assets.

The implication of members' unwillingness to buy share capital in their cooperatives could be attributed to them not knowing the importance of shares. This means that the DCU being the apex body of cooperatives at district level has not done much sensitization to cooperatives on the importance of buying shares. The perceived misuse of shares by cooperative leaders entails that the current legal framework is weak as it does not incriminate erring leaders. Similarly, the arbitrary hiking of the price per share to unaffordable levels by most cooperatives has been disadvantaging ordinary members. This means that the current legal framework has not been protecting vulnerable members from exploitation by those that are powerful in cooperatives.

Analysis on Cohesion of members

Furthermore, the findings of the study revealed that cooperatives were not enterprising due to lack of cohesion amongst cooperative members. This is attributed to the in-fighting among the members of cooperatives.

These findings are in contrast with the literature reviewed as Bhuyan (2007), posited that a cohesive working atmosphere is a back bone of any enterprising cooperative. Therefore, lack of cohesion amongst cooperative members greatly hinders their participation and creativity towards cooperative activities. This ultimately supplants the cooperatives' ability to enterprise as they direct their resources towards unproductive conflicts.

Thus, the researcher's observations were in line with these findings. This is where cooperatives that were visited exhibited high levels of disharmony. The members had a tendency of fighting their board of directors, of which the board of directors were also at loggerhead with their employees.

It would be assumed that cooperative members were antagonising each other at the expense of furthering the entrepreneurial agenda of their cooperatives. The persistent in-fighting amongst members entails that cooperatives have deviated from operating as formal organisations to being informal. This points to the fact that the Department of Cooperatives has not been doing enough to ensure that there is sanity in cooperatives by inspecting and arbitrating on conflict stricken cooperatives. Besides this, the growing in-fighting in cooperatives means that the DCU has not been doing much with regards to the organising of its cooperatives to the required standards.

Analysis on Leadership

The findings of the study revealed that cooperatives were not enterprising due to poor leadership. This is on account of the fact that most members of cooperative boards were illiterate.

These findings are not in tandem with the study done by Liu (2010), where he argued that the quality of leadership inherent in a cooperative determines its level of enterprising. Conversely, a leadership crisis in cooperatives stifles efforts aimed at engaging into productive activities. In this regard, cooperatives may only be productive and enterprising if the quality of leadership matches with the requirements of the cooperatives. For instance, having experienced and skilful leadership would make cooperatives to operate competitively and profitably.

These findings are in agreement with the researchers' field observations. The leadership status of cooperatives that were visited was not impressive as it was characterised with very illiterate members i.e. majority of them only reached Grade 7 level of education.

It is because of such poor calibre of leaders that cooperatives were failing to enterprise as a Grade 7 drop out can hardly move a cooperative to entrepreneurial prosperity. In most cases, such a crop of leaders serve their self-interest at the expense of the interest of the shareholders of the cooperatives, thereby stagnating the entrepreneurial take off of cooperatives.

Analysis on Investment Decisions

Lastly, the findings of the study pointed that cooperatives were not enterprising due to unprofitable investment decisions which they made. These decisions were usually arrived at because there was lack of thorough appraisal prior to the implementation of projects.

These findings are in contradiction with the literature reviewed pertaining to a typical cooperative. Fulton and Adamowicz (2009), contended that in a normally functioning cooperative, the mode of selecting investment projects is guided by a comprehensive appraisal process that spells out sustainable return on investment. Therefore, the tendency of shortcutting the appraisal process of projects prior to implementation stifles the cooperatives' prospects to enterprise. This is where investing into consumption unlike productive projects affect the sustainable venturing into activities that would spur the enterprising of cooperatives.

The foregoing is in agreement with the researcher's observations on investment decisions that cooperatives made. The cooperatives visited made decisions that were not meant to sustain their operations. These cooperatives put more premier on the payment of dividends at the expense of investing resources into productive projects.

The making of unprofitable investment decisions by cooperatives could be attributed to having an illiterate leadership. This means that the Department of Cooperatives has not been doing much to capacity build (train) these cooperatives on matters related to project identification, appraisal and investment.

External barriers

Regarding the external barriers towards the enterprising of cooperatives, the analysis of the findings will be in 3 themes as; Regulatory framework, external aid and market environment.

Analysis on Regulatory framework

The findings of the study revealed that cooperatives were not enterprising due to a weak regulatory framework. This is attributed to lack of lobbying by the cooperative members to the government for better policies.

These findings are not in correlation with the literature reviewed as pointed out by Birchall and Richard (2009) that a good regulatory framework propels the enterprising of cooperatives. Therefore, a weak regulatory framework, greatly paralyses the ability by cooperatives to have activities and to enterprise. This is on account of the fact that cooperatives require a policy framework that would prioritise their existence if they were to sustainably thrive.

These findings are in agreement with the researcher’s observations on the prevailing legal framework. Indeed, cooperatives that were visited exhibited signs of failure to enterprise. This is due to the fact that cooperatives are no longer nurtured and given work by the government, as was the case in the second republic, but instead have been left to fend for themselves. It is evident that from the time the maize buying function was taken away from cooperatives to the Food Reserve Agency, cooperatives have been left in limbo.

The failure by cooperatives to lobby the government for a good regulatory framework entails that cooperatives are not working in solidarity as a movement. This makes the cooperative movement to have a weak voice on issues that affect their welfare. It is therefore assumed that the voice of the cooperative movement is fragmented as the DCU has not sensitized its cooperatives on the need to speak out when need arises.

Analysis on External Aid

The findings of the study asserted that cooperatives were not enterprising due to encumbrances in the accessing of external aid. This is attributed to the cooperatives’ lack of information on where to access such aid coupled with lack of collateral security and high lending rates.

These findings are not in agreement with the study done by Yubai (1999) where he argued that external aid in form of grants or loans is crucial for the enterprising of cooperatives. Therefore, failure by cooperatives to access external aid greatly impedes their ability to venture into productive activities and later on to enterprise. This is on account of the fact that failure to access such aid, equally denies the cooperatives some empowerment towards the venturing into production.

These findings are in congruency with the researcher's observations as the cooperatives that were visited showed no signs of having being empowered, hence their failure to enterprise. Worse still, the stringent conditions of most lending institutions, proved prohibitive for cooperatives to access such aid.

Thus, it is assumed that cooperatives' lack of information on where to access such aid could be attributed to the DCU's failure to effectively perform its networking role. Besides, lack of collateral security as a hindrance for cooperatives to access external aid could be attributed to the government's failure to act as a guarantor. Further, cooperatives' failure to access external aid (loans) could be attributed to the non-existence of village cooperative banks that could have been offering lower interest rates to its members. Conversely, high lending rates from commercial banks have been very prohibitive and exploitative to prospective borrowers (cooperatives).

Analysis on Market Environment

Finally, the findings revealed that cooperatives were not enterprising due to lack of a conducive market environment. This is on account of not having preferential trading policies for cooperatives.

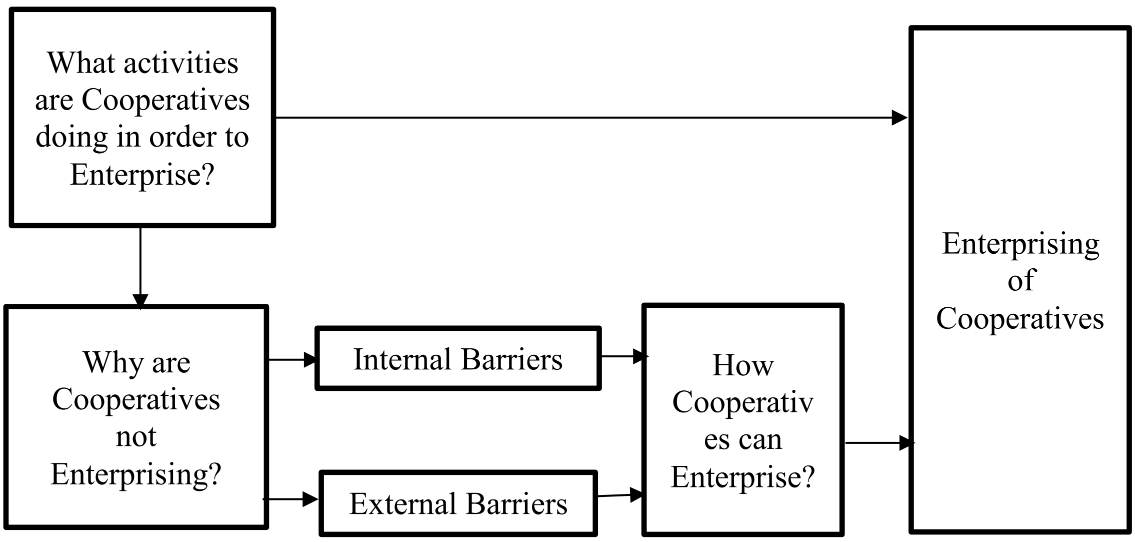
These findings are not in support with the studies conducted by Bruynis at el (2007). The scholars argued that having preferential trading arrangements in a market is a prerequisite towards the enterprising of cooperatives. In this regards, cooperatives would trade with very less competition as they would be assured of ready market segments. Therefore, lack of a conducive market environment coupled with no preferential trading policies for cooperatives greatly affects their ability to sustainably enterprise. This is due to the fact that the high competition on the market has a crowding out effect on cooperatives thereby supplanting their competitive edge on the market.

The foregoing is in congruency with the researcher's observations. The prevailing market environment is highly competitive for cooperatives to penetrate. This implies that the government has not intervened on the market. Ideally, some markets are supposed to be reserved for cooperatives if they are to sustain their entrepreneurial prospects.

5.4 The Novelty of the Study

Arising from Chapter Two, Section 2.2, the study was not guided by any Conceptual or Theoretical Framework. Thus, the study inductively developed a framework on the phenomenon under study. This novelty contribution of my study through a framework under Figure 5, depicts how enterprising would be enhanced among cooperatives as illustrated below;

Figure 5: A Framework on Enterprising of Cooperatives



Source: Researcher (2017)

5.5 Chapter summary

This chapter discussed the answers to the research questions and provided a contextual analysis of the findings. This was in relation to pieces of previous research done, coupled with the rendering of a critical appraisal from the researcher's field observations. This was followed by a newly developed framework on the enterprising of cooperatives. The chapter that follows discusses the conclusion and recommendations of the study.

CHAPTER SIX: CONCLUSION AND RECOMMENDATIONS

6.1 Overview

This chapter discusses the conclusion and recommendations of the study. The conclusion strives to confirm the final status of the study viz-a-vis the problem statement that was earlier set out. This is by evaluating the findings of the study in relation to the research questions. Thereafter, the study puts forth recommendations for policy action and suggestions for future research.

