

# **Gender-responsive Recommendations: Draft Cooperatives Policy in Sierra Leone**



**SheTrades West Africa Project  
Policy Brief**

**September 2021**

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## Abbreviations

ICA	International Cooperative Alliance
ILO	International Labour Organization
ITC	International Trade Centre

## Background

### Context

In 2020, the government of the Republic of Sierra Leone, under the Ministry of Trade and Industry and the Cooperatives Department, started the process of revising the *National Policy and Strategic Objectives for the Cooperatives Sector Objectives for the Cooperatives Sector*.

In the context of the SheTrades West Africa project, the International Trade Centre (ITC)'s SheTrades Initiative was requested to support with the incorporation of gender considerations in update of the Policy.

Based on discussions with the Cooperatives Department and stakeholder consultations, this policy brief provides a summary of ITC's support as well as additional gender-responsive recommendations for consideration.

### Benefits

The SheTrades West Africa project aims to improve livelihoods for 10,000 women by increasing their participation in select agricultural value chains, focusing on the cashew sector in Sierra Leone (for more information, see Annex I).

Recognizing the large percentage of women employed and participating in this sector, and in engaging in cooperatives more broadly, a gender-inclusive cooperative policy will create a more enabling environment for women in Sierra Leone to succeed and reap the benefits of trade.

Overall, this will contribute to the goal of sustainable development envisioned in the *Medium-Term National Development Plan 2019-2023*. Moreover, it will contribute to the achievement of the 2030 Global Goals for Sustainable Development (SDG), including SDG 5 on Gender Equality, as well as national development objectives related to women's economic empowerment.

### Process

In October 2020, the government of Sierra Leone shared with ITC a draft of the Cooperatives Policy for review. After providing initial written comments, the Ministry of Trade and Industry, Cooperatives Department, and ITC held a consultation with key stakeholders in December 2020 to discuss the overall Policy and gender-specific inputs. For the list of participants that attended this session, please see Annex II. Preliminary observations on the document can be found in Annex III.

The Cooperatives Department updated the document in December 2020 and hosted a workshop in February 2021 to validate the text. During this event, ITC SheTrades facilitated a hybrid session dedicated to discussing gender-specific recommendations for the Policy. For the list of participants in the gender session of the validation workshop, questions discussed during this session, and ITC's additional comments, and, see Annexes IV-VI.

Following the validation workshop, an updated draft of the Cooperatives Policy was shared with ITC in March 2021 for final comments, as detailed below.

## Content

- Apart from few minor changes the current version of the Draft policy does not seem to have been altered as compared to the version commented on December 2, 2020. The undersigned refers therefore to his comments made then.
- Reiterating the reasons why the comments made in December are of limited value only, the undersigned is nevertheless of the opinion that the international instruments on the basis of which the comments were made and to which the Draft policy also refers <sup>1</sup> might be reason to strengthen a number of policy elements.
- This relates especially, but not exclusively, to the following:
  - ***Strengthening of the organizational set-up of primary, secondary and tertiary cooperative organizations.*** The Draft policy is clear on the overall aim to have autonomous cooperatives contribute to the development of the country and it is rather detailed as concerns the business environment for cooperatives (in line with Point 1.6 (p.7): “Policy Goal). But out of the seven Policy Objectives in Chapter Three only one (Policy Objective 7) deals - and only partly so - with organizational issues, i.e. matters which would strengthen the organization of cooperatives.  
For the rest, the Draft policy does not further specify how the policy is to contribute to ensuring that primary cooperatives and their secondary and tertiary organizations will be capacitated to become autonomous.  
Among others, the policy might have to address specifically
    - i.) the phenomenon of false cooperatives and their remaining on the register;
    - ii.) the (reported) fact that unqualified management is in charge of cooperatives;
    - iii.) the (reported) fact that members do not live up to their duty to control their cooperative; and
    - iv.) the (reported) fact that the cooperative self-financing mechanisms seem to be insufficient.

In this context the policy might also

- i.) conceive secondary and tertiary cooperative organizations (unions, apexes etc.) not only as a way to enhance the business opportunities of primary cooperatives, but as part of their structural set-up (see below “Cooperation among cooperatives”);
- ii.) not only address the “Fiscal Environment” (p.17) in view of promoting specific outcomes, but also as a matter of applying to cooperatives an adequate corporate income tax regime in compliance with the cooperative values and principles;
- iii.) be more detailed (the text does mention audit several times) as concerns the establishment of an effective audit system with auditors qualified to audit cooperatives according to the cooperative values and principles and

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<sup>1</sup> Namely the 1995 International Cooperative Alliance (ICA) Statement on the co-operative identity (ICA Statement), the 2001 United Nations Guidelines aimed at creating a supportive environment for the development of cooperatives (UN Guidelines) and the the Promotion of Cooperatives Recommendation, 2002 (ILO R. 193).

cooperatives having the financial possibility to access this service (which should be made obligatory).

The Draft policy is silent as concerns the gradual withdrawal of the government support which is necessary for a transitional period of time. In this context the following passage from the text might illustrate the point: “The private sector and development partners should provide grants and technical assistance for non-financial requirements where needed such as Cooperatives training and business advisory services but should scale back subsidies gradually as Cooperatives and other local providers become stronger” (p.19, Point 3.3.f)). This requirement should apply to all types of external support, including that by government which, supposedly, is the most relevant one. Experience in other parts of the world demonstrates the complexity of a balance to be struck between government support in view of capacitating cooperatives and its gradual withdrawal.

- **Cooperatives and informality.** The link which the Draft policy establishes between cooperatives and the informal (sector) is not clear. At times the text refers to cooperatives as formal entities, i.e. entities registered under the Cooperative Act, at times they seem to be portrayed as belonging to the informal sector, at times as entities enabling people to transit from the informal to the formal sector (see pp. 8, 22, 23, and especially p. 27, Point 4.4).

The Draft policy might draw on the extensive work done by the International Labor Organization on informality and cooperatives, as now expressed in the ILO R. 193 through its Paragraph 9 by stating “Governments should promote the important role of cooperatives in transforming what are often marginal survival activities (sometimes referred to as the "informal economy") into legally protected work, fully integrated into mainstream economic life.”

