



Message of Hon. Mahendra Gowressoo, Minister of Business, Enterprise and Co-operatives

On the occasion of the 87th ICA International Co-operative Day and the 15th UN International Day of Co-operatives, it is an immense pleasure for me to be associated with our local co-operative movement and with co-operators all over the world.

The Co-operative International Day's theme this year, which is "Driving global recovery through Co-operatives", is indeed very relevant when humanity as a whole is compelled to review its financial and economic systems and regulatory mechanisms.

The theme rightly underlines the co-operative effort required for recovery and equally highlights the role of co-operatives in promoting both economic growth and ethical values that have been severely challenged in period of crisis.

Co-operatives in Mauritius have over the last 96 years played a meaningful role as economic enterprises and self-help organisations in uplifting the socio-economic conditions of their members and the communities in which they operate.

Today, both in Mauritius and Rodrigues, some 885 co-operative organisations are operating in more than 30 different socio-economic activities such as sugarcane, vegetables, livestock breeding, fishing, consumer retailing, transport, beekeeping, mushroom, handicraft and savings and credit.

The family of Mauritian co-operators, with some 150,000 members, jointly realizes a yearly turnover of over Rs 4 billion and provides an array of services to their members, while participating in community development. Although this is no mean achievement, exigencies of the economy and customers are compelling co-operatives and their leaders to review and professionalize their operations, to explore new grounds and to innovate.

The potential of co-operatives is enormous and my Ministry will continue to provide necessary capacity building programmes and support to enable new co-operatives to be formed and also to assist existing ones to be more prosperous.

The key strategies of my Ministry are to empower co-operatives and to ensure appropriate capacity building and institutional leadership so as to trigger a badly needed renaissance of the co-operative movement as an important sector of the economy.

We are convinced that the Mauritian co-operative movement has to play a more meaningful role not only for co-operators but also for the economy at large in bringing sustainable solutions to national, economic, social and environmental problems.

There is no doubt that acting co-operatively with an integrated approach; co-operatives will transform crisis time into time of opportunities.

It is imperative nowadays to encourage entrepreneurship and innovative ways of doing things. The co-operative model has always been an effective model for grouped entrepreneurship, especially for those with limited means of production.

May I use this opportunity to pay tribute to all those who have been working passionately to promote co-operation and co-operatives and wish all co-operatives and co-operators a very Happy Co-operative Day and lot of success in their endeavours.

The Honourable Mahendra GOWRESSOO
Minister of Business, Enterprise and Co-operatives

Message of the Permanent Secretary

I have the pleasure to associate myself with the launching of this Newsletter on the occasion of the International Co-operative Day (ICD) 2009.

This year marks the celebration of the '87th ICA International Co-operative Day' and the 15th UN International Day of Co-operatives'. The co-operative family in the whole world would be celebrating the ICD on 4 July 2009 this year. The aims of the ICD are mainly to increase awareness on co-operatives; strengthen and extend partnership between the co-operative movement and other actors; and consider the challenges facing the co-operative movement for its development.

The theme for this year's ICD is "Driving global recovery through co-operatives". This year, the theme of the ICD highlights the fact that cooperatives can successfully lead to global economic recovery while adhering to co-operative values and principles. Co-operatives are, by their very nature, enterprises that do not only promote economic growth, but also uphold values of self-help, self-responsibility, democracy, equality, equity and solidarity. They are sustainable form of enterprises that assist in the economic and social development of a nation.

The Government reckons the importance of the co-operative sector and is encouraging the development of the co-operative movement by providing the appropriate financial, fiscal and policy support. The Co-operatives Division of the Ministry of Business, Enterprise and Co-operatives is, thus facilitating the promotion and development of the co-operative movement.

Many countries in the world are facing economic recession and food security problems. Co-operatives, if well geared and managed, can play a vital role in addressing these issues.

The number of co-operative societies being registered in Mauritius is increasing every year. At this time of economic upheaval, more and more people are turning to the co-operative institution as co-operatives are democratic, member-run and member-financed self-help enterprises that have a great potential in contributing to the improvement of the economic and social conditions of individuals. The Co-operatives Division will continue to assist the sector to develop its growth potential.

On this special occasion of the International Co-operative Day, I invite all of you to co-operate as the key word to the success of the co-operative movement is ***CO-OPERATION***.

R. Hosany
Permanent Secretary

AN INSIGHT INTO THE CO-OPERATIVE MOVEMENT IN MAURITIUS

INTRODUCTION

- The advent of the Co-operative Movement in 1844 happened when the factory workers (**Rochdale Pioneers**) launched their Co-operative Shop at Toad Lane in **Rochdale, Manchester**. The Movement travelled through (Rafaisen) rural banks in Germany and India and through the world to reach Mauritius in 1913 to address and redress the plight of the poor small sugar cane planters.
- Ever since 1913 Government through the Co-operatives Division has the mission (i) to provide the necessary policy framework for the promotion, consolidation and development of the Co-operative Movement; and (ii) to ensure that the Co-operative Societies operate within the ambit of the Co-operatives Act for the upliftment and welfare of Co-operators engaged in the various fields of economic activities.

2.0 HISTORICAL PERSPECTIVE

2.1 Period Pre-Independence

- . History has been testimony to the long struggle of the working class to combat pitiless exploitation, misery and suffering. One of the strategies was the creation of **Co-operative** as a model and a way of life and it remains a tool for low-income people ever since the **Rochdale Pioneers**.
- **One of the most important landmarks in the Co-operative Movement in Mauritius was the commencement of the Co-operative Movement itself in 1913. Following the visit in 1901 of the illustrious Mahatma Gandhi, who witnessed the deplorable plight of the labouring class and small sugar planting community, Mr. Manilall Doctor, a barrister from India came to Mauritius to help the Indian immigrants to improve their standard of living and working conditions.** In his deposition before the Royal Commission 1909, Mr. Manilall Doctor highlighted the various difficulties confronting small cane planters to obtain credit for sugar cane cultivation.
- **The Royal Commission recommended the setting up of the Co-operatives.**
- **Mr. William Wilberforce, an expert from the Indian Civil Service was brought in Mauritius. He presented the Co-operative Society Ordinance based on Indian Model which became law in 1913.**
- People in those days were not aware of the principles of Co-operatives and the mode of operation of a Co-operative organization so much so that it took almost three decades for the movement to take root and gather momentum for a leap forward.
- **Up to 1945, the legal framework limited the activities of the Co-operative Movement to the sugar cane sector only.** The corrective and promotional measures adopted, particularly as from 1932 onwards, including the passing of the Cane Sale and Purchase Ordinance in 1938 gave **an impetus to the consolidation and growth of the Co-operative Movement.** In 1944, following the report of **Mr. W.K.H. Campbell, an eminent Co-operator and expert in Co-operative matters, a new Co-operative Law, precisely Ordinance No. 51 of 1945** was passed, thus paving the way for the diversification and expansion of Co-operative activities and registration of all types of Co-operatives in conformity with the Co-operative Principles under the new Co-operative Legislation.

