



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

MAPPING: KEY FIGURES

NATIONAL REPORT: ESWATINI

ICA-EU PARTNERSHIP



International
Co-operative
Alliance



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I. INTRODUCTION AND CONTEXT

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

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

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

i. Historical background

Co-operatives in Swaziland started in 1964 when the first Co-operative Proclamation was introduced, during the Colonial Regime. The main objective for encouragement of cooperatives was to promote rural development for indigenous Swazi farmers. Back then, only a few cooperatives were registered mostly in the farming sector. The Department for Co-operative Development was set up within the Ministry of Agriculture in 1962 through funding by the British Relief Fund. The priority then was to lay down a cooperative legislation through which farmers groups and associations could register in order to operate as farmer's cooperative. To accomplish this, the Post of Registrar for Cooperatives was created in 1963. In 1964 the first legislation on co-operatives – The Co-operative Societies Proclamation No. 28 of 1964 which was later renamed the Co-operative Societies Act No.28 of 1964, by the King's Order in Council No.2 of 1975 came into operation. The act was repealed and replaced by the cooperative Societies Act No 5 of 2003 which is still operational today.

Between 1963 and 1968, 14 Farmers' Co-operative Societies had been registered, covering such crops as tobacco, sugar cane, and pineapple. The savings and Credit Cooperative Societies did not feature prominently in the movement as the emphasis was on farming related cooperatives. Savings schemes tended to feature as departments or sections within the multipurpose which were mostly rural based.

Between 1964 and 1968, fourteen (14) savings and credit societies under multipurpose cooperatives were operational. In 1986 the first stand-alone Savings and Credit Cooperative Society was established. Since then, the number of registered cooperative societies has grown steadily to reach a total of 446 societies by 31st March, 2016.

Their combined membership is 50 442 individuals. Savings and Credit Cooperatives- under SASCCO have a membership of 43 522 while multipurpose cooperatives- under SWAFCU and others (non-affiliated multi-purpose) was 6 920. The movement employed 494 individuals thus contributing to the national agenda of employment creation. In 1971 the Central Cooperative Union (CCU) was established. Due to operational problems CCU was unfortunately liquidated in 2006 and subsequently the Swaziland Farmers’ Cooperative Union (SWAFCU) was established to carry the mandate of CCU to her members.

ii. Public National Statistics

The co-operative movement is doing just well, as there is recognizable improvement and direction from year to year, including the continuing growth of the national number of co-operative societies, as well as the continuity of individual societies. The Commissioner’s Order of 2019 which compels all co-operatives to affiliate to existing apexes are a milestones as this achieves close monitoring and mentoring of all co-operatives.

Co-operatives are considered by the Government of the Kingdom of Eswatini to be a critical opportunity for growth within a priority economic sector as per “The Strategic Roadmap 2019-2023”.

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

Table 1: Number of registered Cooperatives

| | |
|---------------------|-----|
| Financial Coops | 113 |
| Non Financial Coops | 424 |
| School Coops | 42 |
| Total Number | 579 |

- There are three registration categories, Non-financial, Financial and Schools, as outlined in the table above
- There are three affiliation categories Savings and Credit (Eswatini Savings and Credit Co-operatives, ESASCCO), Farmers and Multipurpose Apex (ESWAFUCU), Youth Apex (Eswatini National Youth Co-operative Alliance (ESNYCA)).

Table 2: Number of Cooperative Members

| | |
|---------------------|--------|
| Financial Coops | 50,843 |
| Non Financial Coops | 10,192 |
| Schools Coops | 3,556 |
| Total Membership | 64,591 |

Legal Structure

The legal policy governing cooperatives include:

- Cooperative Act of 2003 and Regulation of 2005;
- National Cooperative Development Policy of 2000;
- Commissioner's Orders and Directives of 2019.

Employment contribution by cooperatives

The cooperatives in Eswatini provide about 650 jobs according to the data submitted.

iii. Research Methodology

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

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

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

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

Furthermore, in order to complete the ICA members' data, the decision was taken to also look at external sources, to provide additional and more exhaustive cooperative statistics for the country. As a result, the data is collected following two strategies contemporaneously: 1) collecting statistics already available in the country; 2) carrying out a survey targeting ICA cooperative members.