- **Entrepreneur and mixed cooperatives.** Related to Point 4.4. (p.27), the policy might consider the advantages (if precautionary measures are taken) of allowing legal entities to form primary cooperatives on their own or together with natural persons, respectively to join such cooperatives. These entrepreneur or mixed cooperatives have been successful in many countries, especially among small and medium-sized enterprises.

<sup>2</sup>

- **Cooperatives and value chains.** The draft policy stresses several times the importance for (agricultural) cooperatives to integrate into value chains (see for example on pp. 12, 23, 24). This integration is a reality and it will intensify. If not addressed, it might put at risk a number of the cooperative principles, foremost the 4<sup>th</sup> ICA Principle (Autonomy and Independence). Without effective secondary and tertiary cooperative organizations this risk may not be attenuated (see following remark).

- **Cooperation among cooperatives.** The Draft policy does emphasize again and again the importance of secondary and tertiary cooperative organizations (unions, apexes etc.) and Policy Objective 7 in Chapter Three is devoted to the issue (see above “Strengthening of the organizational set-up of primary, secondary and tertiary cooperative organizations”). However, the naming of these organizations as “clusters”

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<sup>2</sup> Theoretical explanations and ample examples may be found in: Göler von Ravensburg, Nicole, Economic and other benefits of the entrepreneurs’ cooperative as a specific form of enterprise cluster, Dar es Salaam: International Labour Office 2010

and “networks” might lend to confusion. While cooperatives might be incited to cooperate among themselves and with other entities through clusters, networks, joint ventures and other forms, this should come in addition to them forming cooperative-specific secondary and tertiary organizations. The 6<sup>th</sup> ICA Principle (Cooperation among Cooperatives) and the ILO R. 193 Paragraph 6.(d) make the difference clear.

In order to facilitate the establishment of such cooperative-specific secondary and tertiary organizations cooperation with other national secondary or tertiary cooperative organizations (federations or confederations) might be sought and supported. Many of them have a long-standing experience with such partnerships.

Words used to signify secondary and tertiary cooperative organizations might have to be harmonized. For example on p. 13 an “Apex body for every sector”; on pp.14 and 28 the suggestion seems to be to have just one apex organization. See also p. 5.

- **The role of successful models.** The reported success of special programs to integrate women in credit unions (see p.15, Point 2.9.1) might be reason to analyze whether these programs, adapted as necessary, could be used as a blueprint for similar programs for other sectors and other potential membership groups.  
The criterion of a 30% quota of women has been discussed by the undersigned in preparation of and during the policy validation workshop held virtually on February 25 and 26, 2021.
- **Data and statistics.** “Work with Statistics Sierra Leone” (p. 21, Point 3.4) might be coordinated with ILO-led efforts to reestablish an internationally comparable cooperative statistics and data system.

### Structure

- At times the text is formulated as if it were not the policy text (for example p. 13: “This policy should recognize ...”; see also p.25: “The cooperative policy should facilitate ...”, “The policy should acknowledge ...” et passim.
- The Policy Objectives under Chapter Three differ from those listed in Chapter One, Point 1.7.

## Annex I: About the SheTrades West Africa Project

### *About the SheTrades Initiative*

ITC's SheTrades Initiative empowers women around the world to engage in business, creating value for both them and their communities. The Initiative ensures the right capacities and conditions are present to foster inclusive and sustainable trade. SheTrades delivers activities and training that improve women traders' ability to do business successfully. At the same time, SheTrades works to remove inequalities that hinder women's participation in trade and foster a better trade environment.

### *About the SheTrades West Africa Project*

**Timeframe:** November 2019 to September 2023.

**Objective:** To improve the livelihoods of 10,000 women in selected agricultural value chains under the framework of the ITC SheTrades Initiative.

**Coverage:** Country projects are ongoing in Côte d'Ivoire, Guinea, Liberia and Sierra Leone. The objective is to strengthen women's inclusiveness and competitiveness in the cashew, cassava and shea sectors. These projects support inclusive policy making. The objective is to provide governments with information and resources to implement gender-responsive trade policies. Support also includes actionable recommendations based on data from the SheTrades Outlook tool.

### **Activities:**

- Raise the awareness and strengthen the capacity of policymakers to boost women's economic empowerment through the SheTrades Outlook.
- Develop the capacities of business support organizations and service providers to deliver improved services to micro, small and medium-sized enterprises (MSMEs), as well as women producers.
- Develop the competitiveness of value chain operators, especially women-owned businesses, through training and coaching in export strategies, standards, packaging and branding.
- Create market linkages between value chain operators and international buyers through trade fairs, buyer visits, and business-to-business events.
- Build the capacity of women farmers through tailored trainings in production, processing, and quality and business management, based on their needs

Supported by:   
Korea International  
Cooperation Agency

More information about this project can be found at: [www.shetrades.com](http://www.shetrades.com).

## Annex II: Attendance- Cooperatives Policy Workshop- December 2020

List of participants for the Cooperatives policy workshop  
15 December 2020

#	Name of Institution/Organization Invited	Contact person	Attended
1	Sierra Leone Ministry of Trade and Industry	Saffie Deen-Tarawally	Yes
2	Sierra Leone Chamber of Commerce	James Koroma	No
3	Sierra Leone Chamber of Agribusiness and Development (SLECAD)	Ahmed Nanoh	Yes
4	Small and Medium Enterprise Development Agency (SMEDA)	Sheka Sannoh Haja Isatu Kabba Kudi Kalilu	No
5	Sierra Leone Investment and Export Promotion Agency (SLIEPA)	Bobson Margai Henry Fofanah	No
6	Produce Monitoring Board (PMB)	Didan Sankoh	No
7	Sierra Leone Local Content Agency	Fodeba Daboh Victor Chukma Johnson Jr	Yes (Victor)
8	Cooperatives Department	Solomon Mwongyere Alfred Moseray Newton Marlin	Yes (Newton and Alfred)
9	ITC	Khadijatu Barrie Judith Fessehaie Aman Goel Hagen Henry Niti Deoliya Anahita Vasudevan	Yes (all)

**Preliminary Observations  
December 2, 2020  
Draft. Not to be cited.**

## I. Background

Within the framework of its “She Trades West Africa” Project the International Trade Centre (ITC) requested the undersigned to comment the [Draft ]”National Policy and Strategic Objectives for the Cooperatives Sector“ (hereinafter: Draft policy) of the Ministry of Trade and Industry (Cooperative Department), of the Republic of Sierra Leone (hereinafter: Sierra Leone).<sup>3</sup>

The following comments are meant as a technical contribution to the elaboration of the Draft policy; they must not be construed as a negative critique.