Groups of people, particularly at the grass-root level, joined together to form different types of co-operative societies to foster and safeguard their economic and social well-being: consumers, savings, fishermen, livestock-breeders, tea planters, potato and onion growers, as well as people who needed services related to housing, provident and productive loans, cane transport, bus transport and land preparation set up respective co-operative societies of their choice. **People recognized the importance and usefulness of Co-operatives as an effective tool for the promotion of self-help and mutual assistance.**

2.2 **Period Post-Independence**

- A full-fledged Ministry of Co-operatives and Co-operative Development was created in August 1970 with the highly respected figure Hon. Hurryparsad Ramnarain as Minister - a Minister to whom the nation is grateful.
- **In 1976, some major changes have been incorporated in the Co-operative Societies Act 1976.**
- The Mauritian Co-operative Movement has indeed played a predominant role in organizing the small producers and small entrepreneurs to benefit from the joint action for agricultural production and marketing and common services required by them and the community at large.
- **In June 2005, the Co-operatives Act 2005 was proclaimed allowing the smooth registration procedures of Co-operative Societies with only five (5) individuals and the registration of primary societies having for members a body corporate registered outside Mauritius or a non-citizen so as to promote joint ventures that would contribute to the growth of the society by the introduction of know-how and new technology subject to Non-citizens (Property Registration) Act.**

- **Co-operatives Act 2005**

The objects of this Act are to provide for: -

- (a) the type of Co-operative Society that may be registered;
- (b) the organization and arrangement of Co-operative Societies;
- (c) the appointment of Internal Controller;
- (d) the settlement of disputes involving Co-operative Societies;
- (e) the establishment of a Co-operative Tribunal;
- (f) the setting up of a Co-operative Development Fund;
- (g) the establishment of Co-operative Development Advisory Board; and
- (h) the establishment of a National Institute for Co-operative Entrepreneurship.

- **The Co-operatives Act 2005 was amended in 2006 by the Co-operatives (Amended) Act 2006 to provide for the –**

- (a) the registration of a co-operative society with either limited or unlimited liability;
- (b) the publication in one or more newspapers or the sending to the members by post of the notice of a General Meeting of a co-operative society;
- (c) the non-eligibility of directors of the Board of co-operative societies to perform as the Internal Controller;
- (d) the implementation of an order/award/decision in a more effective manner by the Registrar, an arbitrator or a liquidator, as appropriate;
- (e) the appointment of a liquidator by the Registrar in such cases as he may deem fit;
- (f) the appointment of auditors or officers not below the rank of Senior Co-operative Officer as liquidator by the Registrar; and
- (g) the automatic registration of existing Co-operative Societies as primary or secondary societies under the Co-operatives Act 2005.

3.0 **FEDERAL CO-OPERATIVE SOCIETIES**

- There are presently around 837 active primary co-operative societies in Mauritius, which group around 150, 500 members. They deal with various classes of activities. Most of them are affiliated to different activity-based Federations, which have the main object to promote the economic, social and cultural needs of their affiliates.

3.1 **Mauritius Co-operative Agricultural Federation Limited**

- This Federation was registered on 16 August 1950. It aims at safeguarding the interests of its member societies through its representative on Government and Statutory bodies Boards and Committees. Since 1975, the Federation has diversified its activities and embarked on fertilizer and other farm inputs distribution schemes, through regional sales points/stores and co-operative societies with an annual turnover averaging around Rs140m. It has 25 employees.
- It groups 160 active Co-operative Credit Societies (CCS) having the following objectives:
 - (i) to create funds for on-lending to planter-members;
 - (ii) to provide saving facilities to members;
 - (iii) to provide loans for productive or other essential purpose at reasonable rate of interest;
 - (iv) to market, sell or dispose the Agricultural produce on behalf of members; and
 - (v) to receive and pay all monies due to members in respect of proceeds of produce, crop insurance, and other relevant items.

3.2 **Mauritius Consumers Co-operative Federation Limited**

- The Mauritius Consumers Co-operative Federation Ltd was registered in 1971. It is the central organisation catering for the purchase and distribution of consumer goods to primary consumer co-operative societies. It operates a wholesale unit of 30,000 sq. ft. at Plaine Lauzun.
- This Federation groups 20 active Co-operative Consumer Stores having the following objectives: -
 - (i) to produce/purchase goods, stores and consumables of all kinds from wholesale or retail dealers; and
 - (ii) to supply to members commodities and other articles of good quality.

3.3 **Mauritius Fishermen Co-operative Federation Limited**

- The Mauritius Fishermen Co-operative Federation Ltd was registered on 24 April 1974. It operates two "Maison des Pecheurs" – one at Tamarin and one at Cap Malheureux. The turnover of the Federation includes sales of by-catch fish obtained from fishing vessels calling at Port Louis harbour.
- It groups 15 active Fishermen Co-operative Societies with the following objectives: -
 - (i) to acquire, own and operate jointly boats, nets and gears necessary for fishing;
 - (ii) to sell all fish and marine produce; and
 - (iii) to distribute the proceeds of sales to members.

3.4 **Mauritius Agricultural Marketing Co-operative Federation Limited**

- The Mauritius Agricultural Marketing Co-operative Federation Ltd was registered on 1 March 1968. It operates 2 sales points where agricultural inputs are sold - one at Belle Mare and one at Glen Park, which was inaugurated on 28 March 2007. It is presently motivated and consulted to contribute laudable programme of Government on food security.

- It groups 24 active Agricultural Marketing Societies with a membership of 2280, having the following activities: -
 - (i) to encourage improved method of agricultural produce;
 - (ii) to collect, grade, bulk, transport and sell the produce of members;
 - (iii) to make advances and loans to members; and
 - (iv) to supply seeds and seedlings of good quality and fertilizers to members.

3.5 **The Grand Port Savanne Credit and Tea Marketing Co-operative Federation Limited**

- The Grand Port Savanne Credit and Tea Marketing Co-operative Federation Limited was registered on 21 January 1982 to cater for the needs of Tea Marketing Co-operative Societies. Its membership consists of 7 primary Tea Marketing Societies.
- Objectives of the Tea Marketing Co-operative Societies are *inter alia*:
 - (i) to provide loans to members;
 - (ii) to supply seeds and seedlings of good quality and fertilizers;
 - (iv) to encourage improved methods of tea production; and
 - (v) to assist in the marketing of tea leaves produced by members.

3.6 **Mauritius Livestock and Marketing Co-operative Federation Limited**

- Five societies are affiliated to the Mauritius Livestock Marketing Co-operative Federation Limited. It operates two "Maison des Eleveurs" – one at Henrietta and one at St. Pierre and provides necessary logistic support to cow keepers of the two regions grouped in co-operative societies.
- The main services provided include the supply of fodder, manufactured cow feed, the provision of veterinary services and the marketing of milk.
- Objectives of the cow keepers Co-operative Societies:
 - (i) to arrange for the purchase of calves of recognized breed to be sold to members;
 - (ii) to arrange for the marketing of cattle and dairy produce;
 - (iii) to create funds for purchase of calves, cattle feed and building of stables and cow sheds; and
 - (iv) to introduce scientific and economic methods of rearing cattle and to advice members on proper methods of cow-breeding.

