

# **MAPPING: KEY FIGURES NATIONAL REPORT: TANZANIA ICA-EU PARTNERSHIP**







### I. INTRODUCTION AND CONTEXT

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

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

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

# i. Historical background

The United Republic of Tanzania is a Union of two independent countries of Tanganyika and Zanzibar.

Cooperatives in the United Republic of Tanzania existed before they could be organized as a movement and before they could be legally recognized through a cooperative legislation. Traditional cooperatives existed in almost all tribal communities and were being regulated through their respective social norms. Some norms have survived the modern legal frameworks and continue to exist along with those of the registered cooperatives. The United Republic of Tanzania, has two different cooperative legal frameworks and cooperative movements. These movements were sometimes united in the 1980s when they were 'taken over' by the ruling party, namely *Chama cha Mapinduzi (CCM)* (Revolutionary Party) to be one of the party constituencies. The two cooperative movements were separated again in 1995, after Tanzania embraced multiparty democracy. Currently, therefore the cooperative movements and hence their respective legal frameworks are different and will be so considered in this study.

The cooperative movement in Mainland Tanzania dates as far back as 1925 when the first Farmers' Association known as Kilimanjaro Native Planters Association (KNPA) was founded by African coffee farmers in response to exploitative systems by Asian coffee traders.

#### ii. PUBLIC NATIONAL STATISTICS

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

As of December 2019, and according to the Tanzania Cooperative Development Commission (TCDC), Tanzania Mainland has a total of 11,626 registered cooperatives. Tanzania Zanzibar in 2008, had a total of 4,751 registered cooperatives.

Table 1: Registered Cooperatives by Type as at December 2019 for Tanzania Mainland

Type	Total
SACCOs	6,178
Agricultural Marketing Cooperatives	3,835
(AMCOs)	
Unions	56
Cooperative Joint Enterprises (CJE)	40
Beekeeping	56
Livestock	238
Consumer Cooperatives	98
Industry	91
Housing	31
Irrigation	82
Mining	98
Fishing	121
Service	121
Transport	17
Federation	1
Others	566
TOTAL	11,629

Table 1: Registered Cooperatives by Type as at December 2019 for Tanzania Zanzibar

Type	Total
SACCOs	385
Crafts Cooperatives	118
Industrial Cooperatives	46
Apex	1
Others	4202
TOTAL	4,751

#### **Legal Structure**

Currently the constitution and regulation of cooperatives in Tanzania Mainland is governed by the Cooperative Societies Act No. 6 of 2013 (Chapter 112 of the Laws of Tanzania). This law establishes the Tanzania Cooperative Development Commission (TCDC) which is responsible for coordinating the promotion and supervision of cooperative development activities, with the Registrar of Cooperatives being its Chief Executive Officer.

On the part of Zanzibar, cooperatives are governed by the Zanzibar Cooperative Societies Act No. 15 of 2018 which repeals the 1986 Act. It also establishes within the Ministry responsible for cooperative matters, a Department of Cooperative Development (DCD) and the office of Director of Cooperative Development to head the said Department and to be the Registrar of Cooperatives.

#### **Employment contribution by cooperatives**

The cooperatives in Tanzania mainland provide direct employment to 90,090 people.

#### **Economic contribution**

In 2019, the recorded production value of produce which were marketed through Mainland cooperatives amounted to 2.9 trillion Tanzanian shillings<sup>1</sup>

## iii. Research methodology

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

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

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

Regarding the target organisations, considering that a worldwide survey has very challenging goals, and while the value of directly collecting data from non-member cooperatives must be

<sup>&</sup>lt;sup>1</sup> According to TCDC 2020 statistics, scheduled to be officially released after being tabled in Parliament by the Minister responsible for cooperatives in the second week of May, 2020.

recognised, the present Mapping exercise targets cooperative organisations members of the ICA.

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

In Tanzania, the Mapping data was completed by information from Tanzania Federation of Cooperatives (TFC); an ICA member organisation in the country. After some additional follow-up and clarifications from the member, the figures provided were compiled to be presented in the next section.

#### II. KEY FIGURES

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

#### iv. TANZANIA FEDERATION OF COOPERATIVES

The cooperative movement is organized under the national umbrella cooperative society, namely Tanzania Federation of Cooperatives (TFC) which was registered in 1994.

TFC is a member of the ICA. It is a national cooperative umbrella organization that promotes, serves and coordinates the development and prosperity of all cooperative societies in mainland Tanzania. The current challenges faced by TFC include: weak membership base, inexorable bank liabilities, limited financial and manpower capacity, political interference and not being truly member-owned as it was established with government influence to take over CFT-Mainland assets and responsibilities, after the cooperative movement ceased to be one of constituencies of the ruling party.

It is important to note that the cooperatives in Tanzania Zanzibar are organized under the umbrella cooperative society; namely Cooperative Union of Zanzibar (CUZA) which was registered in 1996.

#### **MEMBERSHIP**

Currently TFC has 44 members comprising of agricultural cooperatives unions, AMCOs, SACCOs and some housing cooperative societies, with 805,530 individual members.<sup>2</sup>

#### **EMPLOYEES**

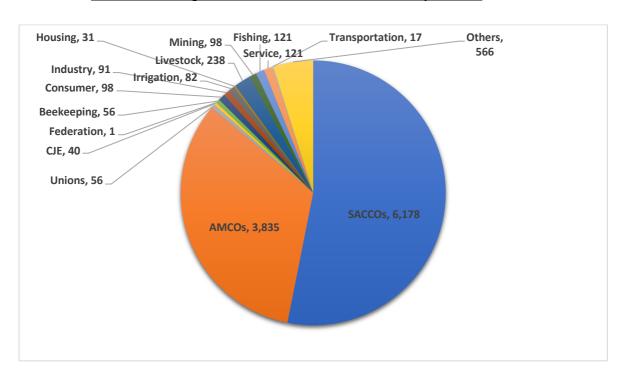
TFC has 189	employees.
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<sup>&</sup>lt;sup>2</sup> From TFC 2020

# III. GRAPHS

## i. Number of cooperatives in Tanzania Mainland by sector:



#### **Contacts**

Further details on the Mapping research and other country reports are available on www.coops4dev.coop

The production of this report was overseen by staff from ICA-Africa and the International Cooperative Alliance. For any further information or clarification, please contact mappingresearch@ica.coop

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