## II. Comments on the Draft policy

### 1. Basis and limitations

#### 1.1 Basis

The comments are based on the three most relevant<sup>4</sup> international texts on cooperatives, namely

- the 1995 International Cooperative Alliance (ICA) Statement on the co-operative identity (ICA Statement),<sup>5</sup>
- the 2001 United Nations Guidelines aimed at creating a supportive environment for the development of cooperatives (UN Guidelines)<sup>6</sup> and
- the the Promotion of Cooperatives Recommendation, 2002 (ILO R. 193).<sup>7</sup>

#### 1.2 Limitations of comments

The comments are limited in a number of ways:

- i. Apart from having commented in 2008 the Cooperative Societies Act, 1977, and the Cooperative Societies Rules, 1978, the undersigned has very limited knowledge of the situation of cooperatives in Sierra Leone. He has, however participated in the elaboration of respective national, regional and international policies/policy guidelines in a number of instances.

<sup>3</sup> Version as sent by Mr. Aman Goel, ITC, on 29 October, 2020.

<sup>4</sup> Not to be understood as a value judgment. Further inspiration can be found in

- the International Cooperative Alliance Blueprint for a cooperative decade 2011-2020 ([ica.coop/sites/default/files/media\\_items/ICA%20Blueprint%20%20Final%20version%20issued%207%20Feb%2013.pdf](http://ica.coop/sites/default/files/media_items/ICA%20Blueprint%20%20Final%20version%20issued%207%20Feb%2013.pdf))
- the International Co-operative Alliance Guidance notes to the co-operative principles (<http://ica.coop/sites/default/files/attachments/Guidance%20Notes%20EN.pdf>)
- “The Story of the ILO’s Promotion of Cooperatives Recommendation, 2002 (No.193). A review of the process of making ILO Recommendation No. 193, its implementation and its impact”, Geneva: ILO 2015 ([http://www.ilo.org/empent/units/cooperatives/WCMS\\_371631/lang-en/index.htm](http://www.ilo.org/empent/units/cooperatives/WCMS_371631/lang-en/index.htm)) and
- “Promoting cooperatives: An information guide to ILO Recommendation No. 193”, prepared by Stirling Smith, Geneva: ILO 2014 ([http://www.ilo.org/empent/Publications/WCMS\\_311447/lang-en/index.htm](http://www.ilo.org/empent/Publications/WCMS_311447/lang-en/index.htm))

<sup>5</sup> International Co-operative Review, Vol. 88, no. 4/1995, 85 f.; <http://ica.coop/en/whats-co-op/co-operative-identity-values-principles>

<sup>6</sup> UN doc. A/RES/54/123 and doc. A/RES/56/114 (A/56/73-E/2001/68; Res./56)

<sup>7</sup> The Promotion of Cooperatives Recommendation, 2002. ILC 90-PR23-285-En-Doc, June 20, 2002) ; [www.ilo.org/dyn/normlex/en/f?p=NORMLEXPUB:12100:0::NO::P12100\\_ILO\\_CODE:R193](http://www.ilo.org/dyn/normlex/en/f?p=NORMLEXPUB:12100:0::NO::P12100_ILO_CODE:R193)

- ii. The comments do not take into account the wider policy <sup>8</sup> and legal <sup>9</sup> framework in which the elaboration of the policy is to be and its implementation will have to be embedded.
- iii. The comments focus on policy issues. Commenting the proposed strategies would require knowledge of the necessary institutional set-up, including its capacity in terms of man power and financial allocations, which the undersigned does not have.
- iv. The comments are based on the notion of cooperatives as enterprises and on a juridical notion of the term “cooperative enterprise”, i.e. registered or to be registered cooperatives.
- v. The comments reflect a legal perspective.
- vi. They are summary and preliminary in nature.

These limitations make for the low informative value of the comments.

The following comments are divided into “general comments” and “page by page comments”.

## 2. Comments

### 2.1 General comments

#### 2.1.1 Substance

- The Draft policy might have to start with a detailed problem analysis, comprising
  - data on cooperatives (number of cooperatives; if relevant, numbers by sector; status (cooperatives to be de-registered; dormant, nascent; emerging; fully-fledged “good” models etc.);
  - an assessment of the bottlenecks;
  - a stock-taking of the existing capacities for the development/transformation of the sector; and it should
  - keep historical accounts separate from the analysis of the current state of affairs.
- The draft policy might have to state more clearly at the beginning the overall aim to be reached through the implementation of the policy. Once this aim is expressly stated, the various policy measures/tasks fall – presumably - into one of the following four areas, namely
  - i. matters which are of the exclusive competence of the government/state, such as, for example, an adequate cooperative legislation and general normative control
  - ii. matters which are of the exclusive competence of the cooperatives or their higher-level organizations, such as, for example, the initiative to form a cooperative and the determination of their activities
  - iii. matters which may be dealt with in partnership (government/state, cooperatives or their higher-level organizations and possibly other partners), such as, for example research, education and training, and
  - iv. matters which may be dealt with in partnership until such time when the cooperatives or their higher-level organizations are able to deal with them without support. For this case, a structured time-bound withdrawal of the government must be planned.

<sup>8</sup> This concerns specifically the “Medium-Term National development Plan”, to which the Draft policy refers several times, constitution of the country (constitutional rules and principles guiding the economy), and to economic and entrepreneurial policies.

<sup>9</sup> As for law, to be considered that the cooperative law is a part only of a multitude of other juridical, written and non-written, norms and practices which apply to cooperatives.

The Draft policy might have to be more specific on the separation and attribution of roles.