3.7 **Mauritius Co-operative Savings and Credit League (MACOSCLE) Limited**

- The Mauritius Co-operative Savings and Credit League (MACOSCLE) Ltd was registered in 1970. It groups 90 Co-operative Credit Unions and runs a Savings Protection and Debt Insurance Scheme for all credit union members.
- Objectives of the Co-operative Credit Unions (CCUs):
 - (i) to encourage thrift and savings and to provide savings facilities to members;
 - (ii) to create a source of credit for provident and productive purposes at reasonable rate of interest for members; and
 - (iii) to provide opportunity for members to use and control their money for their mutual benefit.

3.8 **Mauritius Bus Owners Co-operative Federation Limited**

- The Mauritius Bus Owners Co-operative Federation Limited grouping 11 primary Bus Owners Co-operative Societies was registered on 21 September 1993 with the main object to represent all affiliates *vis-à-vis* all secondary and tertiary co-operative institutions and other corporate bodies and Governmental organizations.

- Objectives of the Bus Owners Co-operative Societies:
 - (i) to organise transport facilities for the public;
 - (ii) to acquire and operate buses for the benefit of members;
 - (iv) to establish service and repairs shop; and
 - (v) to operate stands and bus-routes entrusted to such societies.

3.9 **Mauritius Agro-Mechanical Co-operative Federation Limited**

- The Mauritius Agro-Mechanical Co-operative Federation Ltd was registered on 30 April 1991 and its main responsibility was to coordinate the various activities of its affiliate members at national level.
- The Federation also provided facilities for the planting and harvesting of canes and for their transportation to sugar factories. The Federation has remained dormant since more than 3 years.
- Objectives of the 10 primary Agro-Mechanical Co-operative Societies include:
 - (i) to acquire, own, hire, rent and operate jointly Agricultural and transportation equipment;
 - (ii) to undertake the bulldozing, derocking, digging, reclaiming of land by means of appropriate mechanical tools and equipment;
 - (iii) to undertake harvest of members' crop, their transportation and to perform related activities; and
 - (iv) to market, sell or dispose of agricultural produce of members.

3.10 **Mauritius Pig Marketing Co-operative Federation Limited**

- The Mauritius Pig Marketing Co-operative Federation Limited (MPMCF) was registered on 10 September 1971 to cater for the credit and marketing needs of pig breeders grouped in co-operative societies.
- The Federation ran the Meat Processing Plant at Terre Rouge for the production of pork products such as ham, sausages and bacon. However, the project was not successful and the plant ceased its operation.
- Objectives of the 3 active Pig Co-operative Societies:
 - (i) to create funds to be lent to its members for purchasing of piglets, pigs and for the erection of pig sties;
 - (ii) to arrange for the better marketing of pigs of the members through the society;
 - (iii) to introduce scientific and economic methods of pig-rearing; and
 - (iv) to supply expert advice on pig-breeding

3.11 **Women Entrepreneurs Co-operative Societies Federation Limited**

- The Women Entrepreneurs Co-operative Societies Federation Limited was registered on 21 June 2007 and groups 35 primary Women Entrepreneurs Co-operative Societies. The objectives of this Federation are to promote the economic interest of its affiliated societies and more particularly:
 - (a) to be the mouthpiece of all Women Entrepreneurs Co-operative Societies *vis-à-vis* Government and other appropriate organization;
 - (b) to forge linkage with women organizations, both locally and internationally;
 - (c) to assist women in the formation and organization of Co-operative Societies; and
 - (d) to organise workshops and training.

- Objectives of the Women Entrepreneurs Co-operative Societies include:
 - (i) to promote the culture of entrepreneurship among unemployed women;
 - (ii) to raise funds by issuing shares, contracting loans, receiving deposits from members and non-members and accept donation from different sources and also to grant loans to members;
 - (iii) to provide opportunities for members to use and control their money for their mutual benefit;
 - (iv) to indulge in handicraft activities, such as basketry, dress-making, embroidery and creative arts;
 - (v) to produce pickles, crystallized food and pastry items;
 - (vi) to cultivate flowers and vegetables;
 - (vii) to provide catering services;
 - (viii) to manufacture and sell ready-made garments in Fairs, shops, and boutiques;
 - (ix) to create source of credit for provident and productive purposes at a reasonable rate of interest; and
 - (x) to do such activities as are incidental and conducive to the attainment of the above objects of the society.

3.12 **Other Types of Co-operative Societies**

- In addition to the specific types of co-operative societies mentioned above, 116 Co-operative societies, grouping around 8000 members are engaged in various economic activities such as multi-purpose, bee-keeping, handicraft, construction, funeral and industrial services.

4.0 **CO-OPERATIVE SECTOR – STATISTICS for the Financial Year 2007/08**

- Although the Co-operative sector is composed of many small non-profit making organisations, statistics for the Financial Year 2007/08 mentioned hereunder are mere evidence of the importance of co-operatives in the Mauritian economy:

Summary of statistics on active Co-operative Societies for the Financial Year 2007/08

No. of co-operative societies :	790 (active)
Registered membership :	150,103
Turnover :	Rs 4,175,726,000 (Rs 4.2 billions)

(Note: The figure of Rs 4.2 billion does not include co-operatives involved in agricultural activities other than sugar cane and the takings of buses co-operatives).

5.0 **THE CO-OPERATIVE SECTOR ACCOUNTS FOR**

- 40% of small cane planters
- 12% of national sugar production
- 75% of onion production
- 70% of fresh green vegetables
- 75% of carrot production
- 37% of national bus transport
- 40% of potato production.

6.0 **SERVICES PROVIDED BY THE CO-OPERATIVES DIVISION**

- The Co-operatives Division has the statutory duty to ensure that co-operative societies operate within the co-operative legal framework. It also assists in the consolidation, promotion and development of the Co-operative Movement.

- Provision of legal and institutional framework for co-operatives and co-operative development;
- Formation and registration of co-operative societies;
- Monitoring and supervision of the activities of co-operative societies;
- Provision of education and training to the Co-operative Movement; and
- Auditing of accounts of co-operative societies having annual turnover not exceeding Rs 10m

7.0 **CONTRIBUTION OF THE STAFF OF THE CO-OPERATIVE SOCIETIES SECTION**

The staff of the Co-operative Societies section has succeeded in:

- Bringing the audit of co-operative societies up-to-date to 2007/2008 by clearing a backlog of 4 to 5 years
- Amending rules of 485 societies registered prior to Co-operatives Act 2005
- Registration of 340 new co-operative societies since July 2005
- Completing enquiries on 425 dormant co-operative societies
- Hearing of around 100 cases of arbitration annually
- Inspecting around 50 co-operative societies annually
- Ensuring that the co-operative societies operate strictly in conformity with the Co-operatives Act 2005, the Co-operatives (Amendment) Act 2006 and the relevant subsidiary legislation
- Contributing in having the ISO - Certification of the Co-operatives Division

8.0 **COMMITMENT**

- The staffs of the Registrar of Co-operative Societies section are committed, inspired and motivated to provide quality and timely services with a high standard of professionalism, integrity, independence, objectiveness, trust and confidentiality to the co-operative folks/customers.