6.2 Conclusion

The study endeavoured to explore what cooperatives of Sesheke District were doing in their quest to enterprise. This was with a view to understanding barriers of non-enterprising and what practical solutions would be devised to enable them start enterprising.

This was against the problem that cooperatives were not enterprising for over a decade. In the context of this study, the definition of an enterprising cooperative as adopted from the Cooperative Inspection Form, means a cooperative society that; has a vision, business plan, resources and operates in line with other acceptable business attributes. Conversely, cooperatives that do not meet any of these standards are categorized as non-enterprising (MAL, 2015).

Therefore, to explore this problem, the study was anchored on the three objectives/ questions as; what cooperatives of Sesheke District are doing in their quest to enterprise, why they are in their current state of non-enterprising and how practical solutions would be devised to enable them to start enterprising.

Thus, the study employed an action approach i.e. focus group discussions and the workshop based method. The following findings depicted the status of the study in relation to the problem statement as;

In response to the first research question, the findings revealed that cooperatives of Sesheke District were not doing any activity in their quest to enterprise. It were only some of its members that were involved in either crop farming or livestock rearing i.e. in their individual capacity.

While, on the second research question, it was established that cooperatives were not enterprising due to internal and external barriers. The Six (6) internal barriers included lack of; vision statements, business plans, internal resource mobilization, cohesion of members, good leadership and good investment decisions on projects. Externally, the study established Three (3) barriers towards the enterprising of cooperatives as; weak legal framework, lack of external aid and unfavourable market environment.

With regards to the third research question, the study devised ways of resolving the Six (6) internal and Three (3) external barriers towards the enterprising of cooperatives which arose from the previous research question. This was done through a workshop based method. Internally, the study resolved to ensure that all bottlenecks surrounding the; vision, business plan, resource mobilization, cohesion of members, leadership and investment decisions be ironed out as discussed in the previous chapter. While, externally the study pointed out that matters related to; the regulatory framework, external aid and market environment be resolved if cooperatives were to enterprise i.e. as discussed in the previous chapter.

6.3 Recommendations of the study

In view of the findings and in a bid to overcome the barriers towards the enterprising of cooperatives in Sesheke District, the study made the following policy recommendations as;

Strengthen Regulatory framework

In order to stimulate the entrepreneurial prospects of cooperatives, the policy implementers at district level should recommend to policy formulators on the need to strengthen the Cooperatives Act No. 20 of 1998 coupled with the adherence to cooperative ethics, values and principles. This will help to curb the mushrooming of cooperatives that are not engaged into any activity and only wait for handouts that hardly come their way. In order to avert a disjointed working atmosphere in cooperatives, members that are engaged in various value chains like crop farming and livestock rearing should be encouraged to work through the cooperative model. This will help to create economies of scale between and among various cooperatives in the district.

Besides this, in a bid to resolve the leadership crisis that has been brought about by illiterate leaders in cooperatives, the Act should set a minimum qualification for prospective cooperative leaders. The Act should also criminalize any erring board member of cooperatives thereby instilling fiscal discipline. Lastly, the Act should provide for a preferential trading (domestic and foreign) arrangement for cooperatives. This should be together with the strengthening of inspections and arbitrations to especially conflict stricken cooperatives.

Capacity building of cooperatives

In an effort to make cooperatives enterprising, the policy implementers and relevant stakeholders at district level should capacity build cooperatives thereby bridging the glaring entrepreneurial skills gaps. The capacity building should be in form of trainings, extension services, sensitization campaigns and exposure visits premised on needs assessments. This would help to resolve barriers towards the enterprising of cooperatives not limited to; vision formulation, business planning, resource mobilization through share capital, cohesion, leadership, investment decisions, general lobbing and advocacy.

Establish village cooperative banks

Lastly, in order to make cooperatives to enterprise, the government should establish village cooperative banks. These banks will help to empower cooperatives for their entrepreneurial take off. This will be by improving the liquidity of cooperatives through flexible conditions such as; low interest rates, minimal collateral security coupled with their propensity to bolster their savings. Besides, these banks will help to ensure that cooperatives subject their proposed projects to an informed appraisal process before being funded. In order to enhance transparency and accountability in cooperatives, the cooperative banks will equally help to cascade the auditing function to cooperative level.

6.4 Suggestions for future research

The findings of this study on the barriers towards the enterprising of cooperatives in Sesheke District which was anchored on a unique action oriented research paradigm has helped to contribute to the existing body of knowledge.

Nevertheless, further research is required to expand on this thematic area using a quantitative paradigm. This will help to generalise the findings to a larger population over time. The fact that the dynamics that are at play in Sesheke District may be different from those in other districts, it would be ideal that the study be extended to all Districts of Western Province.

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APPENDICES

Appendix 1: Cooperative Inspection Form

MINISTRY OF COMMERCE, TRADE AND INDUSTRY
DEPARTMENT OF COOPERATIVES
COOPERATIVE INSPECTION FORM

Name of Cooperative: ……………………….. Type of Cooperative: …………………

Core business: ……………………………… Other businesses: ………………………

Certificate Number: …………………… Village: …………….. Chiefdom: ………

Constituency: …………….. Camp: ………… Block: …………………………….

District: ……………………… Province: ……… Date of Inspection: ……/……/……

A. Cooperative Business Management

No	ITEM	SCORE
1	Is the membership register in place?	
2	Does membership register contain all the relevant details in its columns?	
3	Are application forms signed by new entrants?	
4	Have the members paid their shares in full?	
5	Has the cooperative defined qualities expected of board members?	
6	Do the board members meet these qualities?	
7	Are board members elected democratically?	
8	Is management meeting the objectives of the cooperative?	
9	Is there a business plan in place?	
10	Is the business plan realistic and achievable?	
11	Is the business established?	
12	Is the business running profitably?	
13	Is there a strategic plan in place?	
14	Does the cooperative have premises to operate from?	
15	Does the cooperative keep files for documents such as minutes, correspondences etc.?	
16	Are board meetings held as prescribed in the by-laws?	
17	Are Annual General Meetings being held in accordance with the By-Laws and the Cooperative Act?	
18	Are annual returns being submitted to the office of the Registrar of Cooperatives?	
TOTAL		
Multiply Total by 0.606		

Score rating:

5: Excellent
4: Good

3: Fair
2: Poor
1: Very Poor

B. Financial Management

No	ITEM	SCORE
1	Does the cooperative have a bank account?	
2	Are key accounting documents being kept such as cash receipts, payment vouchers, cash book, Journals, ledgers, invoices?	
3	Is the cooperative able to prepare an income-Expenditure statement, balance sheet and cash flows?	
4	Does the cooperative have an inventory on place?	
5	Are assets and liabilities in existence and fair value stated?	
6	In comparison with the financial records of previous years and other cooperatives is the cooperative advancing?	
7	Are signing authorities segregated?	
8	Are books of accounts being audited?	
TOTAL SCORES		
Multiply Total by 0.606		

C. Adherence to Cooperative Principles and Ideology

No.	ITEM		SCORE
1	Voluntary and open membership	Are membership fees affordable?	
		Is membership open to new entrants?	
		Is membership voluntary?	
2	Democratic member control	Is one member one vote being practiced?	
		Are members consulted in matters that need their approval?	
		Are AGMs well attended by members?	
3	Member economic control	Is dividend being paid?	
		Is part of the surplus being reinvested or put in reserves?	
		Do members using the services provided?	
4	Autonomy & independence	Is there a statement on how to achieve this in the vision or mission statement	
		Are codes of conduct stipulated?	
5	Education, training & information	Is there a budget for training?	
		Are members, board members and management undergoing training?	
		Is information on cooperative affairs reaching members?	
6		Are there linkages with other cooperatives e.g. unions	

	Cooperation among cooperators	Are exposure visits to other cooperatives being undertaken?	
		Is there economic participation in other cooperatives?	
7	Concern for the community	Does the cooperative have a policy on social responsibility?	
		Is there representation from the cooperative in community forums?	
TOTAL SCORES			
Multiply Total by 0.606			

D. General Information on the Cooperative

1. Board of Directors

No.	Position	Name	Sex	Date elected	Date ending term of office
i					
ii					
iii					
iv					
v					
vi					
vii					
viii					
ix					
x					
xi					

Comments: ………………………………………………………………………………………

…………………………………………………………………………………………………

2. Membership

No.	Details	Last Inspection					Current Inspection				
		Male	Female	Youths		Total	Male	Female	Youth		Total
				Male	Female				Male	Female	
i	Membership on register										
ii	Active members										
iii	Potential members										

Comments: ………………………………………………………………………………………

………………………………………………………………………………………………

3. Share Capital

No.	Amount
Total Shares	
Paid up shares	
Unpaid shares	

Comments: ………………………………………………………………………………………

…………………………………………………………………………………………

4. Category of Cooperative by scores

GRADES OR LEVELS	NON-ENTERPRISING	ENTERPRISING TO SUCCESSFUL
SET VISION	X	√
BUSINESS PLANS AVAILABLE	X	√
MOBILIZED RESOURCES	X	√
OPERATE PROFITABLY	X	√
(COHESION) MEMBERSHIP	X	√
LEADERSHIP (HOLD MEETINGS REGULARLY)	X	√
INVESTMENT DECISION (BUSINESS ESTABLISHED)	X	√
SUBMIT ANNUAL RETURNS	X	√
GOOD RECORDS	X	√
OFFER SERVICES TO MEMBERS	X	√
PROOF OF REGISTRATION	√	√

KEY:

√ - Good

X – Poor

Copies:

1. ***Original***- *District Cooperatives Development Officer*
2. ***Copy***- *Senior Cooperatives Officer (Provincial level)*

Appendix 2: Cooperative Societies Act No.: 20 of 1998

THE COOPERATIVE SOCIETIES ACT No.: 20 OF 1998

ARRANGEMENT OF SECTIONS

PART I

PRELIMINARY

GOVERNMENT OF ZAMBIA

ACT

No. 20 of 1998 Date of Assent: 7th October 1998.

An Act to revise the law relating to the formation, registration and regulation of cooperative societies; to repeal the Co- operative Societies Act, 1970; and to provide for matters connected with or incidental to the foregoing.

12th October, 1998 ENACTED by the Parliament of Zambia.

PART 1

PRELIMINARY

1. This Act may be cited as the Cooperative Societies Act, 1998, and shall come into operation on such date as the Minister may, by statutory instrument, appoint.