- While the Draft policy implicitly refers to the ICA Statement, it might gain by referring to all three mentioned international texts and by drawing from them, possibly adapting the suggestions/recommendations they contain to the specific circumstances of the country. These suggestions/recommendations may be categorized as pertaining to
  - i. the organization of cooperatives and their higher-level organizations;
  - ii. the operations of cooperatives and their higher-level organizations;
  - iii. the implementation mechanisms/institutions for the policy;
  - iv. the mode of procedure for the elaboration and the implementation of the policy; and those pertaining to
  - v. the principles to be taken into consideration when elaborating and implementing the policy.
  
- Policy measures and especially the ensuing actions/strategies are to be detailed along the lines ‘who does what when and how, with which financial means and with which staff?’

ad i.: As concerns the organization of cooperatives and their higher-level organizations, the Draft policy underlines repeatedly the importance of having strong cooperative organizations, but it remains somewhat unclear through which concrete measures such cooperatives are to be established or, where cooperatives already exist, how their structures can be strengthened in order for them to be able to perform in the envisaged way. Especially the establishment of higher-level cooperative organizations might have to be addressed in more detail, both for the sake of strengthening the primary cooperatives and for the sake of gradually transferring tasks, which are now to be carried out by the Government to the cooperative movement, according to the aforementioned four areas.

ad ii.: As concerns the operations of cooperatives and their higher-level organizations, the suggested policy measures are rather elaborate.

ad iii.: The same is true as concerns the implementation mechanisms/institutions.

ad iv.: As concerns the mode of procedure for the elaboration and the implementation of the policy, the Draft policy is silent.

ad v.: As concerns principles to be taken into consideration when elaborating and implementing the policy, the Draft policy mentions only the principle of autonomy. This 4<sup>th</sup> ICA Principle (see also Paragraph 3 of and Annex to the ILO R. 193) is indeed central to any policy of the kind discussed here. Combined with “independence”, as done by the ICA Statement, it is part of the overall aim of such policies and guides individual policy measures and their implementation. But there are additional principles, which are equally relevant and which should be applied. Some of them are enshrined in the mentioned three international texts; others are derived from experience/practice. They must not to be confused with the cooperative principles as enshrined in the ICA Statement. By putting the cooperative values into practice (see ICA Statement) those cooperative principles constitute the identity of cooperatives, i.e. the object of promotion policy. In contrast, the following principles are those by which the elaboration and implementation of the promotion policy should be guided. Some of them are legal principles, such as the principle of equal treatment; others are principles of practical philosophy, such as the principle of modesty.

Among others, these principles are:

- ***The principle of modesty and long-termism.*** <sup>10</sup> The policy and its strategies must match the financial and technical possibilities. If over-ambitious, they lead to failure and henceforth political critique; in the worst case to prolonged and tightening interventionist measures, contrary to the overall aim of making most of government promotion redundant (see above).  
Each strategy proposal should therefore be submitted to the “simple” test of asking whether the means it requires for its realization are commensurate with the capabilities of the government and/or those of the cooperatives and their organizations.  
In congruency with the purpose and nature of cooperatives the policy should have a long-term perspective.
- ***The principle of the rule of law.*** <sup>11</sup> The principle of the rule of law points to the law/policy nexus. Put simply, it means that law overrides policy until such time when it is changed through a procedure which had been established by law prior to the change. The determination of the law/policy nexus must also account for the relationship between law (act of parliament), regulation (act of government) and statutes/byelaws (acts of cooperatives).

The Draft policy addresses legal policy issues without, however, going into the necessary details.

- ***The principle of equal treatment of cooperatives.*** <sup>12</sup> The principle of equal treatment (of cooperatives) is enshrined in the ILO R. 193 (Paragraph 7., (2); see also UN Guidelines, Points 3, 6, 11).  
An example of an equal treatment in this sense is a cooperative adequate specific income tax regime.  
Under this principle cooperatives should have access to all general enterprise policies. In addition, special cooperative policy measures need to be justified under the same principle. This will also help to establish/accept cooperatives as one “normal” type of enterprise among many others.

The Draft policy might gain from elaborating on the justification of a special cooperative promotion policy.

- ***The principle of equal treatment of specific types of cooperatives.*** The rationale behind the principle of equal treatment as applied to cooperatives as compared to other types of enterprises, which is to foster diversity as a source of (sustainable) development by recognizing empirical differences for the sake of policy effectiveness and efficiency, is equally valid for the equal treatment of specific types of cooperatives. Their differences might require a multifaceted policy.
- ***The principle of partnership.*** The UN Guidelines suggest, not the least to avoid unnecessary and fruitless frictions, the application of the principle of partnership (see its Points 7, 11, 17, 23 and 25). The principle also ensues from the fact that the ILO R. 193 designates as its addressees not only the governments, but also the employers’, workers’ and cooperative organizations of the Member States of the ILO (see ILO R. 193, Paragraphs 14-17). But not all policy measures may be applied/implemented in partnership (see the four mentioned areas).

<sup>10</sup> A principle of practical philosophy and of administrative efficiency.

<sup>11</sup> A principle of international and of national constitutional laws.

<sup>12</sup> A principle of international and of national constitutional laws.

The Draft policy elaborates on the partnership with a number of actors, but is rather silent on that between the government and the cooperatives and their higher-level organizations.

- **The principle of subsidiarity.** The principle of subsidiarity follows from the cooperative principle of autonomy and independence, as enshrined in the ICA Statement and in ILO R. 193 (Paragraph 3 and Annex), and which is inherent in the overall aim of the policy. According to this principle, policy measures, others than those pertaining to exclusive powers of the government, must be designed and implemented solely in view of enabling cooperatives and their higher-level organizations
  - to develop and
  - to do gradually alone or in partnership those things which are the object of the policy measures.

To this end

  - the financial and technical investment for promotional measures must be commensurate with the respective/expected capabilities of cooperatives and their organizations and
  - they must be designed so as to not prevent government from withdrawing its support at the speed and to the extent of its policy being successful.

The Draft policy does not reflect this principle in much detail.

- **The principle of gender and age equality.** The principle of gender equality is enshrined in the ICA Statement and in ILO R. 193, Paragraphs 7.(3) and 8.(1)(c). Read together with the 1<sup>st</sup> ICA Principle, forming part of the ILO R. 193 (see Paragraph 3 and Annex) this is to be understood as gender equality.