9.0 **NEW CHALLENGES OF GLOBALISATION AND THE FUTURE OF CO-OPERATIVES**

- The new challenges facing the Co-operative Movement today in the wake of globalization and technological advances should be major concern of all stakeholders. They are expected to initiate action to increase the effectiveness and competitiveness of co-operatives and struggle to face the global financial crisis:
 - (i) by adopting measures to professionalise management, directors and staff;
 - (ii) by upgrading the technological parameters to organize co-operative operations;
 - (iii) by encouraging co-operatives to strengthen the financial resource base and contribute towards the consolidation of their societies;
 - (iv) by upgrading their products and services, putting greater emphasis on quality;
 - (v) by diversifying co-operative activities and adopting a new mind set; and
 - (vi) by continuously innovating and creating better quality products and services.

10.0 **CONCLUSION**

The co-operative folks should feel motivated to realise and ascertain that co-operatives are autonomous, voluntary, democratic associations of persons desirous to promote their cultural, social and economic welfare and that their destiny and those of their co-operative enterprises are within their hands. Therefore, they should contribute jointly to achieve the common goal by working together within the legal framework with devotion, motivation, dedication, diligence, independence and harmony.

P. Sahadew

Acting Registrar, Co-operative Societies

Contribution of Co-operatives to the Mauritian Economy

A co-operative 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.

The co-operative movement is based on a set of values and principles. The values governing co-operatives are: *self-help, self-responsibility, democracy, equality, equity & solidarity*. The co-operative principles are guidelines by which co-operatives put their values into practice. There are seven such principles:

- (i) *voluntary and open membership;*
- (ii) *democratic member control;*
- (iii) *member economic participation;*
- (iv) *autonomy and independence;*
- (v) *co-operative education;*
- (vi) *co-operation among co-operative; and*
- (vii) *concern for community.*

Co-operatives have been a medium to bring people together from the different strata of society and from different groups not only to solve the economic problems of its members but also to promote co-operation, consideration and benevolence among them.

The Government is encouraging the setting up of co-operative societies at various levels: at the level of the family in the form of small & medium enterprises, at the place of work in the form of credit unions and among unemployed women under women entrepreneurship. Such endeavour will encourage the economic development of the people and further strengthen the tie between individuals and different groups of people.

The Mauritian co-operative movement is one of the oldest in the southern hemisphere. The first co-operative credit societies were set up in 1913 to provide credit and marketing facilities to the small planters engaged in the sugar sector, thus reducing their dependence on private money lenders and brokers.

Today there are more than 30 different socio-economic activities which are serviced by single and multi-purpose co-operatives. Co-operatives in Mauritius and Rodrigues consist of about 150,000 members grouped in no less than 800 co-operative societies and answer for a turnover of over Rs 4.2 billion and contributing 1.8% towards the GDP of the Republic of Mauritius. Co-operatives are predominantly established in agricultural and support services, consumer services and savings & credit.

The main economic activities in which the contribution of co-operatives has been significant are:

- production and marketing of sugar cane
- production and marketing of vegetables and fruits
- fishing
- livestock breeding
- transport
- savings and credit
- consumer stores
- handicraft

More than 50% of sugar-cane planters are grouped in co-operatives and the share of co-operatives in the National Sugar Production is around 10%.

Co-operative Societies also account for:

- more than 60% of national production in the food crop sector
- 75% of onion production
- 40% of potatoes
- about 70% of fresh green vegetables

There are around 34 active consumer co-operative societies scattered all around the island. However, today this sector has to operate in an environment of fierce competition from supermarkets and hypermarkets.

The Co-operative Credit Unions (CCU) are performing well in providing thrift and savings facilities to its members. This sector is helping considerably the working class in having quick and easy access to loans. The CCU sector is developing very fast and is already the one which groups the largest number of individuals. It comprises more than 138 societies with a membership of around 66,700 and accounts for a turnover exceeding Rs 2.1 billion.

There are about 800 individual and private bus owners grouped in twelve Bus Owners Co-operative Societies providing transport service to the general public. The Co-operative Bus Sector represents some 40% of the national bus transport.

A lot of progress has been made by co-operatives and the co-operative sector has to put in more effort to keep pace with the overall economic development of the country. The strategies of this Ministry are, therefore, geared towards promoting, consolidating and developing a diversified, modern and financially sound co-operative movement, and the empowerment of co-operatives and co-operators.

Ms. P. Basanta Lala
Senior Co-operative Development Officer

Infusing the Passion and Culture of Creativity and Co-operative Entrepreneurship into Young People.

“Give a man a fish and you feed him for a day. Teach him how to fish and you feed him for the rest of his life”. (Chinese Proverb)

Young people undeniably make up a significant chunk of the world’s population. According to the United Nations, children and young people under the age of twenty-five constitute fifty per cent of the global population. In Mauritius, as per the 2000 population census, they account for almost 43 per cent of the Mauritian population and those particularly in the age bracket of 15-29 years represent nearly 26 per cent of the population. All this is to say how much critical and relevant young people are to the process of development and progress of a country. There are, in effect, immense potentialities and possibilities to direct national development through youth orientation but what are blatantly missing are effective strategies, chiefly in the co-operative sector, to reach out to young people and support and nurture their potential. And yet the co-operative movement is considered as a viable tool to harness the resources of young people and, if this is applied methodically, it can for sure lead to rich dividends in the future. Admittedly, young people are recognized to have world-wide strength to develop a nation.

- **Youth as potent change agents**

Fundamentally, young people are the most vibrant constituent of any nation and consequently, the prosperity and the future of a country is largely dependent upon them. Since they constitute a vital human force and very rich pool of resources in society, it goes without saying that they must imperatively be tapped into by every country if they are really spurred by the drive to forge ahead and prosper. Undoubtedly, young people are potent change agents and have the potential to shape a desirable future for a country provided they are mobilized, motivated and groomed to assume the necessary responsibilities. If we genuinely accept them as the hope and leader of the future, then by all means their abilities must be valued and their productive capacity harnessed and channelled into constructive work. Side by side, they must be entrusted a pivotal role in the process of development of our country.

- **Empowering youth through Co-operative Entrepreneurship**

In this increasingly challenging environment, and chiefly under the present economic context of Mauritius, it is crucial to give a considerate and deserving attention to young people in order to enable them to engage themselves gainfully economically. Youth’s economic empowerment is a must and pressing priority so as to bring this useful segment of the population

into the mainstream of the economy. They have, without any doubt, the potential to be entrepreneurs but this has to be developed by nurturing skills and ideas. Youth's participation in economic activity and in the development process of Mauritius can prove a boon in these exciting times wherein every country across the globe is constantly under the menace of different socio economic ills. They must at all cost be encouraged and motivated to explore their potential by venturing into productive activities and becoming entrepreneurs. No stone should be left unturned by any country in the endeavour to promote entrepreneurship among young people because it is unanimously accepted these days that the future of developing countries rests squarely on an entrepreneurial ventures.