2. In this Act, unless the context otherwise requires-

Agricultural charge "has the meaning assigned to it under the Agricultural Credits Act;

Board means the board of directors of a cooperative society elected under section *thirty-eight;*

By-laws means the by-laws of a cooperative society that have been registered under section *nineteen* and includes any amendments made to the by-laws and registered under section *twenty;*

Committee means a committee established by a cooperative society under section *thirty-nine;*

Cooperative society means a cooperative registered under this Act as a cooperative society;

Cooperative union means a cooperative which is registered under this Act as a cooperative union, operating in the same field of business or at district level, whose membership comprises two or more cooperative societies operating in the same field of business or in that district;

Credit union means a cooperative society which is registered as a savings and credit

Cooperative union under this Act for the purposes specified under section *sixty-eight;*

Delegate means-

(a) a representative of a cooperative society, which is a member of a cooperative union or a federation, who has been elected to attend the meetings of the cooperative union or federation, and who IS entitled to vote at meetings of the cooperative union or federation as provided under the by-laws of the cooperative union or federation;

(b) a representative of members residing in a particular district or a representative of a particular group or class of members, and who has received a mandate from such members or group or class of members to vote at meetings of their cooperative society in accordance with the by-laws;

" federation" means a cooperative which is registered as a federation under section *seventy-seven,* and whose membership comprises two or more cooperative union, operating in the same field of business or at district level;

Member means an individual who, or a body corporate which, has been admitted to the cooperative society as a member in accordance with the by-laws;

Officer means a chairperson, a vice-chairperson, a director of a board, a member of a committee, a secretary, a treasurer, an employee or other person, empowered under this Act or the by-laws to direct or supervise the business of a cooperative society;

Patronage bonus means a percentage of the net surplus realized by a cooperative society which is distributed to the members of that cooperative society, in accordance with its by-laws;

Registrar means the person appointed Registrar of Cooperatives under section *six;*

Registrar of Agricultural Charges" means the person appointed Registrar of Agricultural Charges under the Agricultural Credits Act;

Special resolution means a resolution passed by a three quarter majority of the members or delegates present at a meeting called for the purpose specified in the resolution; and where at least twenty-one clear days of notice, in writing, was given of the meeting.

PART II

DEVELOPMENT OF COOPERATIVES, COOPERATIVE SOCIETIES, AND PUBLIC OFFICERS

3. (I) The Minister shall adopt policies, as the Minister considers necessary, to encourage the development and sustainability of co- operatives and cooperative societies.

(2) The Minister shall, pursuant to subsection (1)-

(a) Cause to be collected, classified and analyzed information and statistics on cooperatives and cooperative societies; and

(b) Provide such other services as may be necessary for the development of cooperatives and cooperative societies.

4. (I) The Minister may direct any officer of a cooperative society to furnish the Minister with any information relating to the, operation of the cooperative society and such officer shall comply: with such a directive.

(2) Any officer who fails to comply with any directive made by the Minister under subsection (I), or who knowingly makes to the Minister a statement which is false in any material particular, shall be guilty *of* an offence.

5. (1) As soon as practicable, but not later than six months after the expiry of each financial year, every board shall submit, to the Minister, a report concerning the activities of its cooperative society during such financial year and such other information as the Minister may require.
(2) The Minister shall, after receipt of the reports submitted under subsection (1), cause to be prepared a report on the status and operations of cooperative societies in the country.
(3) The Minister shall, not later than seven days after the first sitting of the National Assembly next, after receipt of the report referred to in subsection (2), lay the report before the National Assembly.
6. There shall be a Registrar of Cooperatives who shall be a public officer appointed by the Public Service Commission and who shall exercise the functions prescribed by or under this Act.
7. (1) The Public Service Commission may appoint a Deputy Registrar of Cooperatives, who shall be a public officer and such other public officers, as may be necessary, to assist the Registrar in the performance of the Registrar's functions under this Act.
(2) Any function conferred by or under this Act on the Registrar may be performed by any person acting as Registrar if the Registrar is unable to perform any function due to any cause.

PARTIII

REGISTRATION AND ORGANISATION OF COOPERATIVE SOCIETIES

8. Any cooperative with ten or more members shall within 12 months of adoption of its by-laws and having paid membership and share capital register as a cooperative.
9. (1) An application for registration as a cooperative society shall be made in the prescribed form to the Registrar.
(2) An application for registration as a cooperative society shall be submitted with-
(a) Four copies of the by-laws of the cooperative society to be registered; and
(b) A statement by the applicants, seeking registration of the cooperative society, that the capital, to be furnished initially by such applicants and other persons expected to become members, is sufficient for the commencement of operations; and
(c) A notice of situation of registered office.
10. Subject to the other provisions of this Act, and within thirty days of receipt of the application, the Registrar shall register a cooperative as a cooperative society if the Registrar is satisfied that-
(a) The application complies with subsection (2) of section nin*e;*
(b) The by-laws make adequate provision for-
(i) Regular audits to be carried out;
(ii) The education, training and provision of advisory services to the members of the cooperative society; and
(c) The by-laws are not *ultra-vires* this Act or any other written law.
11. (I) A company registered under the Companies Act may, by a resolution made in accordance with the Companies Act, convert itself into a cooperative under this Act.
(2) A company that has converted into a cooperative in accordance with subsection (I), shall apply to the Registrar for the registration of the cooperative as a cooperative society.
(3) An application for registration made under subsection (2) shall be accompanied by-
(a) The resolution made by the company converting itself into a cooperative as provided under subsection (I);
(b) Four copies of the by-laws of the cooperative to be registered signed by ten members of the company and the secretary of the company;
(c) A resolution-
(i) Authorizing the ten members and the secretary of the company to sign the by-laws;
(ii) Authorizing the ten members and the secretary of the company to accept any alterations made by the Registrar without further consultations with the company or: authorizing such members to submit to the company in a general or extraordinary meeting any alterations made by the Registrar;
(d) Notice of situation of registered office.
(4) Subject to the other provisions of this Act, where the Registrar is satisfied that the application, made under subsection (2), complies with subsection (3) and paragraphs *(b)* and (c) of section *ten,* the Registrar shall register the cooperative as a cooperative society.
12. (1) The Registrar shall issue a certificate of registration to a cooperative society upon its registration.
(2) The word, “limited” shall be the last word in the name of every cooperative society and, except as otherwise provided in this Act, the word ," cooperative shall form part of the name of every cooperative society.
13. After registering a Cooperative, formed under section *eleven,* as a cooperative society
(a) The Registrar shall return to the cooperative society three copies of the by-laws duly certified by the Registrar;

(b) the secretary of the company shall submit a copy of the resolution, made under section *eleven*, under the seal of the company with the certificate of registration, issued under section twelve, *to the* Registrar of companies who shall register the resolution and the certificate; and the company shall cease to be a company registered under the Companies Act and the provisions of this Act shall apply, in all respects, to such cooperative society, as from the, date of such registration with the Registrar of Companies; "
(c) The registration shall not affect any right or claim subsisting for or against the former company or any liability incurred by the former company;
(d) Any right, claim or liability; specified under paragraph shall have priority against the property of the cooperative society over all other right, claims or liabilities of the co- operative society.
14. A co-.operative society, shall be a body corporate with perpetual succession, a common seal and limited liability and shall, subject to the other provisions of this Act and its by-laws, have power to do all such acts and things as a body corporate may by law do or perform.
15. 1f the Registrar is not satisfied with an application submitted by a cooperative, the Registrar shall refuse to register the cooperative as a cooperative society and shall, give reasons' for such refusal, within thirty days of receipt of the application.
16. The equity capital of a cooperative society shall consist of the sum of the shares of the members, the reserve funds and such additional funds or investments as may be provided for in the by- laws.
17. Liability of the members for debts and liabilities of a cooperative society shall be limited to the mount, if any, unpaid on the shares respectively held by them, or on the membership fee, as the case may be.
18. (1) A cooperative society shall-
(a) cause its registered name to be painted or affixed, in a conspicuous place and in letters which are easily legible, at its registered office and at every other office or place at which the business of the cooperative society is carried on; and
(b) Engrave its registered name, in legible characters, on its seal; and shall emboss its registered name-
(i) On all notices, advertisements and other official publications of the cooperative society;
(ii) On all business letters of the cooperative society; and
(iii) On all bills of exchange, promissory notes, endorsements, cheques, and orders for money or goods, purporting to be signed by or on behalf of the cooperative society.
19. (1) the by-laws of a cooperative society shall include provisions relating to the matter specified in the Schedule.
(2) The Registrar shall register the by-taws of a cooperative society if such by-laws comply with paragraphs *(b)* and *(c)* of section *ten.*
20. (1) Subject to the other provisions of this Act and to the by- laws, the by-laws may be amended by a resolution of two-thirds of the members present at a general meeting of the cooperative society.
(2) An amendment to the by-laws shall take effect after the amendment has been registered with the Registrar; and for this purpose four copies of the amendment, signed by the chairperson, of the general meeting at which such amendments were made, and the secretary of the cooperative society, shall be forwarded to the Registrar.
(3) If the Registrar is satisfied that the amendment is not contrary to any provision of this Act, the Registrar shall register the amendment and shall forthwith return three copies of the amendment, duly certified by the Registrar, to the cooperative society.
(4) The provisions of *section fifteen* shall apply, with the necessary modifications, to a decision of the Registrar not to register any amendment to the by-laws.
21. A cooperative society shall keep a copy of its regulations, by-laws and list of members open to inspection by any member free of charge or any member of the public on payment of a prescribed fee, at all reasonable times, at the registered office of the co- operative society.

PART IV
RIGHTS AND LIABILITIES OF MEMBERS

22. A cooperative society may pay out a patronage bonus to its members; or may use such surplus for any other purpose specified in its by-laws or as may be decided by the general meeting of the cooperative society.
23. Subject to the other provisions of this Act, membership of a cooperative society shall be governed by its by-laws, but in no case shall a cooperative society fix any limit to the number of its members.
24. (1) Notwithstanding anything contained in any other law, a minor may form or become a member of a cooperative society.
(2) Notwithstanding anything contained in the by-laws or any other law, where any member has not reached the age of eighteen years, that member may execute or cause to be executed any instrument under this Act; and any contract entered into by that member with the cooperative society shall be valid whether as principal or as surety, and shall be enforceable at law.

