



## LEGAL COOPERATIVE FRAMEWORK ANALYSIS

### Within the ICA-EU Alliance

### KEY HIGHLIGHTS FOR HAITI

This one-pager aims to provide a brief overview of the most notable features of Haiti's national cooperative legal framework, based on the work of the national legal expert.

The Law on cooperatives dates back to September 14, 1953 and related to the organization of cooperatives and established the National Council of Cooperative (CNC). This Law on cooperatives was amended by decree to three (3) repeated: by the decree of October 27, 1960, by the decree of June 18, 1974 and by the decree of April 2, 1981. But also, this Law underwent a last modification in June 1995 to article 45 on interest rates, repealing the ceilings on the rates to be imposed on loans.

**Cooperative Friendliness:** An appropriate legal framework is needed, where financial services cooperatives (Caisses) and economic services cooperatives (agricultural, multi-purpose, production) can have their own legislation; government leadership provided by the CNC to reform the Law, review its powers and be allocated resources in relation to those responsible; promote concerted action between supervisory agencies and donors to ensure consistency in supporting cooperatives.

**Key Recommendations for Improvement:** Proposal for a new Law on the Savings and Credit Cooperative which will be much more complete, which should correct certain shortcomings of the current law of June 2002 and the establishment of a State Secretariat for Cooperatives to strengthen the Cooperative sector.

**Conclusions:** Most cooperatives find themselves in a precarious situation which is detrimental to their development. The structural mechanisms put in place are not adequate. Legislation that includes cooperatives in general does not ensure compliance with financial standards, which must be observed by Savings and Credit Institutions, for better protection of members' savings. Certain laws relating to taxation and others of cooperatives which have been highlighted in articles, 42, 49, 58, deserve to be called into question.