• Need for Entrepreneurial Efforts

Entrepreneurs are unarguably a vital innovative force in the economy but most importantly, economic growth is directly related to the level of entrepreneurial activity. Therefore, in this era of crisis, uncertainty and ambiguity our country badly needs entrepreneurial efforts and thus infusing an entrepreneurial culture among its people has become a matter of prime importance. Entrepreneurship can be beneficial to our country for the following reasons:

- Alleviation of poverty
- Generation of employment
- Stimulation of innovation
- Curbing imports

As a matter of fact, right efforts from all quarters to encourage youth entrepreneurs are critical.

However, it is fitting to underscore the fact that most of the young people in today's world are apparently individualistic and their current mindset is not likely to yield the sustainability outcomes that are required to boost up the economy. Instead of individual business endeavour, young people can get together and create something that is far bigger than the sum of the parts. This necessitates the cultivation of a mindset that truly enjoys the challenge of working together and undertaking economic ventures that reflect the spirit of self-help, risk-bearing and participation. Young people must imperatively be armed with the values and philosophy of co-operation and trained to be economically productive through self-help groups and micro-enterprises in order to be self-reliant and independent. To this end, NICE is promoting the culture of Co-operative Entrepreneurship through its Youth Economic Empowerment Programme which is designed specifically for young people in the age bracket of 15-29 years. This training programme aims primarily at empowering young people by energizing their talents and helping them evolve into micro-entrepreneurs. By involving and motivating youth in the co-operative movement, NICE is making its humble contribution to the

making of an empowered and independent nation whilst at the same time paving the way for the future sustainability of the co-operative movement

- Exposure to Co-operative Creed

Co-operative entrepreneurship, in essence, entails group project that is carrying out business activities based on the co-operative model and adopting the co-operative philosophy and values. It is designed to strengthen the economic power of young people by promoting a sense of initiative, self-confidence and self-reliance. In addition, it aims at developing them as responsible and independent persons whilst giving them the opportunity for leadership and business exposure. Since Co-operatives have withstood the test of time and are considered to be an effective institutional mechanism for empowering young people and, given that they have widespread scope touching all kinds of economic activities, they must unhesitatingly adopt the co-operative model to meet their social and economic needs. Late Pandit J. Nehru considered co-operatives as the best form of organization for the development of small enterprises.

Co-operatives are, indeed, powerful weapons to spearhead the development process; they have existed for decades and decades but yet our young generation is largely unaware of and indifferent to them. Thus the gap between the youth and co-operatives is too large and now it is high time to bridge this gap. So, more and more young people should be exposed to the concept of Co-operation and to the enormous benefits that can flow from co-operative endeavour. The Co-operative Creed must essentially be imparted to all youth and a co-operative culture fostered into them. More importantly, it is necessary to stimulate the interest of young people in the concept and doctrines of Co-operation as a way of doing business and this can be achieved only through education and training. If NICE is successful in this mission of seeding innovations and new ideas in the youth thereby bringing a shift in their mindset, this will without any doubt, inject fresh blood in the movement and give a new edge to it.

ENDPOINT

Co-operative entrepreneurship is a valuable means of helping the young people of this country to unleash their potential and building their spirit of self-reliance. It can offer vast scope for self-employment and significant potential for their empowerment but the fact remains that they have no knowledge and understanding of the concept of co-operation and as to how to

organize a co-operative enterprise. In this scenario, acquainting young people with the philosophy of co-operation is more than necessary in order to motivate them for voluntary participation in co-operative endeavours. Side by side imbibing a culture of creativity and entrepreneurship in youngsters now will tantamount to preparing the ground and sowing the seeds for a bright future in days ahead.

Today, it is widely known that the challenges posed by globalization and the fight against poverty necessitate the mobilization of our resources and emphasize the need for a spirit of initiative and risk-taking towards the development process of our country. In this context, there is a strong need to give special and concentrated attention to educate our young people in the ideology and potentialities of co-operative entrepreneurship. This may be a slow process relatively but may work wonders in years to come. All in all, all our efforts must be geared towards leveraging the potential of our youth since co-operative entrepreneurship is the way forward for them. Also this endeavour bodes well for the future of the co-operative movement.

G. Seechurn
Director, National Institute for Co-operative Entrepreneurship

Women Entrepreneurs in Co-operatives – “Women we can”

Women have been instrumental in bringing about economic and social changes in our country. The government is continuously formulating and implementing policies with a view to encouraging women's participation in all spheres of our economy. These initiatives ensure women empowerment and as a consequence, women are able to achieve financial independence, contribute to the family budget and raise their standards of living.

Co-operators, as a democratic, member-run, member – financed and self-help enterprises have a great potential in contributing to the improvement of the economic and social conditions of women. Co-operatives have a key role to play, as they are able to respond to both women's practical and strategic needs by facilitating access to income-generating activities. Women organised in co-operatives can have access to several advantages: credit, savings and investment, by them. Co-operatives can help in strengthening women's economic capacity and establishing commercial networks for them in a more responsive way. They can provide a supportive environment for women new to business, give them confidence and harness their skills and enterprise.

Women can use the co-operative movement as a toll for gaining greater power and co-operatives may create work opportunities for women. To illustrate the above, we cast a glance at the success story of Chemin Sud Multipurpose Co-operative Society. This co-operative society was registered on the 2 December 2004 when 63 women had lost their job due to the closing down of the Floreal Knitwear and Summit Textile situated at Chemin Grenier.

In the first instance, the 'Trust Fund for the Social Integration of the Vulnerable Groups' financed the society to the extent of Rs 120, 000. However, as it was an insufficient amount for the 63 women to embark in various projects, another disbursement to the amount of Rs 315, 000 was effected under the Empowerment Programme.

Indeed, this second instalment gave a boost to the co-operative society and along with the financial facilities, the members were given the opportunity to follow courses on aspects such as pastry, 'table d'hôte', agriculture, farming, handicraft and garment products.

On Wednesday 22 November 2006, the Hon. Prime Minister officially inaugurated the Chemin Sud Multipurpose Co-operative Society. Since then, the Chemin Sud Multipurpose Co-operative Society has made a long way in various fields such as pastry, framing, agriculture handicraft, garments and various other projects. As the women have a low educational background, their co-operative society has come at the right time to alleviate the problem faced by them.

Co-operatives are owned by the members and as democratic business they are responsive to the needs of their members as well as the communities they serve. Because their members control them, co-operatives can ensure work patterns and member's needs. With flexible structures and principles of equality and democracy, co-operatives offer women a working environment tailored specifically to their needs, something other focus of business often do not.

B. Ramsahye
Principal Co-operative Officer

INTRODUCTION AND EVOLUTION OF THE CO-OPERATIVE CREDIT SECTOR IN MAURITIUS

Historical Background

The history of the Co-operative Movement in Mauritius is closely associated with that of its sugar industry. In 1834, due mainly to the effort of Lord William Wilberforce, slavery was abolished throughout the world. The abolition was a hard blow to the sugar industry that had so far flourished in the French and British colonies because of its heavy reliance on slave labour.