25. Any person who wishes to be a member of a cooperative society shall not exercise the rights of a member until that person has paid to the cooperative society the amount required for member- ship of that cooperative society, or such person has acquired such Interest in the cooperative society, as may be prescribed in or under this Act or the by-laws.
26. (1) Where a cooperative society does not have any share CI capital, a member who has paid the membership fee, as set by the m cooperative society, in full, shall be issued with a certificate of membership.
(2) Where a cooperative society is registered with share capital and each member is obliged to take up shares in the cooperative society as a condition for being. or remaining a member of the co- operative society, the shares may be paid for in instalments at the times and in the manner prescribed by the by-laws; but no share certificate shall be issued to a member until the shares to which it relates have been fully paid for.
27. A cooperative society shall have a lien over the shares or 1 other interest of its members' for debts due from them to the cooperative society; and such shares or interest shall be subject to a set-off for any indebtedness by that member to the cooperative society.
28. (1) A cooperative society shall keep a register of its members and of the shares held, if any, by .each member, or any membership fee paid, by its members; and the register shall be *prima facie* evidence of-
(a) The names, addresses and occupations of the members; *(b)* the number of, and amounts paid for any shares held by such members;
(c) The date on which a member was registered as a member;
(d) The date on which a member ceased to be a member.
(2) A cooperative society shall furnish the Registrar with a list of its members; and such list shall be open for inspection, by any person, at the office of the Registrar, on payment of a prescribed fee.
29. (1) Subject to the other provisions of this Act, the by-laws shall provide for the holding of general and special meetings of the cooperative society, for the procedure at such meetings and the keeping of minutes at such meetings.
(2) A member-or delegate shall have one vote at meetings of a cooperative society; and there shall be no voting by proxy.
(3) Subject to subsection (4), the by-laws may provide for plural voting rights for delegates or members who contribute above average to the development of the cooperative society; which may be determined in accordance with the patronage bonus such member or delegate receives from the cooperative society.
11
(4) Notwithstanding subsection (3)-
(a) No cooperative society, other than a cooperative union or a federation, shall provide for the determination of the number of voting rights on the basis of the number of shares held by a member;
(b) No member shall have more than three voting rights;
(c) Plural voting rights shall not be exercised when a decision of the meeting requires a special resolution; and
(d) In the event of an equality of votes, the chairperson shall have a casting vote ill addition to the chairperson's deliberative vote.
30. A member shall not hold more than one fifth of the share Ire capital of a cooperative society unless the by-laws provide other- .g wise for shareholding by other cooperative societies.
31. (1) Subject to the provisions of subsection (2), shares may be assigned, transferred, redeemed or re-purchased by a member or :- cooperative society.
(2) Subject to any condition that may be imposed in the by-laws, nothing contained in subsection (1) shall prohibit the transfer, assignment or sale of shares or other interests of a member to the co-operative society or to any member of the cooperative society.
33. (1) On the death of a member, a cooperative society may *(a)* transfer the shares or other interests of the deceased to a person nominated, to the legal representative of the deceased member; or
1 (*b)* pay to any nominee or legal representative, as the case may be, a sum, representing the value of such member's share or other interests, as may be provided in the by-laws.
(2) A cooperative society shall pay, to the legal representative of that member, all other moneys due to a deceased member from the cooperative society.
(3) All transfers and payments made by a cooperative society, in accordance with this section, shall be valid and have effect against any demand made upon the cooperative society by any other person.
34. 1) Subject to section *seventeen*, and subsection (2), the Li: lability of a former member for the debts of a cooperative society, pa as they exist on the date on which that member ceased to be a: member, shall continue for a period of two years.

(2) Notwithstanding subsection (1) if the first audit of the so
Accounts of the cooperative society, after that member ceased to be a member, discloses a credit balance in favor of the cooperative society, the financial liability of that member shall forthwith cease.
(3) Subject to section *seventeen,* and subsection (2) the estate of a deceased member shall be liable, for the debts of a cooperative society as they existed on the date of the death of that member, for a period of two years reckoned from that date.
35. Nothing contained in subsection (1) shall affect the claim of any *bona fide* purchaser, for value, without notice, of a loan given by the cooperative society.
36. (1) A member may, at any time, withdraw from a cooperative society, subject to the other provisions of this Act and the t by-laws.
(2) Where a member withdraws from a cooperative society under subsection (1) or under circumstances such as illness, disability, permanent removal from the area or district served by the cooperative society or death, payment of the shares or other interests of the member shall be made in such order or priority as the by-laws may prescribe.
(3) Where the financial stability of a cooperative society would be impaired if the cooperative society made payment for the shares held by a member who has withdrawn from the cooperative society, at their par or paid-up value or of any other interests of such a member at the value shown on the books of the cooperative society, the directors may suspend payment for such period as may be approved by the annual general meeting, except that such period shall not exceed one year from the time the member withdrew from the cooperative society.
37. (I) Upon any complaint arising against a member, the secretary shall, upon the instructions of the board, provide the member with a written notice of the particulars of the complaint and of the date, time and place of the meeting of the board at which the complaint shall be considered.
(2) The board may, after having given the member, against whom the complaint has been made, the opportunity to make representations or submissions, orally or in writing, or both in rebuttal or in mitigation, recommend to the general meeting, in a report detailing the complaint and the opinion of the board, that the member be expelled.
(3) The general meeting may, after considering the repol1 submitted by the board, expel a member by a resolution passed by at least a two-thirds majority vote of the members of the cooperative society.
(4) The secretary of the cooperative society shall, within two weeks from the date on which the member was expelled, inform the member in writing, of the decision of the general meeting.
(5) Subject to section *thirty-four* a member who has been expelled from a cooperative society, under this section shall-
(a) Forfeit all rights to share in the net surplus or other benefits of the cooperative society from the date of such expulsion; and
(6) A person who has been expelled from a cooperative society shall not be eligible for re-admission as a member of that co- operative society within a period of two years from the date of expulsion.

PART V
BOARD OF DIRECTORS -

38. (1) A cooperative society shall have a board of directors, Bo~ consisting of such number of persons as shall be prescribed in its by- laws, who shall be elected, by the members, at an annual general meeting: from amongst the members.
(2) The persons whose names appear in an application for the Registration of a cooperative society shall: upon registration, be deemed to have all the powers and duties of directors; and shall direct the affairs of the cooperative society until directors have been elected at the first general meeting of the cooperative society.
39. (1) A cooperative society shall, at an annual general meeting establish such number of committees as it may considering necessary for the purpose of assisting the board carry out its so functions under this Act.
(2) A cooperative society shall elect from amongst its members at least three persons, who are not employees of the cooperative society, to constitute each committee.
(3) A cooperative society may confer upon a committee established under subsection (1) such specific functions as it may consider necessary in the interest of the cooperative society.
(4) A board may delegate to any committee established under subsection (1) such of its functions as it may determine.
(5) A committee established under subsection (1) shall, subject to the by-laws, determine its own procedures.
(6) The provisions of subsections (5) and (6) of *section/arty-six shall apply, with the necessary modifications, to a committee established under subsection (1).*

40. Where the by-laws provide for the election of directors by members or delegates voting by districts or zones, the board elected shall be deemed to be elected by all the members or d delegates of the cooperative society.
41. (1) the board shall represent the cooperative society, I subject to the provisions of the by-laws.
(2) The board shall- *(a)* direct and supervise the business of a cooperative society; *(b)* be the custodian of the property of the cooperative society; and
(c*)* Exercise all such powers of the cooperative society as are not required by or under this Act or the by-laws to be exercised by resolution of the cooperative society in a general or special meeting

Appendix 3: Cooperative By-Laws (Model)

THE COOPERATIVE SOCIETIES MODEL
BY-LAWS
OF THE

……………………………………..
COOPERATIVE SOCIETY LIMITED
PRELIMINARY – DEFINITION/INTERPRETATION

THESE ARE BY-LAWS RELATING TO THE REGULATIONS OF THE __________ MULTI - PURPOSE COOPERATIVE SOCIETY LIMITED, TO PROVIDE FOR MATTERS CONNECTED WITH OR INCIDENTAL TO THE FOREGOING

In these By-laws, unless the context otherwise requires: -

"ACT" means the Cooperative Societies Act **No. 20 of 1998** and any amendments thereto, and/or any other law replacing it.

"BOARD OF DIRECTOR" means the governing body, of the ___________ MULTI - PURPOSE COOPERATIVE SOCIETY LIMITED to whom the supervision and direction of its affairs are entrusted by the members.

"BY-LAWS" mean these By-laws for the ___________ MULTI - PURPOSE COOPERATIVE SOCIETY LIMITED.

"COOPERATIVE SOCIETY". Means a cooperative registered by the Registrar of Cooperative under the current Act

"MEMBER" means any person accepted by the Board of Directors in accordance to the qualifications set forth in these by-laws, who is authorized by his or her rights to vote at General Meetings of the Society.

"NON-MEMBER" means any person, an association / organization or institution not being a member that uses the services of the Society to such an extent as provided for in these By-laws.

"PATRONAGE BONUS" means a share of the net-surplus of the Society divided amongst its members in proportion to the use made of the services of the Cooperative Society.

''REGISTRAR" means the Registrar of Cooperatives.

"SOCIETY" means the "Cooperative", in this respect the ___________ MULTI - PURPOSE COOPERATIVE SOCIETY LIMITED.

"RESOLUTION" means a resolution passed by a majority of the members at a duly constituted meeting of the Society.

All other words or phrases shall be defined or interpreted in accordance with the Cooperative Societies Act No. 20 of 1998 or any Law replacing it.

All questions concerning interpretation or these By-laws or any other matter not provided for herein, errors and omissions shall be referred to the Registrar whose decision thereafter shall be final and conclusive.

PREAMBLE

STATEMENT ON THE COOPERATIVE IDENTITY

Definition

A Cooperative is an autonomous association of persons united voluntarily to meet their common economic, social, and cultural needs and-aspirations through a jointly owned and democratically controlled enterprise.

Values

Cooperatives are based on the values of self-help, self-responsibility, democracy, equality, and solidarity. In the tradition of their founders, cooperative members believe in the ethical values of honesty, openness, social responsibility and caring for others.

Principles

The Cooperative principles are guidelines by which cooperatives put their values into practice.

I^st Principle: Voluntary and Open Membership

Cooperatives are voluntary organizations, open to all persons able to use their services and willing to accept the responsibilities of membership, without gender, social, racial, political or religious discrimination.

2^nd Principle: Democratic Member Control

Cooperatives are democratic organizations controlled by their members, who actively participate in setting their policies and making decisions. Men and women serving as elected representatives are accountable to the membership. In primary cooperatives members have equal voting rights (one member, one vote) and cooperatives at other levels are also organized in a democratic manner.

3^rd Principle: Member Economic Participation

Members contribute equitably to, and democratically control, the capital of their cooperative. At least part of that capital is usually the common property of the Cooperative. Members usually receive limited compensation, if any, on capital subscribed as a condition of membership. Members allocate surpluses for any or all of the following purposes: developing their cooperative, possibly by setting up reserves, part of which at least would be indivisible; benefiting members in proportion to their transactions with the cooperative; and supporting other activities approved by the membership.

4^th Principle: Autonomy and Independence

Cooperatives are autonomous, self-help organizations controlled by their members. If they enter into agreements with other organizations, including governments, or raise capital from external sources, they do so on terms that ensure democratic control by their members and maintain their cooperative autonomy.