The Draft policy does elaborate on gender and on youth.

- **The principle of differentiated strictness.** This principle refers to the various degrees of intensity of government involvement. It relates to three phases in the life of a cooperative: During the first phase - its establishment and registration - government control must be strict because of the legal consequences of the registration. During the second phase - the operational phase - government control should be restricted to a general normative control of cooperatives complying with the law (generally restricted to seeing to it that regular/yearly audit is performed). During the third phase - voluntary or forced dissolution - the government must again exercise strict control.

The Draft policy does not fully reflect this principle.

Furthermore, while it mentions audit several times, the Draft policy does not elaborate on a cooperative specific audit, which is essential for the success of cooperatives.

### 2.1.2 Form

- Consider rearranging the text.
- Consider harmonizing language. For example, at times “strategy”, at times “policy”, at times “policy and integrated strategy”, at times “policy and strategic objectives”.

## 2.2 Page by page comments

### p. 3

- Chapter 1 (Introduction) preempts much of what is written in Chapter 2 (pp. 9 ff.) and/or becomes clear only when reading Chapter 2.
- Here, as elsewhere, the Draft policy seems to emphasize “employment creation” as one of the goals for which “the cooperative movement can be instrumental”. While cooperatives do indeed provide employment in considerable numbers, this might not be seen as one of their main achievements. The number of worker cooperatives is comparatively low, also in Sierra Leone; the number of people employed by cooperatives likewise. The main function of cooperatives is to improve the income or livelihood situation of their members.
- Is the policy about “regulating and supervising” or at least also - possibly mainly - about promoting cooperatives?
- The reference to the ICA Africa Co-operative Development Strategy 2017-2020 might be outdated by the time the Draft policy will be in force (not implying that its content is becoming irrelevant).
- While the “creation of synergies” between cooperatives and development agencies is indeed important, the main partnership should be created between the government and the cooperative movement.
- The Draft policy announces the “development and transformation of cooperatives”. There is little in the text on the transformation of the existing, presumably ailing cooperatives.

### p. 4

- Consider PPPPs, i.e. Public-private-producer partnerships, <sup>13</sup> especially in the agricultural sector, in addition to PPPs.
- What is mentioned under “This policy also” is a list of items which are rather the basis for the (application of) the policy and might possibly be mentioned at the beginning.

### p. 5

- Apart from indicating the source of the ICA definition (which is the 1995 ICA Statement. See for values and principles p. 6.), the Draft policy might have to explain why the ICA definition, as well as the cooperative values and principles, as enshrined in the ICA Statement, are relevant for the Government of Sierra Leone and why they are relevant for the cooperatives. As the content of the ICA Statement has been integrated almost in its entirety into the ILO R. 193, it is relevant for the Government inasmuch as the ILO R. 193 is legally binding. <sup>14</sup> For the cooperatives it is only relevant inasmuch as they self-identify with these values and principles, as no organization in Sierra Leone is a member of the ICA (an association under Belgian law) whose statutes comprise the ICA Statement.

<sup>13</sup> Promoted by IFAD, the International Fund for Agricultural Development.

<sup>14</sup> Apparently, Sierra Leone did not take part in the International Labour Conference which adopted the ILO R. 193 in 2002. The legal value (bindingness) of the OILO R. 193 is being debated. However, its persuasive value is undisputed.

- The definition and explanation of higher-level cooperative organizations under the heading of “Cooperative identity” is highly relevant. Indeed, “Co-operation among co-operatives” (the 6<sup>th</sup> ICA Principle; see also Paragraph 6. (d) of the ILO R. 193) is a cooperative specific way of creating economies of scope and scale and of gaining countervailing market powers. Higher-level cooperative organizations may be seen as forming part of the organizational structure of primary cooperatives. The Draft policy might have to develop this in more detail.  
Secondary cooperative organizations may also have economic functions, such as processing.  
The legal form of higher-level cooperative organizations will depend on their functions. Without economic functions they might not fulfill the definitional requirements of cooperatives and rather take the form of an association (unless the legislator expressly attributes to them the form of a cooperative).
- The term “financial cooperatives” is being used for insurance companies in the form of cooperatives, for cooperative banks, and for savings and credit unions (the latter terms do not signify the same phenomenon).
- Although the list of types of cooperatives is not exclusive, adding modern-type cooperatives, such as those active in the health, education, utilities sectors might be helpful in view of making the model more attractive and indicating its potential for any type of activity.

**p. 7**

- “Policy Review”?
- Are the SDGs a “programme”?
- Besides some of the programmes being outdated (possibly not by content, but as far as the period of time for which they were designed is concerned), equally relevant are the three basic international texts mentioned above, namely the ICA Statement, the UN Guidelines and the ILO R. 193. The difference between these and the programmes mentioned here is that they speak specifically to cooperatives and contain beside policy measures pertaining to the operations of cooperatives other aspects of a policy (see supra).
- Source of the citation before Point 1.6?

**p. 8**

- The term “member entrepreneur” under Point 4 (see also Point 6.) might need explaining. In general, it signifies legal persons as members of primary (entrepreneur) cooperatives. This is a successful model through which especially, but not exclusively, micro, small and medium-sized enterprises develop in many countries (so-called entrepreneur cooperatives or shared services cooperatives). It requires however that the cooperative law allows for membership of legal persons in primary cooperatives.
- Point 1.9. “[H]ave been identified as struggling for survival ...” by whom? See above comment on the need for a detailed problem analysis.

- “focus on emerging co-operatives” signals the need to differentiate by status (nascent, emergent, fully-fledged, to be de-registered). See comment supra.

#### p. 9

- It might be difficult to come by data on cooperatives. However, as long as at least the near to “true size of the co-operative movement” (see p.10) in terms of their number (differentiating between dormant and active etc.), their contribution to the economy and social life, the number of active members etc. is known, a promotional policy related to the existing cooperatives is difficult to formulate. See above comment on the need for a detailed problem analysis.
- The historical account is interesting, but might have to be put in another context (see historical accounts also on pp. 11 and 12). See general comment above.