However immediately after taking credit for the abolition of slavery, the British came up with the idea of "indentured labour" which, in effect, was slavery, but in name. From 1834 to 1920 thousands of indentured labourers were brought in from India to work in the sugar cane fields for an initial indenture period of five years at the end of which they could opt for a free passage back to their homeland. Attempts were made by the colonial masters to press for longer indentures so as to persuade the labourers to stay on and incentives were also offered in 1847 to entice them to renounce their claim for free passage. Some took the monetary gratuities offered but many opted for small plots of cultivable land by way of a contract known as the "vente-à-rémérée". This provided a real inducement to the labourers to settle in Mauritius and contribute towards the production of sugar for which the demand was ever increasing in Europe.

Not surprisingly these small planters struggled very hard to till their land to make it more productive because most of these were marginal land and they depended heavily on private money lenders and brokers to get a loan for their upkeep which were very costly.

In 1892 a violent cyclone struck Mauritius and caused a lot of destruction to the sugar plantations and the numerous sugar mills. This was a very severe blow to the whole sugar industry but more so to the vulnerable small planters who had been struggling to survive. By the early 1900's there was a considerable number of such small planters facing money problems to grow their crops on which they had begun to depend for their livelihoods.

The Royal Commission 1909 and its Recommendations

To solve these problems a Royal Commission was instituted by the then Colonial Government in 1909. The Terms of Reference of the Royal Commission was particularly to inquire far and deep in the state of affairs of the sugar industry and to make recommendations for improvement. The Commissioners were moved by the plight of the small planters of Indian origin and found that there was an urgent need to improve the productivity of their plantation both in order to increase their revenue as well as their standard of living and hence the national sugar production. At that time there were already some 24,000 hectares occupied by hard working small planters across the island. In order to look after their own small holdings, most of these planters had to work after their regular working hours in the large sugar estates.

One of the findings of the Commission was that small planters were being charged interest of up to 200% on loans advanced to them by unscrupulous money lenders. On such conditions small planters who had hoped to better their standard of living by cultivating their modest pieces of land

became enslaved to the repayment of loans and made very little progress in moving up the social ladder.

The Royal commission recommended, among others, the setting up of Co-operative Credit Societies on the Indian pattern which was itself based on the Raifessen model that had worked wonders for small and medium farmers in Germany. The main aim of these co-operative societies was to provide credit and marketing facilities to the small planters.

The First Co-operative Credit Societies

Three years later, in 1912 Mr. S. Wilberforce, a British civil servant from India was sent to follow up and implement the findings of the Royal Commissions and in 1913 the first Co-operative Credit Society was set up to reduce the dependence of small planters on private money lenders and brokers. Two Co-operative Credit Societies were registered on 23 July 1913, one in Triolet and one in Long Mountain, which have the honour of being the first Co-operative Societies to be registered in Mauritius. These Credit Societies provided not only credit facilities on more acceptable terms but also marketing facilities and ensured that the sugar cane produced by their members find their way to the sugar mills more easily. It is worth underlining that the Long Mountain Co-operative Credit Society is still in operation to-date.

Right from the outset the Co-operative Movement had the full support of the Government. Between the years 1913 to 1932, twenty eight Co-operative Credit Societies grouping around 2,200 planters were registered. Unfortunately, like most newly introduced organisations the Co-operative Movement was not an overnight success. It suffered teething problems and did not attain the level of success that was anticipated in its first twenty years or so of operation. This was mainly due to limited financial resources.

In 1932 an evaluation of the performance carried out by the then newly appointed Registrar of Co-operative Societies revealed that due to illiteracy and lack of management skills most of the societies had been issuing loans without good assessment of the ability of the borrowers to abide by the repayment terms. The inevitable result was that on an average, around 53% of loan repayments were overdue in most societies at any given point of time.

In an attempt to remedy the situation, Mr Bodkin, the Director of Agriculture who was also responsible for Co-operative desk introduced a series of measures in order to tighten control over the affairs of the Co-operative Societies. He recommended that all loans be issued in the presence of field officers and after approval at the level of their committees and that the affairs of these societies be more closely monitored. The extra works at odd hours were quite demanding for these officers but it did result in a marked improvement in the granting and repayment monitoring of these loans.

The Cane Sales and Purchases Ordinance 1939

Merely tightening of controls to discourage loans repayments defaults was not enough. Finding why the borrowers defaulted in their repayments and looking for a solution as to how to eliminate the cause was more important. Problems associated with marketing of the small planters' produce were identified as the root cause. Small planters' produce were delayed and often rejected by the

weighbridge and were hence not passed on for further processing by the mills. It is with the objective of addressing this problem that in 1939 'The Cane Sales and Purchases Ordinance' was introduced. This made it mandatory for sugar mills to accept a collective contract for sale of cane by planters grouped in Co-operative Credit Societies. This legislation also paved the way for Co-operative Societies to make a deduction at source from the sugar monies of those members who had to make loan repayments. In the event of default all the members of a particular Co-operative Society were collectively responsible for the repayment. This is what is known as the notion of *unlimited liability*. A positive outcome of the unlimited liability clause is that all members of a Co-operative Credit Society took an interest in ensuring that the society is properly managed and efficiently run as this was in the interest of each of its members.

An era of stability in the Co-operatives due directly to the enactment of the Cane Sales and Purchases Ordinance followed. The fact that members were not allowed to shift their produce to any other agencies other than those to which they had an agreement engendered a greater sense of loyalty. Recovery of loans was easier as a consequence of the foregoing. This was the beginning of a very long and successful journey of the Co-operative Credit Sector in Mauritius. Since then small planters in every sugar estate and village have at least one Co-operative Credit Society. The number of Co-operative Credit Societies stabilised at 175 at its peak and to this day 160 of those societies are still in operational existence but unfortunately with much reduced activity as a result of the fall in the price of sugar in the world market.

The Present Situation and The Challenges Ahead

Since its introduction in 1913, the Co-operative Credit Sector has had to face many threats at different stages of its existence and it has, against all odds, been able to surmount them up to now. The current problems that the Sugar Cane Co-operative Sector, which has over the years been the backbone of the whole movement, is facing on several fronts at the same time are by far the worst in its history.

Most of the members - founder members and members who joined in the heydays of the movement have now either passed away or have retired having bequeathed their acreages of agricultural land to the next generation down the line. Producing sugar cane does not only involve a lot of hard work but has, over the years become less profitable. In some instances the new owners have found alternative use for the land they have thus inherited and in others the land have been divided among several beneficiaries who after inheriting small portions have found it not cost beneficial enough to grow sugar canes. They have instead sought permission from the respective authorities to use the land for alternative purposes. The ensuing decline in the number of small planters means a consequent and ever increasing decline in the membership of Co-operative Credit Societies.

Co-operative Societies grouped planters together to offer help in cultivating their land and in getting paid for their efforts. These societies operated like small banks if not social clubs where members met for reasons more than just problems related to their sugar cane cultivations. They received an attentive and personalised service and advice from the Secretaries and the Directors on matters not restricted to payments for their crops or loans repayments but on general issues. It was a place where planters met also to discuss on cultural activities and current events taking place in the island among others.

In the past there was no shortage of labour in sugar cane fields but as our economy became more diversified and our tourism industry started to grow, people gradually found employment in sectors other than agriculture. This caused an ever increasing shortage of labour in the sugar cane sector and further decline in membership of Co-operative Societies due to more small planters opting out of sugar cane growing as a consequence of the labour shortage.