5^th Principle: Education, Training and Information

Cooperatives provide education and training for their members, elected representatives, managers, and employees so they can contribute effectively to the development of their cooperatives. They inform the general public - particularly young people and opinion leaders about the nature and benefits of co-operation.

6^th Principle: Cooperation among Cooperatives

Cooperatives serve their members most effectively and strengthen the cooperative movement by working together through local, national, regional and international structures.

7^th Principle: Concern for Community

Cooperatives work for the sustainable development of their communities through policies approved by their members.

1. **NAME AND ADDRESS**

1.01 The name of this organisation is

___________ MULTI - PURPOSE COOPERATIVE SOCIETY LIMITED hereinafter referred to as the society or the cooperative or **(________)**.

1.02 The society's postal address shall be

C/o ……………………,

P.O. Box …..,
…………………**DISTRICT**,
ZAMBIA.

1.03 The Registered Office of the ___________ Multi - purpose Cooperative Society Limited shall be at ………. Village in, Chief ……….. area ………….. District.

1.05 The operations of the Society will be concentrated within and around ………. Village in, Chief …………area ……………. District, but shall extend its services and all other activities to other parts of Zambia, the COMESA Region and other International Markets.

2. THE OBJECTIVE

The objective for which the __________Agricultural Cooperative Society Limited is established is to promote the economic, social, cultural and the environmental needs and aspirations of its members and the community within and around ________Village in, Chief _______area, by undertaking any or all of the following objects:-

THE OBJECTS:-

2.01 Facilitating trading and supplying to its members and the general Public all kinds of farming accessories, implements, seeds, fertilizers, agro-chemicals and any other inputs of all kinds used in the Agricultural industry;

2.02 Facilitating the business of marketing of the Agricultural produce including cereals fruits, vegetables, livestock, dairy, poultry and fisheries by handling, grading and storing of the same produce in the most appropriate and acceptable standards:

2.03 Processing of _________Agricultural products and carrying out the business of manufacturing of finished (ready made) or semi-finished foods and by- products therefrom.

2.04 Providing necessary and appropriate information, education and training to the society's individual members and their families, Board of Directors and staff in the field of the Cooperative Movement, Agricultural Activities, Social and Economic Factors, Business Skills, and to disseminate information to the general public on **HIV/AIDS** in a bid to fight against the pandemic, and so as to promote the CACS objects on a sustainable basis.

2.05 Conducting or participating in any Shows and Fairs in the District and in the Province and hold competitive exhibitions of all commercial activities and Agricultural produce including cereals, fruits, vegetables, livestock, dairy, poultry and fisheries; Agricultural implements and machinery; Agricultural marketing activities and processing, preservation, storage, preparations and consumption. However, any Agricultural Show, Fair or Exhibition held and participated by the ___________Agricultural Cooperative Society Limited may include other things and commercial activities not directly associated with agriculture including sports, entertainments and games.

2.06 Obtaining and supplying to its members directly or indirectly consumer goods and general merchandise at economic wholesale prices. However, the _________Agricultural Cooperative Society Limited shall open up retail Outlets for the sale of goods in general use of good quality weight and measure for cash at fair but economic prices to the members of the Cooperative Movement and the general public.

2.07 The ___________ Multi - purpose Cooperative Society Limited shall lobby, solicit and advocate with any institutions, organisations and/or Government for any interests and aspirations of its members, particularly in the fields relating to the objects of its members

2.08 Raising funds for the Society by issuing shares to its members, receiving deposits, organizing and managing loans and credit schemes to promote Multi purpose production and commercial activities among its members.

2.09 The ___________ Multi - purpose Cooperative Society Limited shall conduct and do any other legal means to attain the above stated objects such as acquiring and owning land, buildings and machinery necessary for conducting the society's business activities and that of its individual members. Furthermore, the MMCS shall lobby and advocate for its members in matters of the interests of the Cooperative Movement

2.10 The works of the ___________ Multi - purpose Cooperative Society Limited shall be conducted in such a way that capital accumulation is achieved to ensure development and independence of the cooperative. However, the Society shall seek for financial assistance from other sources including NGOs, Co-operating Partners and the Government for specific programmes and projects of national interests through its members.

3. **MEMBERSHIP**

Qualification for Membership

3.01 Membership of the cooperative Society shall comprise the members on register at the time of commencement of these by-laws and subsequent applicants admitted in accordance with these by-laws;

3.02 Notwithstanding By-law 3.01 above, the Society shall have a minimum of ten members drawn from among the farmers based within and around ……………. Village in, Chief …………….. area …………… District.

3.03 Membership is open to all bona fide farmers based in the society's area of operation stated in by-law 1.04 above and are engaged in promoting Multi - purpose and other social and economic activities within and around ___________ ………… in, Chief ………… area, ………….. District.

Application for Membership

3.04 Applications for membership shall be made in writing to the Board of Directors of the ___________ Multi - purpose Cooperative Society Limited accompanied with a non-refundable application fee to be advised by the Board of Directors, subject to review from time to time.

Considering the Applications

3.05 The Board of Directors reserves the right to accept or reject admittance to membership of any applicant. Aggrieved applicants have the right to appeal to the Annual General Meeting of the Society or to the Registrar of Cooperatives.

Rights and Obligations

3.06 All members shall have the following obligations and rights in the ___________ Multi - purpose Cooperative Society Limited:-

a) Purchase at least a minimum of two (2) shares in the society.

b) Observe the Cooperative Societies Act, Regulations, these By-laws and the Resolutions passed at any duly convened General Meetings of the Society;

c) Do business with the Society to the value not less than K2,000,000.00 per year;

d) Participate in the development of the Society in pursuant to the objects as stipulated in these By-laws;

e) To attend and participate in the proceedings of the General Meetings of the Society and take part in the elections;

f) To give, obtain and share information regarding the functions and operations of both the members and the Society itself;

Termination of Membership

3.07 Membership of the ___________ Multi - purpose Cooperative Society may be terminated in any of the following circumstances:-

a) Resignation or withdrawal from membership,

b) Expulsion in accordance with By-law 3.10 hereunder,

c) By notice of being liquidated, winding up or its registration being cancelled by the Registrar.

Suspensions of Members

3.08 Any member may be suspended from the Society by the Board of Directors and be recommended for expulsion to the Annual General Meeting (AGM) for any of the following circumstances: -

a) Any action which may be considered by the Society Board of Directors to be disloyal or contrary to the interests of the Society or deceive its officers or employees or allowing such action to be done; and

b) Any action, which the Board may consider it likely to defeat, frustrate or hinder the objects of the Society as defined in these By-laws-

3.09 A suspended member will have no rights of membership in the Society until such time the suspension has been lifted.

Expulsion of Members

3.10 Only the General Meetings will consider the expulsion of members on recommendation from the Board of Directors Meetings.

3.11 Expelled members shall forfeit rights and benefits of the Society with effect from date of the expulsion.

3.12 If the General Meeting fails to approve by necessary two thirds majority of those voting, the expulsion or the suspension, membership of the concerned member shall have to be immediately re-instated and the member shall be treated as if no such suspension had been imposed and the suspension shall not be re-imposed in respect of the same offence, unless it is a continuing offence.

3.13 Appeals against suspensions shall lie with the General Meetings called for the purpose.

4. SHARES AND FUNDS OF THE MMCS

4.01 (a) The share capital of the Society shall be the total nominal shares issued to members on Register at any given time. Each share shall be valued at One Hundred Kwacha (K100) each;

b) Each member shall hold ten (10) shares of K100 each, thus One Thousand Kwacha (K1,000) shall be known as a members full shares.

c) Only a member who has paid at least one share of K100 shall exercise the full rights of membership in the Cooperative Society.

d) Shares shall always be paid for in cash to the society treasurer/secretary

e) A member shall pay for all full shares within the period of 36 months (three years) from the date of one becoming a member, failure to which the membership shall be nullified.

f) No member shall be allowed to hold more than one-fifth ($1/5^{th}$) of the total paid up shares in the society.

4.02 The **funds of the Society** shall consist of:-

a) Determined number of shares by the number of members at any given time to the value of one hundred thousand Kwacha (K100, 000=) each.

b) Annual membership contributions to be determined by the Board of Directors from time to time.

c) Application fees to be determined by the Board of Directors from time to time.

d) Deposits and loans from members and other sources

e) Undetermined amounts of business stocks and cash

4.03 The Society shall hold in-trust the individual members Savings Accounts.

4.04 Sums standing in the member's Savings Accounts shall receive an interest not exceeding the interest offered by the Banks where the MMCS deposits its funds.

4.05 The members' Savings Account with MMCS may be used as the member's trading account with the society, provided that each member signs an agreement to this effect.

5. **DISPOSAL OF THE NET SURPLUS**

5.01 The net surplus arising from the operations of the MMCS during any financial year shall be distributed as follows:-

a) Not less than 25% shall be set-aside to the RESERVE FUND against future possible losses.

b) 6% or less shall be paid as dividends on all full paid up shares.

c) The patronage bonus shall be paid on recommendations by the Board to the Annual General Meeting (AGM) upon advice of the Auditors and subsequent approval by the AGM.

d) The balance remaining may be distributed by the General Meeting on recommendation by the Board of Directors, including paying gratuities or honorarium to deserving officers and the retiring Board of Directors.

6. **TRADE/BUSINESS WITH NON-MEMBERS**

6.01 The Society shall do business with non-members, but non-members shall not have the right or claim of services if such services are limited and are reserved for the members only.

6.02 Trade or business done with non-members will NOT attract any dividends or bonus to them, or any benefits of the Society arising from any surplus of the MMCS annual operations.

7. **THE ORGANISATIONAL SET-UP**

7.01 The organs of the ___________ Multi - purpose Cooperative Society Limited are as follows:-

- a) The General Meeting - Comprising the General Membership;
- b) The Board of Directors - Elected from among the members at Annual General Meetings
- c) The Management - Employed for the day-to-day functions and operations of the Society.

7.02 Only paid up members are eligible to bodies mentioned in By-law 7.01 (a) and (b).

7.03 The management shall be employed on merit from among the members and the public.

7.04 The Society shall/may appoint any other committee to carry out specific duties and functions of the ___________ Multipurpose Cooperative Society Limited as shall be deemed necessary by the Board of Directors. Such committees if put in place shall have limited period of stay as may be directed by the Board of Directors.

8. **GENERAL MEETINGS**

8.01 The supremacy of the Society shall be vested in the General Meetings, which shall be held at least once every year (AGM) but not more than thrice (extra-ordinary meetings).