#### p. 10

- Point 2.3.: The inclusion of legal policy issues is a useful complement. The law/policy nexus might have to be explained and the main arguments for the need for legal reform might have to be sharpened (beyond what is said about the missing prudential mechanisms for credit unions on p. 13). Point a) on p. 17 does not seem to give more details.
- Point 2.4.: The role, staffing and financing of the Government department may only be determined once the role of the (envisaged) cooperative movement is defined. In the long run, “the strongest support system available to the movement” must not be the Government, but the “movement” itself through its primary and higher-level structures. The primary aim of the Policy must be to achieve this.

#### p. 11

- “... Review ... on the Cooperative structure ...” to mean “... Review ... of the structure of the Cooperative Department”? At any rate, this review, including possible conflict in the roles, may only take place once the role of the cooperatives will be determined (see above comment on p. 10).
- Re-registering in order to access finance (see also on p. 12) might be an indication of false or bogus cooperatives being set up and of a failing monitoring system.

#### p. 12

- Given the importance of agriculture, it is understandable that some emphasis is put on the needs of the sector. The Draft policy might have to clarify whether it is comprehensive of all sectors, whether it puts emphasis on certain sectors or on one (agriculture or on (savings and) credit unions (cooperatives?). The latter are frequently mentioned in the Draft policy. There are pros and cons for a general policy on all sectors.
- As far as agriculture is concerned, the food sector is more and more concentrating and organizing in cross-border/global value chains of which also (agricultural) cooperatives are becoming an integral part. This requires special organizational and operational measures, if cooperatives are to maintain their autonomy.

**p. 13**

- The Draft policy should go beyond recognizing “the role of having Apex body for every sector and National Cooperative Congress.” What are the support measures for the establishment of higher-level cooperative organizations that could address the shortcomings as stated on p. 14?

**p. 17**

- a): Is the department to mainly “supervise” (something the cooperatives should be enabled to do themselves to a large extent) or is it to promote (see above comment and also p.18 Point e)).
- b)-d): Not clear to what extent these measures are specific to cooperatives. This comment touches a general point. As mentioned supra, under the principle of equal treatment cooperatives should have access to all general enterprise policies. Special cooperative policy measures need to be justified under the same principle.
- e):
  - Consider Paragraph 8. (1)(f) of ILO R. 193.
  - Why are worker cooperatives singled out?

**p. 18**

- Policy Elements, a) - C.: These are examples of general policies, not limited cooperative specific. See above on principle of equal treatment.

**pp. 19/20**

- Here as elsewhere the policy measures might have to be specified. Who does what when and how, with which financial means and with which staff?
- As concerns financing, strengthen internal cooperative financing mechanisms.

**p. 21**

- Title of Point 3.5: Here as elsewhere impression created that cooperatives are not part of the formal sector (“strengthen linkages between Cooperatives and formal sector”). See also p. 22.
- a): Why “must” they “feel this need”?

**p. 22**

- f):
  - Does this point belong to 3.5?
  - On statistics collaborate with the ILO initiative to integrate cooperative data and statistics into the national statistics systems.
- “Cooperatives ... in the informal sector” (see p.21)? However, cooperatives might be an appropriate legal form to integrate informal economy actors into the formal economy (see Paragraph 9 of the ILO R. 19. See also p. 26).

**p. 23**

- Much of what the BDS are to do should eventually be done by the higher-level cooperative organizations themselves.
- Point 3.7. “Cooperative clusters and networks” in addition to the cooperative specific way of cooperating according to the 6<sup>th</sup> ICA Principle (see supra)? Cooperative unions and federations are not clusters or networks.

**p. 24**

- a): Why geographical limitation?

**p. 25**

- The sentence under Point 4.0 which reads as follows: “The policy requires to acknowledge that co-operatives are private organizations that deal with public good and the role of Government shall be limited to ensuring the existence of an environment that nurtures a dynamic and vibrant movement” is a fundamental one. It should be stated as part of the policy aim.  
The Draft policy might however have to clarify what is meant by “public good”.
- a): Is the first (and main?) role of the Government that to coordinate or rather that to promote cooperatives to become what is stated at the end of Point 4.0?
- Again, the long list of roles might have to be reviewed in light of the attribution of tasks to the various actors (government, cooperatives, others).

**p. 26**

- Pont 4.2: Partnering with civil society organizations might be an effective way to promote cooperatives. However, what would be the legal basis to make them “responsible” to promote the objectives of the policy? The same applies to private companies.

## Annex IV: Attendance- Gender Session of Cooperatives Policy Validation Workshop- February 2021

### Attendance List

Sierra Leone Cooperatives Policy Validation Workshop

25-26 February 2021

Conference Hall of the Ministry of Trade and Industry

No.	Company/ Organization	Title (Ms, Mr)	First Name	Last Name
1.	Bank of S/L	Ms	Esther	Johnson
2.	Radio Democracy	Mr.	Abubakarr	Kamara
3.	MTI	Mr.	Mohamed	Lunsa
4.	Sierra Leone Standards Bureau	Mr.	Amadu jogor	Bah
5.	ITC	Ms	Khadijatu	Barrie
6.	AYV TV	Mr.	Ransford	Makan
7.	Coop. Dept	Mr.	Ishmail A T	Kamara
8.	MTI	Mr.	Emmanuel	Konjoh
9.	MTI	Mr	A.S	Sheku
10.	MOF	Mr.	Abdulai	Fofana M
11.	MTI	Reverend	Abraham	Sesay-Jones
12.	MTI	Dr	Edward	Sandy H
13.	MOPED	Mr.	James R	koroma
14.	MTI	Mr.	Mickail	Turay N
15.	MTI	Ms	Saffie	Deen-Tarawally
16.	Local Content Agency	Ms	Susan	Lahai G
17.	Coops. Dept	Mr.	Yayah	Mansaray
18.	MIC	Mr.	Lansana	Sesay
19.	Tewopendu	Mr.	Alimamy	Kargbo
20.	NaCCUA SL	Ms	Lillian	songo
21.	The OWL	Mr.	Kongbap	Summer
22.	Awoko Publication	Mr.	Ade	Cambell
23.	Coops Consultant	Mr.	Solomon	Mwongyere
24.	Mount Aureol Coop	Mr.	Alhaji	Koroma
25.	SLIEPA	Mr.	Jackson	Kamara
26.	SLBC TV	Mr.	Steven	Daramoh
27.	KMN	Mr.	Kemo	Cham
28.	SLBC TV	Mr.	Joseph	Turay
29.	Coop. Dept	Mr.	Newton	Marlin
30.	DDC	Mr.	Salu	Conteh
31.	Coop. Dept	Mr.	Alfred	Moseray
32.	DOC	Mr.	Sulaiman	Bangua