With the closure of many sugar cane mills, the cost of transporting the canes to the few remaining mills has become higher, as have the other elements of cost of growing the crop -- such as fertilisers, herbicides, and the cost of ploughing the land. Despite all their problems, many small planters who have been the backbone of the Co-operative Movement continued to produce sugar cane and remained loyal members of Co-operative Societies.

Being one among the eighteen countries of the ACP sugar producing countries, Mauritius benefited from the advantages of a preferential price and a guaranteed market for its produce under the ACP/EU sugar protocol since the mid 1970s. As a result of pressure from the World Trade Organisation (WTO), in June 2005 the European Commission has had to publish legislative proposals to reform the common market for sugar. These proposals which are scheduled to come into effect in 2009 will eventually lead to a severe reduction in the EU sugar prices and also an end to the current system of national quotas on a preferential basis. This will inevitably further discourage small planters.

The Regroupement Programme

Conscious of the concerns of sugar cane growers and to allay their fear, Government introduced in 2006 a new strategy to increase the national production of sugar. This is called the '*Regroupement*' programme whereby owners of small holdings accepted to lease out their land to form a larger pool that will be subjected to modern mechanical means of cultivation and thus benefit from economies of scale. In exchange they will be rewarded with a guaranteed return proportionate to their holdings in that pool. The recent announcement that there has been a 7% increase in the sugarcane harvest in 2008 compared to 2007 indicates that this strategy has had a positive impact.

However, the very small planters who have very small holdings or who have their plots of land scattered in small patches over different locations cannot take advantage of the facility and will end up being the losers as usual. So that these planters do not give up altogether, Government should perhaps consider giving alternative incentives like facilities for subsidised fertilisers and assistance with transportation of their sugarcanes to the mills. Helping these smaller planters will strengthen Co-operative Credit Societies as it is these small planters who form the membership base of the Co-operative Credit Societies, otherwise this sector too will end up like the Consumer Co-operative Sector.

Co-operative Societies can be most effective if they work in close association with other organisations involved in the sugar industry. The Mauritius Co-operative Agricultural Federation Ltd (MCAF) operating through its various regional sales points has over the years been quite instrumental in providing help to its affiliates and by consequence to all the small planters directly or indirectly by providing them with easier access to fertilisers, herbicides, pesticides and sprayers at competitive prices. It should now consider what additional helpful measures it can take or

recommend Government to reverse the decreasing trend in the production of sugar cane by the smaller planters.

The Co-operatives Act 2005

As a whole, the Co-operatives Act 2005 which was meant to give Co-operative Societies a boost and more independence and facilities to members, succeeded in its objective to a certain extent but some of its requirements do not entirely favour Co-operative Societies to develop. For example:

1. Members who in the past were exempted from the payment of registration duties on loans contracted with their societies are now required to pay such charges albeit at concessionary rates.
2. Co-operative Societies with an annual turnover of more than Rs.10 million which were previously benefiting from a free audit conducted by the Registrar of Co-operative Societies are now required to have their account audited by an external auditor registered under the Financial Reporting Act. This is an additional cost that impacts on the financial costs of the Co-operative Societies and hence on its members.
3. Co-operative Societies which had always been exempted from the payment of Corporate Tax on their surpluses are now required to do so under this Act.

The gap which had always existed between a Company and a Co-operative Society is slowly but surely closing up to the detriment of Co-operative Societies

It is more for the foregoing reasons and not because of poor internal management only that membership of Co-operative Credit Societies has been declining year after year. More incentives should be given to small planters to regroup themselves in Co-operative Societies and hence to prepare themselves for a future without the protective clauses of the EC sugar protocol. With the gradual conversion of the sugar industry into that of the cane industry where the use of by-products such as bagasse and molasses could be used to its optimum for the production of electricity and ethanol there are still hopes for the small planters and the Co-operative Societies to survive and continue to play an important role in the economy of the country and helping our sugar industry to boost its output of sugar.

K. Khelawon
Divisional Co-operative Officer

The Co-operative Development Fund

Establishment of the Co-operative Development Fund

The Co-operative Development Fund was established under section 124 of the Co-operatives Act 2005 as amended.

Composition of the Co-operative Development Fund

The Fund comprises:

- (i) money payable, under the Co-operatives Act, including any fees, charges and surcharges and any surplus arising on the liquidation of a society; and
- (ii) grants and donations.

Objectives of the Co-operative Development Fund

The Co-operative Development Fund is used for the promotion and development of co-operatives and the payment of fees incurred in the application of Co-operatives Act.

Composition of the Co-operative Development Fund Committee

The Co-operative Development Fund is administered by a committee consisting of the following:

The Permanent Secretary or his representative, who shall be the Chairperson	Mr R.Hosany, Permanent Secretary, Ministry of Business, Enterprise and Co-operatives
The Registrar or his representative	Mr K.Bissessur, Ag Registrar for Co-operative Societies, Ministry of Business, Enterprise and Co-operatives (Co-operatives Division)
The Secretary for Co-operative Development or his representative	Mr D.Sobnath, Senior Co-operative Development Officer, Ministry of Business, Enterprise and Co-operatives (Co-operatives Division)
A representative of the Ministry responsible for the subject of finance	Mr J.Ramyed, Economic Analyst, Ministry of Finance and Economic Empowerment
A representative of a tertiary society	Mr D.Bucktowar, General Secretary, Mauritius Co-operative Union Limited
4 persons with experience and knowledge in the field of finance, business or management appointed by the Minister.	Mrs K.Guness Purmessur Mr G.Jugessur Mr V.Bhoyroo

Management of the Co-operative Development Fund

The Co-operative Development Fund is managed by the Co-operative Development Fund Committee. The Committee is responsible for carrying out projects, schemes, activities and any such events in line with promotion and development of co-operatives and assists financially in their implementation.

Main projects/activities funded by the Co-operative Development Fund in year 2008 & 2009

(i) Special Grant Scheme to facilitate importation of heifers

The Co-operative Development Fund operated a ***Special Grant Scheme to facilitate importation of heifers*** during the year 2008. The objective of the scheme was to give a boost to the dairy sector in Mauritius by enabling breeders to increase their herd stock and thereby increase the milk production in Mauritius.

Amount of Grant: Rs15, 000 per cow imported by a co-operative society up to a maximum of Rs300,000 per co-operative society.

Applications of six Livestock Co-operative Societies were approved under this scheme for a total number of 73 animals and a grant amounting to Rs 1, 095, 000.

(ii) Remedial Works Project at the Waste Treatment Plant, St Martin Pig Farm being financed by UNDP GEF Small Grant Programme, CDF and Plaisance Pig Credit and Marketing Co-operative Society Ltd

The St. Martin Pig Farm was set up in 1985 on a portion of State Land to the extent of 10 arpents with a view to alleviating problems of pig breeders in the outskirts of the towns of Beau Bassin/Rose Hill. All the pig breeders at the St. Martin Pig Farm are members of the Plaisance Pig Marketing Co-operative Credit Society, registered in 1971. Some 44 members of the Society operate on the farm.