8.02 The quorum at the General Meetings shall be formed by a third of the total membership on Register.

8.03 The order of business at the Annual General Meeting of the Society shall include:-

- a) Registration and call to order by the Chairperson;
- b) Reading, correction and approval of the minutes of the last Annual General Meeting;
- c) Business arising out of the minutes;
- d) Reports of the Board of Directors;
- e) Report of the Auditors, if any;
- f) Adoption and confirmation of the Auditors report;
- g) Adoption or other disposal of reports;
- h) Apportionment of the Net Surplus as recommended by the Directors according to the Cooperative Principles, these By-Laws and the Act;
- i) Business to be laid before the General Meeting by the Board;
- j) Motions from members to the General Meeting.
- k) Amendments to these By-Laws, if any;
- l) Appointment of Auditors if so required;
- m) Decisions regarding remunerations to the Board of Directors/Auditors;
- n) New business, if any;
- o) Elections of the Board of Directors;
- p) Any other business referred to it by the Board of Directors.

8.06 The Chairperson shall always be the Society s representative to any association /organisation or forum where Cooperative Society representation is required without the sanction of the Board Meeting.

8.07 Expenses of members to the AGM as delegates shall be met by members themselves except those that may be reserved by the Society such as stationery, meals and snacks.

9 **BOARD OF DIRECTORS**

9.01 The Society shall have a Board of Directors comprising seven (7) individual persons elected from among the members at the General Meeting meant for such purpose.

9.02 The election of Board of Directors shall be fairly represented on zone basis; thus, each identified zone shall conduct its own election of at least one person to sit on the Board of Directors. However, if the society has not zoned its area of operation, then the Board shall be elected at the General Meeting,

9.03 There shall be no Special Board Members appointed by the elected Board of Directors, even from outside membership of the society.

9.04 The General Meeting of all members shall elect from among elected board of the directors the Chairperson, his/her vice and one other Executive Board of Director all for a period of one year only but shall be eligible for re-election during their term of office. In a case of having the Secretary and the Treasurer, then the Executive Board shall comprise the Chairperson, the Secretary and the Treasurer.

9.05 Directors shall be elected for a term of three (3) years in office: however, Two (2) of the Directors elected at the first General Meeting of the Society shall retire at the next Annual General Meeting; Two (2) of the Directors will retire in the second year Annual General Meeting; Three (3) of the Directors will retire in the third year Annual General Meeting. At each Annual General Meeting thereafter, the longest serving members shall retire. The term of office by conducting slots as per by-law 9.05 a) to c) above shall apply where the entire Board has been dissolved.

9.06 Retiring Board of Directors may be re-elected but shall not serve for more than six consecutive six years without stepping down for one year at least.

9.08 A retiring Director may receive a honorarium as shall be recommended by the Board Members to the AGM on merit and depending on the availability of funds.

9.09 Subject to the review of the Annual General Meeting a Director who is removed from the Board of the Society prior to the expiry of his/her term, may be eligible to receive honorarium unless his removal is on disciplinary grounds.

9.10 Upon election to the Board of Directors of the ___________ Multi - purpose Cooperative Society Limited, the Directors shall sign a **DECLARATION of OFFICE form** under Oath in relation to their faithful performance of duties and responsibilities.

10. **NON-ELIGIBILITY FOR MEMBERSHIP ON THE BOARD**

10.1 No person shall be eligible for membership of the Board who :-

a) Is directly or indirectly concerned in the Management of the Society on remuneration basis.

b) Has been convicted of an office involving dishonest or was imprisoned for a term of three months or more, or

c) Is un-discharged bankrupt, or

d) Is a Director or concerned in the Management of any other Cooperative society operating in competition with the MMCS, or

e) Is of unsound mind.

VACATION OF OFFICE OF DIRECTOR

10.2 A member of the Board shall cease to hold office If. -

a) Such circumstance arise as would, if he/she were not a member of the Board, disqualify him/her for election as such or;

b) He/she becomes of unsound mind or;

c) He/she accepts an office of profit in the Society or receives any honorarium without the written sanction of the Board or-,

d) For good reasons he/she is removed by a two thirds majority at any Annual General Meeting called for that purpose;

e) He/she is absent without good cause and without the permission of the Board from three (3) consecutive meetings of the Board-;

f) Is convicted in court of Law for dishonesty and is imprisoned for at least three (3) months or more;

f) He/she ceases to be a member of the Society,

g) Resigns from the Board in writing.

h) A board member dies.

10.3 In addition to the above the following will also apply: -

a) Any action which may be considered by the Board to be disloyal or contrary to the interest of the Society or deceive its officers or employees or allowing any such action to be done on a members behalf.

b) Any action which the Board of Directors consider likely to defeat frustrate or hinder the objects of the Society as defined in the By-Laws or for any other reason.

11. **COOPTION TO THE BOARD FOR VACANT SEATS**

11.01 The Board shall take action to obtain the election of a successor of the member who ceases to be a board member prior to the end of term of office.

11.02 If the Annual General Meeting does not meet to conduct elections, the retiring Board Members whose term of office has come to an end shall continue in office until the AGM is called at which their successors will be elected. This situation should however not be encouraged.

12. **POWERS AND DUTIES OF THE BOARD OF DIRECTORS**

12.01 The business of the ___________ Multi - purpose Cooperative Society Limited shall be directed and supervised by the Board of Directors, which shall exercise all the powers and functions conferred on the society in accordance with the Cooperative Societies Act. Rules and these By-Laws. In addition to the above, the Board shall do the following:-

- Appoint and employ the Manager. He will be required to attend Board Meetings, speak and submit reports, but not to vote.
- Recommend remunerations and other conditions of employment for staff to AGM.
- Decide in matters of principles or great financial importance such as:-
  a) Change in the Society area of operations;
  b) Aims and plans in General for the Society including long term and short term estimates;
  c) Purchase of real estates, but the sale of the ___________ Multi – purpose Cooperative Society Limited real estates such as land, buildings, transport, computers and other items of high value shall be determined by the General Meeting on proposal of the Board.
  d) Processing of loan or mortgaging of real estates,
  e) Financial statements of the society business to be brought before the General Meeting.
- Right to decide upon disposal or mortgaging of Society's real estate or leasehold.

12.02 The Directors shall exercise discretion to make arrangements to form a subsidiary Company (ies) with liabilities to which to take or otherwise acquire and hold shares or Securities having objects wholly or partly similar to those of the MMCS, or carry on any business capable of being conducted so as to benefit the ___________ Multi - purpose Cooperative Society Limited in accordance with its objects, and sell or otherwise deal with the same.

12.03 Subject to these By-Laws, the Board may execute such powers of the ___________ Multipurpose Cooperative Society Limited as are not required by the Act and the Rules to be exercised by resolutions of the members in the Annual General Meeting.

12.04 Minutes shall be kept on decisions made at the meeting of the Board and Minutes shall be kept at the Head Office of MMCS.

12.05 The Board of Directors shall recommend to a general meeting to remove any Board of Director from office at any time, who dishonestly misconduct him/her self or commit an offence which is prejudicial to the attainment of the objects of the ___________ Multipurpose Cooperative Society Limited

13. **THE EXECUTIVE COMMITTEE**

There shall be one Executive Committee elected by the Board of Directors. The Executive Committee shall comprise the Chairperson, the Vice-Chairperson or Secretary and the

Treasurer or any one Board Member. This Committee shall be responsible for both administration policies and the operations of the Society.

14. **DUTIES OF THE EXECUTIVE COMMITTEE**

14.1 The Duties of the Executive Committee shall include to follow up implementations of decisions made at Board Meetings where necessary, undertake such actions as is required between Board Meetings to achieve the objectives of the ___________ Multi - purpose Cooperative Society Limited, and make recommendations to the Board regarding the affairs of the Society as deemed advisable.

14.2 The Executive Committee (EXCO) shall meet at least once every month, but not more than eighteen (18) EXCO Meetings on an annual period.

15. **DUTIES OF THE CHAIRPERSON**

The Chairperson of the Board shall preside at the opening and closing of all meetings of the ___________ Multi - purpose Cooperative Society Limited, unless unavoidably prevented from so doing and his/her other duties shall include:-

(a) Ensuring that all orders and resolutions of the Board are carried into effect;

(b) Presenting to the Annual General Meeting, the Directors Report on the affairs of the ___________ Multi - purpose Cooperative Society Limited;

(e) Counter signing all Cheques, Notes, Bills of Exchange and other negotiable instruments for carrying on the business of the ___________ Multi - purpose Cooperative Society Limited. Unless some other person or persons are authorised to do so by resolution of the Board of Directors or;

(d) Carrying out all duties incidental to the office of the Chairperson in accordance with furtherance of the affairs and objects of the ___________ Multi - purpose Cooperative Society Limited

16. **DUTIES OF THE VICE CHAIRPERSON**

In the absence or inability of the Chairperson to carry out his/her duties, all the rights and powers of the Chairperson shall for the time being be vested in the Vice Chairperson.

17. **MEETING OF THE BOARD**

The Board shall meet quarterly unless in avoidable circumstances when Special Board Meetings may be called,

18. **QUORUM AT BOARD MEETING**

The number of the members of the Board of Directors required to form a quorum at a meeting of the Board shall not be less than four (4), one of whom must be either the Chairperson or the Vice Chairperson.

19. **SPECIAL BOARD MEETING**

The Directors may, at the requisition of not less than five (5) members of the Board, convene a Special Meeting of the Board. Such requisition, must state the objects of the meeting and signed by the requisitionist and deposited at the registered office of the MMCS, and may consist of several documents in unlike form, each signed by one or more requisitionists.

20. **PROCEDURES AT MEETING**

The Board may make standing orders for regulating the conduct of business and the procedure at its meetings.

21. **VOTING BY CHAIRPERSON**

The Chairperson of the meeting shall have a casting or deciding vote.

22. **REMUNERATION AND EXPENSES OF BOARD MEMBERS**

The Members of the Board shall be paid out of the funds of the ___________ Multi – purpose Cooperative Society Limited remuneration determined by the Annual General Meeting and in accordance with the Cooperative Societies Act, Rules and these By-Laws. The members by reason of their office may reasonably incur extra expenses such as travelling and other expenses as shall be necessary.

23. **LIABILITY OF MEMBERS OF THE BOARD**

If a loan or other transaction is made in contravention of this Act, all officers of the cooperative society who made the loan or other transaction or assented thereto, shall be jointly and severally liable to the cooperative society for the amount of the loan or other transaction and may only be relieved of such liability by a decision of a court.

24 **OFFICERS APPOINTED BY THE BOARD**

24.01 **MANAGER**

There shall be a Manager of the ___________ Multi - purpose Cooperative Society Limited who shall be appointed by the Board.

