



# UGANDA CO-OPERATIVE ALLIANCE LIMITED



Annual Report  
2012 / 2013

# Annual Report

for the year 2012/2013

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## UCA BOARD OF DIRECTORS



*Rev. Fr. George Angala  
Chairman - UCA Board of Directors*



*Mrs. Beatrice Katsigazi  
Vice Chairperson*



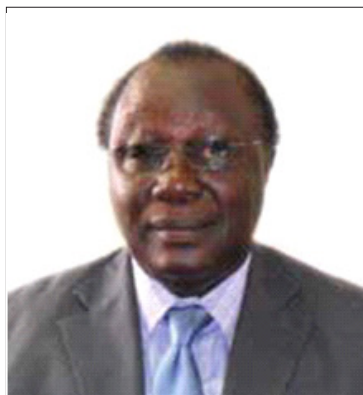
*Ms. Elizabeth Nsimadara  
Treasurer*



*Mr. Patrick M. Netalisire  
Board Member*

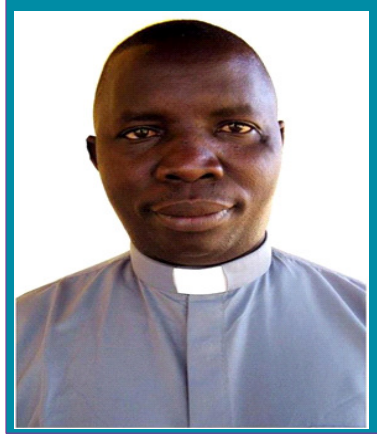


*Mr. Hakim Bogere  
Board Member*



*Mr. Fred Mwesigye  
Commissioner for Cooperative Development  
Min. of Trade Industry and Cooperatives (MTIC)*

## Chairman's Statement At The 46th UCA AGM October 2013



*Rev. Fr. George Angala*  
**Chairman - UCA**

**D**istinguished Guests,  
Fellow Co-operators,  
Development Partners,  
Ladies and Gentlemen.

I wish to first of all congratulate our cooperators for consolidating the gains that we have made over the years through the various projects and activities that we have carried out with them. However, we all know that a lot more needs to be done in order for our cooperatives to achieve the long-term self-sustainability and deliver better services to our members.

### **Achievements**

Although I and my fellow Board members have been in office for only one year, I can say that we have managed to maintain the momentum that your organization has gathered as far as cooperative development in this country is concerned. More specifically, we have been involved in the following activities.

We have continued to create conducive conditions where our cooperatives can benefit from networks that have been created. Some of the networks are meant to harness business opportunities by our cooperators while others are development oriented. As a result, so many organizations and agencies have come forward to support the cooperatives. To-date we have at least 24 active partners in place, some of whom provide finance, others technical support.

We have ensured that the number of women and youth who are participating in cooperative activities continues to rise. I was extremely happy to note that in one of our projects called “Mainstreaming Gender and Empowering Women and Men in SACCOs” which is jointly funded by GIZ, ABi Trust and UCA (which is in this report), the percentage of women (in individual SACCOs and in total) was over 60 percent compared to less than 40 percent for the men. This speaks a lot for our models and strategies in promoting gender. Your organization has continued to support both women and men not only to participate in economic and social activities but also to build their leadership and management capabilities.

UCA was one of the ICA members in Africa which was invited to participate in the conclusion of 2012 as the year of cooperatives set aside as the year of cooperatives by the UN General Assembly. The celebrations took place in Manchester, U.K, and we were ably represented by our Treasurer, Ms. E. Nsimadala and our former Chairman, Mr. Nimrod Wambette.

## CHAIRMAN'S STATEMENT

Your Board and Management participated in many regional meetings and workshops during the year under review especially as members of East African Farmers Federation and ICA-Africa Region. The UCA Treasurer was elected on the Board of EAFF representing women within the region while I was elected on the council of EAFF and Board member on ICA- Africa region.

UCA Board was privileged to host the Vice Chairman of the National Agriculture Cooperative Federation of Korea (NACF), who also delivered their tractor donation which they had made sometime when we signed a Memorandum of sisterhood in 2011.

Uganda Cooperative Alliance hosted the 2<sup>nd</sup> graduation ceremony of persons who completed the course in Professional Management of SACCOs which was presided over by the Vice Chancellor MUCCOBS. I represented the UCA Board.

UCA took advantage to facilitate the formation of a mechanization cooperative. I had the honor of participating in its launching together with the Korean visitors. The Korean Ambassador was one of the guests on that occasion.

Some of my board members have brought a lot of value by conducting training in value addition to a good number of our cooperators which has changed their lives through earning better incomes.

I have personally marketed the insurance scheme known as OASIS (Old Age Savings Insurance Scheme) which was started by the UCA in collaboration with Liberty Life Assurance Company Ltd. So far we managed to reach and train some 38 priests

from West Nile who are interested in participating in the scheme.

As the Chairman of the Board I also took part in the securing of the loan to complete our housing project in Bukoto-Naguru.

### **Challenges.**

Lack of value addition technology continues to be a major hindrance for our young cooperative organizations (RPOs / ACES) in accessing good markets so as to improve on their income and livelihood of their members.