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

II. KEY FIGURES

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

iv. ICA Member Data

Eswatini counts one ICA associate member organization, The Eswatini Farmers' Cooperative Union (ESWAFUCU)

ESWAFUCU aims among other things, to:

- Provide, organize and supervise central services such as joint procurement, supply of general and farming inputs, raw material or implements, access to technical services and loans, joint marketing of produce and joint utilization of any other services and installation that may be necessary to help member cooperatives in achieving their objectives;
- Operate a central financing facility by mobilizing savings of members on centralized basis.
- Provide information, education, training and advisory services on cooperative principles and cooperative practices and on the management of cooperative enterprises;
- Assist in the formation of committees and cooperatives determining the feasibility projects and to facilitate the registration of new cooperatives ;
- Conduct audit of member cooperatives according to the provision of the Act;
- Provide insurance services to its members subject to a law which may regulate such insurance services;
- To engage in any other services which may be necessary to promote the objectives of members

MEMBERSHIP

ESWAFUCU is a farmers' and multipurpose cooperative and hence represent members from various industries to include: livestock, forestry, crops & vegetables, processing, manufacturing, handicraft, manufacturing and retail.

According to the data provided, it is noted that ESWAFUCU represents **84** cooperative organizations and **2,500** members.

There detailed data provided in relation to the gender and youth segregation of the membership are as follows: Male-870, Female 1630 and Youth 170.

EMPLOYEES

The number of employees in ESWAFUCU is 130 people.

SOURCES OF FUNDING

ESWAFUCU's main source of income are:

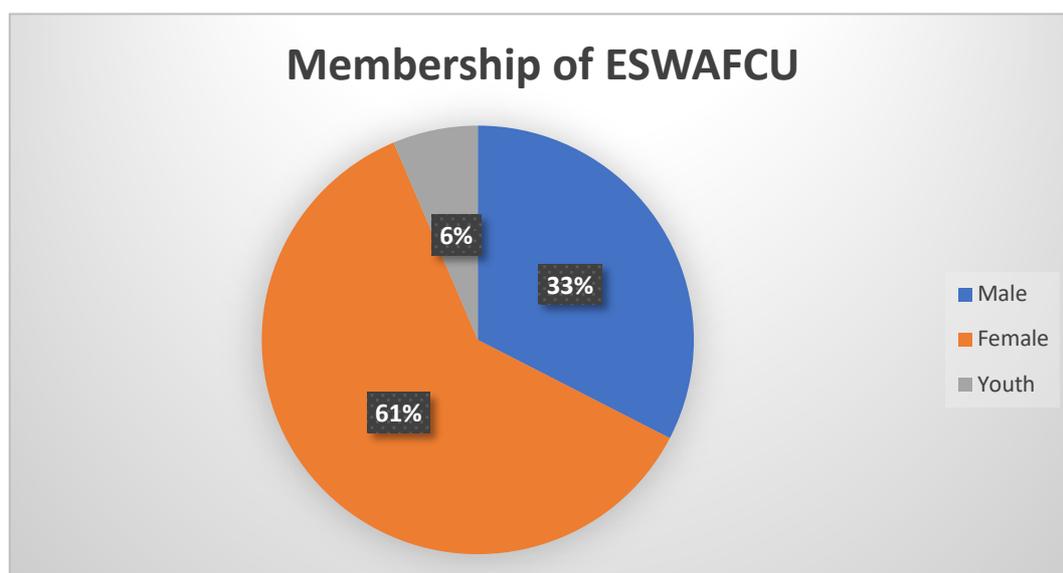
- Membership dues: E30,000 or EUR 1627
- Membership shares: E20,000 or EUR 1085
- Property rentals: E600,000 or EUR 32,546
- Farming inputs retail: E5 Million or EUR 271,216

v. General overview

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

- Number of Co-operatives in Eswatini

| | Category | Total |
|----|-------------------------|--------|
| 1. | Number of Co-operatives | 579 |
| 2. | Number of Membership | 64,591 |
| 3. | Number of Employees | 650 |



Contacts

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

<https://coops4dev.coop/en>

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

Updated: February 2021



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