33.	MTI	Mr.	Joshua N.O	Moiieh
34.	Coop. Dept	Mr.	Lamin	Bangura
35.	MTI	Mr.	Joshua	Moihue
36.	AYV TV	Mr.	Cherrdor D	Daramy
37.	Concord Times	Ms	Regina	Pratt
38.	Global Times	Mr.	Mohamed	Fofanah
39.	NAMSEC	Mr.	Gibril	Sesay
40.	PMB	Mr.	Abdul Q	Turay
41.	Vision	Mr.	Alfred	Koroma
42.	Standard Times Newspaper	Mr.	Abass S	Conteh
43.	Fishing Coop.	Mr.	Ronald	Cole
44.	Makan Agricultural Organisation	Ms	Marie	Bob-Kandeh
45.	Traders council	Mr.	Foday	Mansaray
46.	MoGCA	Ms	Anita E	Momoh
47.	Coop.	Mr.	Albert	Brown
48.	Mins.of Youth Affairs	Mr.	Philip Y.	Maheyne
49.	Dept. of Cooperatives	Mr	Ahmed	Williams T
50.	MFMR	Ms	Josephine M	Kabba
51.	MTI	Mr.	Mohamed L	Conteh
52.	Parliamentary Committee	Mr.	Mohamed	Koroma
53.	House of parliament	Mr.	Abdul S.M	Conteh
54.	House of parliament	Mr.	Abou	Mansaray
55.	MTI	Ms	Elizabeth S	Jusu
56.	MTI	Ms	Fatima J	Koroma
57.	Coop. Dept	Mr.	Brima D.A.T	Kamara

## Annex V: Questions discussed during the gender session

### Proposed questions for the workshops\*

The following proposed questions are developed against the following background: Given that international law (the 1966 Human Rights Covenants; the ILO R. 193 (see its Paragraphs 7.(3) and 8.(1).(c)); the ICA Statement, (see Principles 1, 2 and 3)) and the national (constitutional) law, including their explicit and implicit implications for the statutes/byelaws of cooperatives, provide for the equal treatment of women and men as members of cooperatives, the consultations should seek to establish whether women are indeed treated equally in the legal sense and, if not, why not.

\*Note: Not all questions were discussed during the session due to time constraints

### 1. Procedure

- Will questions be formulated according to the organizational level (primary cooperatives, unions, federation/s)?
- Will the questions be formulated in a way that the various sectors of activity will be reflected?
- Will the level of knowledge on internal affairs be taken into account? The answers might differ according to the position (average member, member with responsibilities for the cooperative, member of the various organs)?
- Will there be an opportunity to discuss gender issues with women and men separately, in addition to joint discussions?
- Will third parties be involved, for example business partners (men and women)?
- Will the consultations be organized at “women-friendly” places and times?
- Will the participants represent not only cooperatives and those who are interested in the development of cooperatives, but also representatives of the public and of civil society?
- May the ITC participate in the, or at least some of the consultations?

### 2. Substantive questions

#### 2.1 General questions

- What do you understand by equal treatment?
- Do you know about your rights to be treated equally (by the government and other stakeholders, by your cooperative, by the cooperative unions and federations)?
- Are the cooperative law and the cooperative development policy gender-sensitive? If not, why not? What would you change?
- Are the statutes/byelaws of your cooperative gender-sensitive? If not, why not? What would you change?
- Have you considered forming or adhering to an all-women cooperative? If so, why? Have you tried to voice possible concerns about inequalities before deciding so? With whom?
- What is the ratio women/men in the membership of your cooperative?
- In your experience (how long?), has the issue of gender equality altered over time? For the better or for the worse? If so, what were the reasons?

#### 2.2 Foundation/Membership

- Are there any obstacles for women to form or join a cooperative or a specific type of cooperative?

- Do possible inequalities (concerning for example level of general education, professional know-how and knowledge, access to agricultural land, access to markets and credit ...) make membership of women in a cooperative difficult/impossible? If so, what could be an effective remedy?
- Who founded your cooperative, women or men? What is the gender balance among the members? Has it fluctuated over time? If so, why?
- Have the concerns/needs of women been taken into account when formulating the objectives and activities of your cooperative?
- Who decides on the admission of new members/on the expulsion of members? Is equality maintained in these processes? If not, what are the reasons?
- Does the membership of women and men in your cooperative reflect the real position of one or the other in economic life? For example: If the wife does the bulk of the field work, will she then be the member of a respective agricultural cooperative or her husband? If the latter is the case, what is the reason?
- Who tends to provide his/her work force to the cooperative on a voluntary, unpaid basis (if at all), women or men? What are the reasons for the imbalance, if any?
- Are men and women paid equally for the same work in your cooperative?
- If your cooperative has employees, are women represented equally among them?

### **2.3 Governance and control**

- Is your voice heard in general assemblies, by the supervisory council, by the auditor/s, by government representatives?
- Are gender issues being discussed?
- Do women occupy positions of responsibility on an equal footing with men and to what extent/proportion?
- If the statutes/byelaws of your cooperative allow for plural voting rights, are they accorded on an equal footing to both genders?
- What is the proportion of women in the organs of the cooperative (board of directors, supervisory council, other)? Have they been elected or appointed and by whom? How many candidates were women in the last election or appointment of all these organs?
- Do women participate in general meetings and in the meetings of organs at the same rate as men do and in proportion to their number? Do they participate actively in the debates and cast their vote? If they do not, what are the reasons?
- Do women-members in the organs quit their function more often than men before the end of the term? If so, why?