24.02 **DUTIES OF THE MANAGER**

The General Manager shall: -

(a) Conduct the business of the ___________ Multi - purpose Cooperative Society Limited in accordance with the instructions of the Board;

(b) Cause the society's funds and securities to be kept under safe custody;

(c) Keep or cause to be kept full and accurate accounts of all receipts and payment in the books of the Society;

(d) Make such payments from the funds of the MMCS as may be directed by the Board;

(e) Attend, unless excused by the Board, all meetings and keep or cause to be kept a record of all votes and minutes of the proceedings by the society;

(f) Give or cause to be given, notice of all meetings of the Board to members and to all other interested parties;

(g) Prepare or cause to be prepared, the Balance Sheet and all Statutory Reports of the work of ___________ Multi - purpose Cooperative Society Limited;

(h) Render to the Board at its meetings or at such other times as required an account of all the transactions and financial position of the ___________ Multi - purpose Cooperative Society Limited,

(i) Prepare or cause to be prepared Balance Sheet and Accounts for Audit and for submission to the Board;

(j) Keep in safe custody, the Seal of the ___________ Multi - purpose Cooperative Society Limited;

(k) Perform such other duties as may be prescribed by the Board from time to time.

25. **ACCOUNTS OF THE SOCIETY**

The Board shall cause to be kept and make, such books and statements of Accounts and other books in relation thereto, and all its undertakings, funds, activities and property in such manner as shall be required from time to time by or under the Cooperative Societies Act and Rules/Regulations and the Society By-Laws, and Resolution passed at duly convened meetings.

26. **AUDITORS**

26.01 For the foregoing purpose, the Accounts of the ___________ Multi - purpose Cooperative Society Limited shall be examined audited and reported upon annually by the appointed External Auditors of the society.

26.02 The ___________ Multi - purpose Cooperative Society Limited shall produce and lay before the Auditors all books and Accounts of the Society with all vouchers in support thereof, and all books papers and writings in its possession or control relating thereto. And the Auditors shall be entitled to require from all the members of the Board, the officers of the society and all the employees and agents of the society such information as they may consider necessary for the performance of their duties as Auditors.

26.03 The expenses of and incidentals to the Audit shall be paid from the funds of The ___________ Multi - purpose Cooperative Society Limited,

27. **SIGNATORIES**

The Board of Directors shall appoint a suitable number of persons, including the Manager as signatories for the MMCS. Signatories on behalf of the society shall be made by two of the signatories.

28. **COMMON SEAL**

The Society shall have a Common Seal, which shall be in form of words '**___________ MULTI - PURPOSE COOPERATIVE SOCIETY LIMITED**'. It shall be kept by a person appointed by the Board, preferably the Manager, and shall be used on all documents executed in the name of the ___________ Multi - purpose Cooperative Society Limited.

29. **BANKING**

(a) The Society shall maintain a Bank Account/s with one or more Commercial Banks;

(b) The General Manager, the Accountant, the Chairperson, Secretary or any other member of the Board shall be signatories to all Cheques and any other negotiable documents of the ___________ Multi - purpose Cooperative Society Limited;

(c) The Society shall be required to produce quarterly Statements of Accounts to the Board which shall show business of the Society during each quarter of the year in as far as Bank transactions are concerned;

(d) The Registrar of Cooperative Societies and/or appointed representative will be a counter signatory to all cheques and any other negotiable documents as long as the

Society is indebted for which the Government of the Republic of Zambia is a Guarantor.

30. **CLOSING OF ACCOUNTS - FINANCIAL YEAR**

(a) The Financial Year of the Society shall be from 1st January to 31st December each year.

(b) The ___________ Multi - purpose Cooperative Society Limited shall keep the books and records as required by the Registrar.

c) At the closing of Accounts, the stock of goods on hand shall be accounted for at least ten (10) per cent below purchase value or that value, in case it is lower, which prevails at the closing of Accounts.

(d) At least fifteen (15) percent of the original cost of fixtures and equipment shall be written off, while premises shall be depreciated by at least the amount which the taxation authorities recognise as deductible.

(e) All Accounts shall be in the hands of the Auditors at the latest six (6) weeks after the closing of the Accounts.

(f) The Board shall not later than ten (10) weeks after the closing of accounts prepare the Annual Report signed by the members of the Board on the ___________ Multi – purpose Cooperative Society's operations during the preceding year.

31. **REGISTERS**

The following Registers and documents shall be maintained in proper order by the officers charged with the responsibilities.

(a) A Register of Members showing Names, Addresses; Membership Numbers, Shares Held, Dates of Admissions, Dates of Termination to Membership and Names of Nominees or Solicitors.

(b) Cash Book showing all receipts and payments or monies and cash balances for each day on which business is done.

(c) Ledger.

(d) Minutes Book for Records of both General and Board Meetings.

(e) Register of Shares.

(f) Such other records and other register as the Registrar of Cooperatives may from time to time require.

32. **POWERS OF THE REGISTRAR OF COOPERATIVE SOCIETIES**

32.01 The Registrar shall have power with the blessing of the general meeting to appoint officers to provide management and administrative support services to a cooperative society where the entire board of directors has been removed under section 47 of the Cooperative Act No. 20 of 1998.

32.02 Any such action as outlined by Sub-Law (1) above shall be effective for one year from the date of the Registrar of Cooperatives decision or for such lesser period as the Registrar of Cooperative Societies may decide. And there after decision as to further action, shall rest with the General Meeting of the ___________ Multi - purpose Cooperative Society Limited.

33. GENERAL REGULATIONS

3302 The Rights to participate in decisions of the Society's affairs shall be in such a manner as the AGM may determine from time to time.

33.03. Any Member desiring the inclusion of a certain business in the notice to the Annual General Meeting (AGM) shall give written notice thereof to the Board 7 days in advance before the meeting.

33.04. Before commencement of the deliberations at the General Meeting of the ___________ Multi - purpose Cooperative Society, the members may propose to have an elected Chairperson of that particular General Meeting by open vote. In any other election voting shall be by ballot.

33.05. Voting on matters other than elections shall be open, unless so demanded by the members to be by ballot.

33.06. The Society shall be liable for its obligations only to the amount of its assets including pledged shares.

33.07. If a member wishes to lodge a complaint and submits this to the Board, the Board is obliged to investigate the matter and inform the complainant of its decision on the matter.

33.08. Any disputes, within the ___________ Multi - purpose Cooperative Society, or between the Society and other persons or associations shall be dealt with and settled in accordance with the Laws of Zambia. The Registrar may appoint an arbitrator.

33.09. Amendments to these By-Laws may be made in accordance with Section 20 of the Cooperative Societies Act.

33.10. Any proposal for such alterations shall be submitted to the Registrar for examination. No alteration shall be valid unless approved and sanctioned by the Registrar of Cooperatives.

33.11. In addition to the circumstances recorded in the Cooperative Societies Act, the Society shall seek liquidation when two thirds of the paid up Share Capital has been lost and the loss has not been made good within a period of three months after it has been reported at a General Meeting.

33.12. Should the ___________ Multi - purpose Cooperative Society Limited be dissolved the Share Capital, after the business has been legally wound up, shall be repaid to the members.

33.13. Funds then existing shall be allocated to purposes of General Welfare approved by the Registrar. Minutes, Management records and Auditors Reports and Ledgers shall be delivered to the office of the Registrar of Cooperatives.

Appendix 4: Research Plan and Budget

No	Activity	2015	2016				2017		BUDGET
		QTR 4	QTR 1	QTR 2	QTR 3	QTR 4	QTR 1	QTR 2	(ZWK)
1.	Topic Identification and Approval								500
2.	Proposal Writing								1,000
3.	Defence of Proposal								1,000
4.	Designing of Research Techniques								500
5.	Data Collection								5,000
6.	Data Analysis								500
7.	Report Writing								500
8.	Writing of Journal Article								2,000
9.	Defence of the Report								1,000
	Total								**12,000**

Source: Researcher (2016).

Appendix 5: Schedule for Focus Group Discussions

Day/ Time	09: 00 hours	11:00 hours	14:30 hours	16:00 hours
Monday 27/03/17	-	-	Mukuyoyisa MPCS	Prisons CCS
Tuesday 28/03/17	Buloto MPCS	Kasisi MPCS	Vera Chiluba MPCS	Singanyeka MPCS
Wednesday 29/03/17	Tasimu MPCS	Mutakama MPCS	Katongo-Maondo MPCS	-
Thursday 30/03/17	Silolo MPCS	-	-	-

NB: All Chairpersons from the above 10 cooperatives are invited to Sesheke Boma for a Workshop on Friday, 31/03/17 in the District Commissioner’s Conference Hall at 09:00 hours.

Appendix 6: Workshop Programme

WORKSHOP ON BARRIERS TOWARDS ENTERPRISING OF COOPERATIVES IN SESHEKE DISTRICT: A PARTICIPARY ACTION APPROACH TO BE HELD ON FRIDAY, 31ST MARCH, 2017, IN THE DC'S CONFERENCE HALL.

TIME	ACTIVITY	RESPONSIBLE
09:00	Opening Prayer	Participant
09:05	Introduction	Research Assistant
09:20	Objective of the workshop	Researcher
09:30	Background & Overview on Barriers identified by FGDs	Researcher
09:45	**Tea Break**	
10:00	Suggestions aimed at resolving the Barriers -Plenary (Each group to tackle on all barriers) as: Group 1 and 2	All Participants
11:00	Presentations by Group 1 and 2	Group leaders
11:30	Discussion & Harmonization of the Group's suggestions	Researcher
12:45	Concluding Remarks	Researcher
12:55	Closing Prayer	Participant
13:00	**Lunch Break & Departure**	

Appendix 7: Focus Group Discussion Checklist/ Moderator's Guide

TOPIC: <u>BARRIERS TOWARDS ENTERPRISING OF COOPERATIVES IN SESHEKE DISTRICT- A PARTICIPATORY ACTION APPROACH.</u>

Date:________ Name of Cooperative:____________________________

Section 1: Demographics (Tick the sex, enter actual age and educational level of the participant)

1. Sex

Male		Female	

2. Age

Below 18 years		18 to 35 years		35 years and above	

3. Educational Level

Grades 1- 7		Grades 8- 9		Grades 10-12		Tertiary	

Section 2: Cooperatives' activities in their quest to enterprise

4. What activities is your cooperative doing in order to enterprise?

Section 3: Barriers affecting the enterprising of cooperatives

5. Why is your cooperative not enterprising i.e. with respect to internal barriers?

6. Why is your cooperative not enterprising viz-a-vis external barriers?

Appendix 8: Workshop Based Moderator's Guide

TOPIC: <u>BARRIERS TOWARDS ENTERPRISING OF COOPERATIVES IN SESHEKE DISTRICT- A PARTICIPATORY ACTION APPROACH.</u>

Section 1: Demographics (Tick the sex, enter actual age and educational level of the participant)