A pig waste treatment plant was set up in 2003 on the farm for an amount of Rs 8.2 Million by the Ministry of Environment to treat pig effluents, which were causing environmental problems such as odour, risk of ground water pollution due to wastewater.

However, since the beginning of 2005 the treatment plant was not functioning properly as the main underground sewage pipe and the manholes along the line were clogged with pig effluents. Remedial measures were taken to solve the problem but the piping system and the manholes were again clogged with pig wastes.

Assistance was provided by the Co-operatives Division to the Plaisance Pig Marketing Co-operative Credit Society to draft a project proposal to the UNDP GEF Small Grants Programme for financing the remedial works.

The GEF Small Grant Programme approved the project and allocated an amount of USD 48, 593.61 to the Plaisance Pig Marketing Co-operative Credit Society for financing the Remedial Works Project at the Waste Treatment Plant, St Martin Pig Farm. Further, the Co-operative Development Fund part-financed the project to the tune of Rs708,395.

A 'Cheque Remittance' ceremony for the Remedial Works Project at the St Martin Waste Treatment Plant was held on Wednesday, 16 April 2008 at the Co-operative Polyvalent Centre, Saint Martin by the Minister of Co-operatives.

(iii) Two day Seminar on “Modern Management of Co-operative Credit Unions”

The Co-operatives Division in collaboration with the Association of Asian Confederation of Credit Unions (ACCU) organized a 2-day seminar on “Modern Management on Co-operative Credit Unions”. The seminar was funded by the Co-operative Development Fund. The seminar was held on 02 and 03 July 2008 at the Gold Crest Hotel, Quatre Bornes. The resource person for the seminar was Mr. Ranjith Hettiarachchi, Chief Executive Officer, ACCU. The seminar was attended by 48 participants – 35 were representatives of Co-operative Credit Unions and 13 were officers of the Ministry.

The objectives of the seminar were *inter-alia* to:

- (i) build understanding on how the vision, mission and operational principles of CCUs are translated into business to attain sustainability of both the organization and members.
- (ii) understand the values of “savings” and credit products as solutions to members’ financial need.
- (iii) introduce appropriate policies to build the institutional capacity of Credit Unions as Community Based Financial Institutions.
- (iv) introduce the importance of regulating CCUs operating performance to ensure its viability and sustained growth.

Participants expressed complete satisfaction for the seminar.

(iv) A component of the Improvement of Infrastructure Project at the Nouvelle Découverte Co-operative Dairy Farm

The 'Improvement of Infrastructure Project at Nouvelle Decouverte Co-operative Dairy Farm' was submitted by the Cowbreeders Co-operative Society in September 2006 to the Decentralized Co-operative Programme (DCP) for financing with the assistance of the Co-operatives Division.

The main activities of the project comprised the setting up of a pipe network on the farm for the distribution of water and upgrading of the access road within the premises of the Co-operative Dairy Farm.

The objectives of the project were to improve the infrastructural facilities on the farm with a view to providing a better working environment for the cowbreeders, empowering and assisting them in becoming more productive.

The cost of the project was Rs 4 million and was financed as follows:

The DCP	Rs 3,000,000
The Co-operatives Division	Rs 900,000
The Cowbreeders Co-operative Society Ltd	<u>Rs 100,000</u>
	<u>Rs 4,000,000</u>

The implementation of the Improvement of Infrastructure Project required the extension of the electricity network at the Nouvelle Découverte. The Co-operative Development Fund financed the extension of the electricity network to the tune of some Rs43,000 to enable the smooth implementation of the project.

(v) Capacity Building of Co-operatives

The Co-operative Development Fund is assisting in the capacity building programme of co-operative societies initiated by the Ministry by supporting development projects of 38 co-operative societies. In this respect, the Co-operative Development Fund is financing various types of equipment and computer hardware to the tune of Rs679,148.

(vi) Subsidized Loans to Co-operatives

For the empowerment of co-operatives, the Co-operative Development Fund is working out a subsidised loan scheme in collaboration with the Mauritius Post and Co-operative Bank Ltd (MPCB). The scheme aims at providing loans at subsidised rates of interest to co-operatives for financing their business projects. The scheme is expected to be launched in the first quarter of 2009.

D.Sobnath
Senior Co-operative Development Officer

Re-engineering of the Co-operative Movement in Mauritius

Co-operation is a movement of the people, for the people and by the people.

At the very outset, we all agree that the Co-operatives Division of the Ministry of Business, Enterprise and Co-operatives as well as other partners of the co-operative movement such as the apex organisation, the co-operative Federations and primary co-operative societies have each a particular vision, mission and role within the movement. The need for a tertiary organisation as apex body of the Co-operative Movement is strongly felt to bridge the gap and to bring more cohesiveness within the movement.

The co-operators constituting the Co-operative Movement must have full and independent control of their apex organisation which has to be self-reliant and self-disciplined. It is of paramount importance, therefore, that the co-operative regenerate spontaneous and effective leadership out of the member societies themselves.

The co-operative movement in Mauritius has since its inception known various developments in different sectors of the economy. With the rapid changes cropping up in the economic environment, we are bound to quickly adapt and respond to them in order to survive. For instance, the co-operative credit societies were for a long time the backbone and pride of the Co-operative Movement and now with the inevitable reduction in sugar price cumulating to 36% by October 2009, these societies will have to look for new strategies. Similarly, the co-operative credit unions have since the 1960's known a successful development but now with emergence of the world financial crisis, it has to come forward with strategies to adapt its services and to look for new products. The consumer sector has, in its policy of reorganisation, already implemented a new concept of Fair Price Shop to meet the needs of its customers. In fact, all the

sectors in the co-operative domain are facing in one way or another, the rapid changes in the economic environment.

The role of the tertiary organisation in the new economic era will be to motivate the secondary co-operative societies to effect certain modifications in their respective Action Plans to suit the challenging needs of the time in which they are functioning.

It is high time for co-operators to adopt appropriate corrective as well as preventive measures in the interest of the Co-operative Movement by selecting the right *modus operandi* of a tertiary body as a self-regulatory, autonomous and leading organisation vested with a powerful driving force at both national and international level.

There is no need to re-invent the wheel. The co-operators have to set up a structure based on a model capable of showing transparency, democracy, good governance, security and authority.

The function of the tertiary organisation is to achieve the objectives set for with the help of its member societies. It must also maintain effective relationships between the organisation and its affiliates to achieve their objects. For the organisation to achieve organisational effectiveness, it is necessary that regular analysis of the situation are made and right decision on the approaches that are conducive to high performance are taken.

The National Institute for Co-operative Entrepreneurship may, in collaboration with the Mauritius Co-operative Union Ltd. organise a workshop in view of initiating the secondary societies to participate in the creation of a tertiary society.

Conclusion

Co-operation is a movement for the welfare of the people which is the paramount objective of the co-operatives. Real welfare can be achieved only through combined, concerted and planned efforts of the people through co-operatives supplemented and complimented by assistance from the Co-operatives Division of the Ministry of Business, Enterprise and Co-operatives. The emergence of a tertiary society is strongly felt as an engine to make all the co-operatives move together closely so as to achieve integrated unity of purpose and common objective.

M. Monvoisin
Acting Divisional Co-operative Officer