### **2.4 Education and training**

- Are education and training programs for cooperatives gender-sensitive as concerns content and practical arrangements (financial accessibility; schedules ...)?
- Are education and training programs of cooperatives gender-sensitive as concerns content and practical arrangements (financial accessibility; schedules ...)?

### **2.5 Benefits**

- Who benefits in the end from the results of the cooperative, women or men?
- Has your cooperative considered, or is it practicing, non-pecuniary patronage refund schemes which might be more beneficial to women than pecuniary ones?

### **2.6 Outreach to the community**

- Does your cooperative organize campaigns to explain what cooperatives are and what are the benefits for women? Did such campaigns yield any results in terms of women joining or forming cooperatives or joining them as employees? If not, what are the reasons?
- Has your cooperative developed or will it develop any activity in favor of women? Give reasons for your answer.
- Is your cooperative engaged in campaigns to make cooperatives better known in society at large, including among those responsible for the general research and education curricula?

**Comments on updated draft (ahead of validation workshop)  
January 15, 2021  
Draft. Not to be cited.**

Within the framework of its “She Trades West Africa” Project the International Trade Centre (ITC) requested the undersigned to comment the above-mentioned Concept paper.

The following comments are limited to a number of key elements of the Concept paper. Therefore they are not exhaustive. They are presented summarily in following bullet points:

- Focus: Cooperatives or gender issues? While there is evidence that gender equality contributes to the success of organizations, including cooperative enterprises, emphasis might have to be put on the development of strong cooperative enterprises.
- Focus: Cooperative enterprises as defined by the ICA (cited on p. 1) or any entity “ranging from officially registered co-operatives to loosely organized groups of neighbors, family, and kin networks (p.1)”? Not only does the policy have to have a clear focus, but also the selection of the stakeholders for the consultation requires a clear focus.
- Focus: Agricultural cooperatives, rural cooperatives or cooperatives in general?
- Focus: Gender, women and/or youth (p.7)?
- Focus: Gender dimension in the cooperative movement and/or in cooperative enterprises?
- Statements on the role, position, contribution of women should be backed up with references.
- The presentation of the situation world-wide and in Africa might have to be summarized to make space for the analysis of the situation of women in Sierra Leone. If data are hard to come by, international examples may be used to back up the assumption that gender equality in cooperative enterprises is most likely to also support the development process in Sierra Leone. This is expressed for ex. on p. 2: “The ICA Africa Co-operative Development Strategy 2017-2020 ... recognizes the sector as having high potential for facilitating financial growth and can therefore be transformed to lead social and economic development in Sierra Leone.” But this would have to be put into the country specific context.
- Structure/style of the paper:
  - i.) The text alternates between various subjects without always making the connections clear.
  - ii.) The purpose of the Concept paper should be stated at the beginning. Supposedly to be the background paper for a consultation on ... the “validation” (?) of the policy and/ or on the reform of the law and/or to “popularize the cooperative policy”, and/or to simply consult?

- iii.) Repetitions. For ex. pp. 2 and 3 twice on Cooperative Act; p. 5 first part repeats what has been said earlier.
  - iv.) p.4: “Cooperatives, play a meaningful role in ensuring inclusion, representation, rights, social and economic outcomes, equality and protection of women and girls among their members and their local communities at all times are adhered to even in times of crises.”  
If that were so, then there would not be any need for improvement (in cooperatives). The potential must be turned into reality. Doubts are expressed on p. 4 (bottom) and on p. 5 (“but even though co-operatives may have policies of equity and equal opportunities for both women and men, their practices may differ.”) Indeed. Do practices differ? To be found out. How? How may this be addressed? For ex. through cooperative specific auditing.
  - v.) There seem to be indications of footnotes in the text, but they are not included at the bottom of the pages.
  - vi.) p.6: “As government seeks to address this ugly situation ,” ??
  - vii.) The history of the cooperative law in Sierra Leone (p. 2), albeit interesting in itself, might not need inclusion in this text.
  - viii.) Some of the objectives (on p. 6) are rather comments and explanations. Same remark concerning deliverables (p.7).
  - ix.) p. 7: “Cooperative Department and the Ministry of Trade and industry” or “Cooperative Department of the Ministry of Trade and industry”?
- Some points of content:
    - i.) Limitation to LDCs on p. 1? The remainder of the text, when reporting on cooperatives, does not limit them to a specific category of countries (see for example on p.3 reference to the ICA Monitor). The limitation to LDCs might unnecessarily add to the false assumption that cooperative enterprises are a (exclusive) matter of the poor and the LDCs.
    - ii.) ILO R. 193 and UN 2001 Guidelines not mentioned. Could be mentioned together with references to other texts on p.3.
    - iii.) ICA values and principles not quite correctly cited.
    - iv.) The Concept paper alludes to value chains only (for example at the bottom of p. 3 and on p.6). Value chains, especially in the food sector, are a reality without which the development of (agricultural) cooperatives cannot be thought. This point might need more emphasis.

**Comments based on validation workshop  
February 2021  
Draft. Not to be cited.**

- According to the Report (last line) the Deputy Minister of Trade and Industry declared the draft Cooperative Policy validated at the end of the workshop. This raises the question whether there is still room for comments by the ITC. The same question concerns the action No. 1 to be taken by the Ag. Registrar (see under “Action Points) as far as the “follow up with key players been absent to be in attendance in sessions” is concerned.

- As the Report does not contain the list of participants, it is difficult to understand how representative the workshop was.
- It is not clear to the undersigned whether the workshop discussed the draft Cooperative Policy in the version commented by the ITC on December 2, 2020, or whether it discussed a further elaborated version.
- Therefore, and as the Report does not contain but what appears to be the table of contents of the draft Cooperative Policy, the reported “Reactions” by participants to the draft Cooperative Policy cannot be assessed.
- The Report does not mention the discussion on gender issues. ITC had previously presented some observations and perspectives on incorporating gender specific issues in the policy document on 29 January. It prompted a brief discussion on the pros and cons of the introduction of quota for women.

### For More Information



[www.SheTrades.com](http://www.SheTrades.com)



[womenandtrade@intracen.org](mailto:womenandtrade@intracen.org)



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