1. Sex

Male		Female	

2. Age

Below 18 years		18 to 35 years		35 years and above	

3. Educational Level

Grades 1- 7		Grades 8- 9		Grades 10-12		Tertiary	

Section 2: Enhancing the enterprising of cooperatives

4. How could you enhance the enterprising of your cooperative (Internally)?

5. How could you enhance the enterprising of your cooperative (Externally)?

Appendix 9: Researcher's Journal

DATE	TIME	ACTIVITY	PARTICIPANT'S REACTIONS
Monday 27/03/17	14:30	FGD 1 (Mukuyoyisa MPCS) deliberated on the 'what' and 'why' research questions. The group convened at their chairperson's residence in Kasohongami Compound of Boma Camp. The discussion took about 45 minutes.	They bemoaned lack of support from government compared to urban based cooperatives.
	16:00	FGD 2 (Prisons CCS) deliberated on the 'what' and 'why' research questions. The group met at Prisons Office of Boma Camp and the discussion took about 40 minutes.	They expressed lack of knowledge on how to start enterprising.
Tuesday 28/03/17	09:00	FGD 3 (Buloto MPCS) deliberated on the 'what' and 'why' research questions. The group gathered at the defunct Sawmills Company premises of Research Camp. The deliberation took about an hour.	They said members are not committed as they are skeptical that the board will misuse their money.
	11:00	FGD 4 (Kasisi MPCS) deliberated on the 'what' and 'why' research questions. The group converged at Simwanza Village of Research Camp. The discussion took about 1 hour, 20 minutes.	The cooperative wondered how the in-fighting amongst members would minimized.
	14:30	FGD 5 (Vera Chiluba MPCS) deliberated on the 'what' and 'why' research questions. The group gathered at Sabelo Compound of Boma Camp for about 40 minutes.	They were worried on how they may improve the low membership base.
	16:00	FGD 6 (Singanyeka MPCS) deliberated on the 'what' and 'why' research questions. The group converged at Mclope Compound of Boma Camp for about 45 minutes.	External barriers be resolved by government if they are to enterprise.
Wednesday 29/03/17	09:00	FGD 7 (Tasimu MPCS) deliberated on the 'what' and 'why' research questions. The group met at their office premises at Tahalima Village in Maondo Camp for about 50 minutes.	Cooperative movement be overhauled in order to enterprise.
	11:00	FGD 8 (Mutakama MPCS) deliberated on the 'what' and 'why' research questions. The group met at Ndalo Village of Katongo Camp for about 40 minutes.	Government to put a pro cooperative policy so that they can enterprise.

	14:30	FGD 9 (Katongo-Maondo) deliberated on the 'what' and 'why' research questions. The group met at Katongo Village of Katongo Camp for about an hour.	Lack of collective effort is hampering progress of the cooperative.
Thursday 30/03/17	09:00	FGD 10 (Silolo MPCS) deliberated on the 'what' and 'why' research questions. The group converged at Silolo Village of Katima Camp for about 1 hour, 30 minutes.	Members' hesitation to pay for shares is affecting their operations.
Friday 31/03/17	09:00	Workshop's participants met in the DC's Conference Hall and deliberated on the how research question for about 4 hours.	Resolve barriers for cooperatives to enterprise.

Appendix 10: Introductory Letter / Consent Slip

C/o. University of Zambia
P.O. Box 32379
LUSAKA.

24th March, 2017.

Prospective Research Participant,
SESHEKE.

Dear Sir/ Madam,

RE: <u>STUDY ON BARRIERS TOWARDS ENTERPRISING OF COOPERATIVES IN SESHEKE DISTRICT: A PARTICIPATORY ACTION APPROACH</u>

The subject refers.

I am Habeenzu Simamba, a Doctor of Philosophy (PhD) candidate pursuing Business Administration at the University of Zambia- Zimbabwe Open University. I am conducting a research which is captioned above.

In view of this, I am pleased to inform you that you have been selected to participate in the above mentioned study as a member of your cooperative/ institution. Your participation with be in two folds as; during the Focus Group Discussion and in the Workshop.

The information that will be elicited from you will be treated with the confidentiality that it deserves as the study is purely for academic purposes. Thus, as a participant, you may consent by signing on the attached slip as, participation is on voluntary basis.

Thanking you in anticipation of your usual cooperation.

Yours faithfully,

Habeenzu Simamba.
RESEARCHER.

CONSENT SLIP (Fill in, cut and return this slip to the Researcher)
I ___________________ a member of ________________ cooperative/ institution having been informed of the purpose of the study, do hereby voluntarily agree to participate.
Sign/ Thumb Print: _____________ Date: ______________

Appendix 11: FGD 1- Mukuyoyisa Multipurpose Cooperative Society

Participant No.	**1**	**2**	**3**	**4**	**5**	**6**	**7**
Sex	Male	Female	Female	Male	Female	Male	Female
Age	39 years	47 years	29 years	49 years	51 years	30 years	21 years
Educational level	Grade 12	Grade 7	Grade 9	Grade 7	Grade 5	Grade 3	Grade 6

Appendix 12: FGD 2- Prisons Consumer Cooperative Society

Participant No.	**1**	**2**	**3**	**4**	**5**	**6**
Sex	Male	Female	Female	Female	Female	Female
Age	45 years	57 years	19 years	50 years	34 years	38 years
Educational level	Tertiary	Grade 1	Grade 5	Grade 7	Grade 9	Grade 12

Appendix 13: FGD 3- Buloto Multipurpose Cooperative Society

Participant No.	**1**	**2**	**3**	**4**	**5**	**6**	**7**	**8**	**9**	**10**
Sex	Female	Female	Female	Female	Female	Male	Male	Male	Male	Female
Age	19 years	35 years	38 years	24 years	54 years	35 years	45 years	60 years	39 years	61 years
Educational level	Grade 7	Grade 2	Grade 9	Grade 6	Grade 7	Grade 10	Grade 9	Grade 7	Grade 9	Grade 12

Appendix 14: FGD 4- Kasisi Multipurpose Cooperative Society

Participant No.	**1**	**2**	**3**	**4**	**5**	**6**	**7**	**8**	**9**	**10**
Sex	Male	Male	Male	Female	Female	Female	Female	Male	Female	Female
Age	35 years	50 years	25 years	61 years	22 years	49 years	34 years	39 years	28 years	34 years
Educational level	Grade 7	Grade 4	Grade 9	Grade 6	Grade 12	Grade 9	Grade 11	Grade 8	Grade 5	Grade 9

Appendix 15: FGD 5- Vera Chiluba Multipurpose Cooperative Society

Participant No.	1	2	3	4	5	6
Sex	Female	Female	Male	Male	Male	Female
Age	35 years	41 years	32 years	34 years	37 years	60 years
Educational level	Grade 1	Grade 4	Grade 7	Grade 5	Grade 7	Grade 7

Appendix 16: FGD 6- Singanyeka Multipurpose Cooperative Society

Participant No.	1	2	3	4	5	6	7
Sex	Male	Male	Female	Female	Female	Male	Female
Age	29 years	25 years	58 years	43 years	70 years	32 years	22 years
Educational level	Grade 9	Grade 4	Grade 3	Grade 11	Grade 8	Grade 9	Grade 7

Appendix 17: FGD 7- Tasimu Multipurpose Cooperative Society

Participant No.	1	2	3	4	5	6	7	8
Sex	Male	Male	Female	Female	Female	Female	Male	Male
Age	35 years	42 years	19 years	35 years	29 years	35 years	47 years	69 years
Educational level	Grade 7	Grade 6	Grade 4	Grade 6	Grade 4	Grade 12	Grade 5	Tertiary

Appendix 18: FGD 8- Mutakama Multipurpose Cooperative Society

Participant No.	1	2	3	4	5	6	7	8	9
Sex	Male	Male	Male	Female	Female	Male	Female	Female	Male
Age	35 years	42 years	30 years	41 years	31 years	28 years	31 years	42 years	18 years
Educational level	Grade 9	Grade 7	Grade 1	Grade 4	Grade 7	Grade 9	Grade 12	Grade 5	Grade 2

Appendix 19: FGD 9- Katongo-Maondo Multipurpose Cooperative Society

Participant No.	**1**	**2**	**3**	**4**	**5**	**6**	**7**	**8**
Sex	Male	Male	Female	Female	Female	Male	Female	Female
Age	60 years	19 years	39 years	47 years	41 years	23 years	61 years	25 years
Educational level	Tertiary	Grade 9	Grade 3	Grade 4	Grade 7	Grade 5	Grade 4	Grade 8

Appendix 20: FGD 10- Silolo Multipurpose Cooperative Society

Participant No.	**1**	**2**	**3**	**4**	**5**	**6**	**7**	**8**	**9**
Sex	Male	Male	Female	Female	Male	Male	Male	Female	Female
Age	39 years	30 years	51 years	38 years	37 years	39 years	28 years	42 years	31 years
Educational level	Tertiary	Tertiary	Grade 7	Grade 7	Grade 9	Grade 9	Grade 9	Grade 9	Grade 7

Appendix 21: Group 1- Workshop Based Method

Participant No.	**1**	**2**	**3**	**4**	**5**	**6**
Sex	Female	Male	Female	Male	Male	Male
Age	51 years	35 years	41 years	69 years	60 years	35 years
Educational level	Grade 7	Grade 9	Grade 7	Tertiary	Tertiary	Tertiary
Name of Organization	Mukuyoyisa Multipurpose Cooperative Society	Buloto Multipurpose Cooperative Society	Vera Chiluba Multipurpose Cooperative Society	Tasimu Multipurpose Cooperative Society	Katongo-Maondo Multipurpose Cooperative Society	Depart ment of Coopera tives-Sesheke

Appendix 22: Group 2- Workshop Based Method

Participant No.	1	2	3	4	5	6
Sex	Male	Male	Female	Female	Female	Male
Age	45 years	25 years	22 years	42 years	31 years	32 years
Educational level	Tertiary	Grade 7	Grade 7	Grade 7	Grade 7	Tertiary
Name of Organization	Prisons Consumer Cooperative Society	Kasisi Multipurpose Cooperative Society	Singanyeka Multipurpose Cooperative Society	Mutakama Multipurpose Cooperative Society	Silolo Multipurpose Cooperative Society	Action Aid-Sesheke

Appendix 23: Summary of Demographics of Participants

1. Gender	Score	2. Age	Score	3. Educational level	Score
Males	42	Youngest	18 years	Lowest	Grade 1
Females	50	Oldest	70 years	Highest	Tertiary
Total	92	Mean age	39 years	Mode	Grade 7