Membership and subscription: Submission of membership subscriptions is still very low and often delayed in remittance.

### **Conclusion.**

To conclude my statement, I am indeed grateful to you members of UCA for the enormous contributions through shares, and through meetings. I want to thank the General Secretary and his teams for their wonderful performance which cannot be doubted by any of our stakeholders. To our development partners I would wish to extend our sincere appreciation for your contribution and support to cooperators, which has enabled us not only to have a household name but enabled us to portray a good image of the cooperatives through our success stories in developing the economy of Uganda.

Lastly, I would like to commend the Government of Uganda for providing a conducive environment for our business.

Thank you very much.



**Rev. Fr. George Angala**

**CHAIRPERSON – UCA BOARD**

### Statement By The General Secretary Uganda Cooperative Alliance Ltd.

#### Re-Integration of Cooperatives In Ugandan Society- Now A Fore Gone Conclusion

**A**fter the famous paradigm shift by government in the late 1980s, the cooperators went underground fearing to reveal their identity because by that time the name cooperative was equal to a failed system and even became a “taboo” as it still is the case in some African countries. Many people thought cooperatives had outlived their usefulness and had no chance of ever coming back. This was not surprising given the monopoly that the cooperatives had enjoyed for over 20 years in key sectors of the economy which put them in position where they were blamed for all the economic problems that the country had gone through and which the new paradigm shift was expected to address.

Seventeen years ago we at the UCA set off on a long journey to correct the misconceptions about our cooperative movement and restore its glory and 2013 was surely the turning point.

During that period, we have re-built the structures starting with the primary societies at the grass root up to the national union level and now boast of large numbers of primaries, savings and credit cooperatives, Area Cooperative Enterprises and regional and national unions. This year we will begin transforming the structures into one consolidated system. We have restored the financial capacity of the cooperatives through the formation of Uganda Central Cooperative Financial Services (UCCFS) which is the financial arm of the new cooperative movement. This has strengthened the cooperative movement. Many of these have



*Mr. Msemakweli Leonard*  
**General Secretary - UCA**

now been weaned off our support and have capacity to move on their own.

As I have always observed, the cooperative model in Uganda has been embraced by all categories of our society whether poor or not because both need self-help to harness their potential and contribute to the development of their country. In the past it had been restricted and viewed as being for the poor and no one bothered to correct that. It is only during the last 17 years that this distortion has been corrected.

We have restored the integrity of the cooperative movement which had been badly damaged due to poor governance, dependence on external support, heavy indebtedness and other weakness. Cooperatives have regained their name in the Ugandan society and the population better appreciates the role that cooperatives are playing in terms of development. Most importantly, we have restored the broken spirit of cooperators all over the country and is now unshakeable.

## GENERAL SECRETARY'S STATEMENT

Those who doubted the cooperatives before have now turned into some of our greatest friends and supporters. Many local universities have seized the opportunity and started degrees in cooperatives in their programmes which had never happened before. Many are offering a hand of partnership to our cooperative movement. The cooperative movement has also become an interesting area of research both by international and local researchers including academia and NGOs involved in research. Some organizations which have not been direct partners of the UCA are offering small competitive grants to individuals so that they can write positive stories about the cooperative movement in our country. Indeed, every day we see positive articles on the potential role of the cooperatives. Many development partners of the government have come back to support Uganda through the cooperative movement. This is a sign of confidence.

There is now a genuine hunger for cooperatives all over the country. That is why some NGOs have taken it upon themselves to replicate our model in parts of the country which we have not reached. Regrettably, many are doing this without consulting with UCA for guidance which could lead to the creation of false cooperatives again. It is only UCA that understands what a genuine cooperative in Uganda should look like and what should be avoided. It has been proved all these years that the substitutes which had been expected to replace cooperatives have failed to take off themselves. We are now working to strengthen partnership with them.

The government has revised its attitude and policies towards cooperatives which have become some of the most progressive within the region.

There is also positive change in attitude. In the olden days I went through an experience where if one of our cooperatives got into problems, the whole cooperative movement would be blamed. When you do that you discourage those who are doing well. We must learn to distinguish between the failure of individuals and the performance of the whole cooperative model which has stood the test of time. It is good to see that we are beginning to see change in attitude where each cooperative is judged on its own merit. We cannot expect all the leaders and managers to perform very well all the time although we do not encourage failures.

We have come to appreciate that the strength of cooperatives is inherent in the philosophy and value system which makes them resilient. Moreover, cooperatives dwell in people's hearts who have the natural desire to work with others and because of that cooperatives are difficult to kill and for us at the UCA we came in to take advantage of that strength. I have no doubt that the Ugandan case is a good demonstration of the resilience of the cooperative system. Indeed, from these lessons, the East African Farmers Federation (EAFF), of which UCA is a founder member, is working for a regional cooperative policy in the East African Community in collaboration with Uganda Government and the UCA. The objective is to re-kindle cooperatives in the whole region.

It has been a journey filled with thorns but with the encouragement and enthusiasm from our members and the support of our wonderful development partners we have managed to persist. Our cherished development partners have accompanied us all the way and yes, it was quite a difficult year, just like the last two but we managed to maintain the momentum and sailed through with successes. □