

PROJECT REPORT

To Fairhandeln

SUPPORT TOWARDS THE RENEWAL

OF

KAPULULIRA MULTIPURPOSE COOPERATIVE
SOCIETY (KMCOS) Ltd.



*Prepared, Compiled and Submitted
By
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ACRONYMS

CDCs	Centre Development Committees
CMAs	Community Market Animators
CSOs	Civil Society Organizations
EEPO	Economic Empowerment Project Officer
KMCOS	Kapululira Multi-purpose Cooperative Society
MDDD	Monze Diocese Development Department
NGOs	Non-Governmental Organizations
PDCs	Parish Development Committees
WDO	Water Development Officer

1.0. INTRODUCTION

The introduction of Economic Empowerment Project to Monze Diocese Development Department (MDDD) is intended to bring about sustainable regular income among rural communities to be targeted in the Diocese of Monze Southern Zambia. The intervention under this project involves promotion of cooperatives or indeed strengthening them where they already exist, promotion of community savings and credit schemes or indeed strengthening them where they already exist, enhancing market linkages for agro products and enhancing entrepreneurial skills and knowledge among targeted members.

2.0. ORIGIN OF THE PROJECT

Kapululira Multipurpose Cooperative Society which derives its name from its traditional leader-Headman Kapululira located along the Zambezi valley South of Zambia has a climate that is very unpredictable in terms of rainfall pattern. This has left people living in the area with hardships to grow rain fed crops. However, considering the fact that the Zambezi is a perennial River with lots of water, gives the inhabitants a great opportunity for both agriculture and aquaculture production.

To take advantage of this opportunity the Diocese of Monze in conjunction with the Government of Zambia established Zambezi Training Centre in the early 70s in this area of Kapululira having secured the land under the Diocese of Monze. The effort was complemented by the Italian CeLIM volunteers who managed and supported the center during its training phase. The center offered skills training to farmers in banana production through irrigation – using water from the Zambezi River. Alongside training was resource support including land to the trainees. Between the years 1991 and 1993, training activities of the center were concluded. For continuity of the farmer activities, Kapululira Multi-purpose Co-operative Society (KMCOS) was formed and registered under the cooperatives act in line with Chapter 397 of the laws of Zambia. At the time of registration the Cooperative had 89 farmers registered as members.

Despite having been registered as such, KMCOS has not been functioning as a cooperative and the main challenges have been *unavailability of a plan* to direct members in their work, *uninformed leadership*, *lack of entrepreneurship knowledge* among members and lately a *dilapidated irrigation system*.

Therefore this project was conceived to try and address some of the above underlying issues.

3.0. DEVELOPMENT OF THE PROJECT

3.1. Purpose.

The purpose of the project is to help KMCOS function as an effective business entity. It is intended to address the issues that were identified as obstacles to the effective functioning of the cooperative. 89 (55 men and 34 women) members of KMCOS met, facilitated by MDDD Economic Empowerment project staff to review their cooperative. During the 2 days meeting, members resolved to arrive at some plan that would embrace some prioritised issues for addressing.

3.2. Issues Identified.

Of the many issues identified 3 were taken for addressing and these were:

3.2.1. Lack of quality Leadership

It was acknowledged during the review meeting that a cooperative is an organisation (like any other) that requires a visionary, an informed, accountable and exposed leadership which should also be able to effectively represent its members at various levels of society. It was unanimously agreed that such qualities were conspicuously missing in the current KMCOS leadership. It was however noted that such qualities may not be easily found among members of KMCOS. Therefore it will be necessary firstly to identify potential members for leadership positions and train them in their roles and responsibilities as KMCOS leaders.

3.2.2. Inadequate knowledge among members to effectively manage their business.

From the outset it is important that members of KMCOS understand that theirs is a business and not just a way of life. It is clear from the way KMCOS has been managed and from the way individual members of KMCOS went about their life, that for them this was just another village life but dubbed with a name KMCOS. Yet the members acknowledge the fact that KMCOS was established purely for them to earn income for their livelihood; to make profit. However, it is also known that the majority of the farmers in KMCOS were not trained. The few that were trained, it was mainly in banana growing. As such training of KMCOS members is inevitable if their objectives are to be realised and this training should be diverse in nature; covering the technical field (i.e. Agriculture production) as well as knowledge and skills in entrepreneurship.

3.2.3. A dilapidated irrigation System.

The main business of KMCOS members has been banana production. This involves harnessing the Zambezi river waters for irrigation of bananas. The currently used irrigation equipment and system was established in the early 70s. This system is not only old, no longer serviceable but also not appropriate to recent challenges posed by climate change. In the past three years the Zambezi river waters had receded so much that it could not be easily harnessed. The irrigation system in place was not designed in mind with such un-anticipated occurrences. Further, the system (furrow irrigation) used for irrigation is wasteful when it comes to watering. It was further observed that the system is limiting as to the number of farmers who may irrigate their fields at any given time. This poses a challenge to the farmers in managing their crop especially during dry season of the year resulting in poor quality products. Unless this was to be addressed, then KMCOS members may have to resort to some other businesses rather than that which requires irrigation.

4.0. PROJECT DESCRIPTION

4.1. Main Objective: Having the outlined issues in mind, the plan (see Annex 1) was developed to achieve as the main objective stated below: - *To have a renewed KMCOS with quality leadership, improved standard of doing business and improved Irrigation system.*

4.2. Specific Objectives

- 4.2.1. *To have in place, by end of 2017, a leadership that will effectively and efficiently spearhead the activities of KMCOS* - What is envisaged is the realisation of a cooperative society whose members are financially benefiting from its activities which are business oriented offering services to the individual members as well as the community in general. This will be possible if KMCOS has in place a leadership that is visionary, innovative, exposed and accountable to the members in the utilisation of the cooperative's resources.
- 4.2.2. *To have knowledgeable and skilled KMCOS members in their business as members of the cooperative and as farmers by mid-2018* - As already stated above, members of KMCOS have that opportunity to exploit the waters of the River Zambezi for their benefit. However it was noted that most of them lack the knowledge both businesswise as well as technically. This therefore demands diverse training for the members if they are to succeed in their business.
- 4.2.3. *To have KMCOS with an improved irrigation system in place by the end of 2019* - Realization of this objective is an assurance of a successful KMCOS as their business is highly influenced by the utilisation of the Zambezi river waters. It is however appreciated that this is a highly technical and expensive undertaking. Therefore time for feasibility study, designing and fundraising will be required.

5.0. Project Activities Carried out.

Planned Activities	By the end of April 2018 to what level were the activities achieved?
Objective 1: <i>To have in place, by end of 2017, a leadership that will effectively and efficiently spearhead the activities of KMCOS.</i>	
1.1. Conduct a two days' workshop to identify and induct the identified leaders into their roles and responsibilities.	A workshop to identify, elect and induct leaders in Various portfolios was held. KMCOS now has a new leadership comprising of 8 (3 women and 5 men) people broken down as Chairperson, Vice chairperson, Secretary, Vice secretary, Treasurer and three committee members.
Objective 2: <i>To have knowledgeable and skilled KMCOS members in their business as members of the cooperative and as farmers by mid-2018</i>	
2.1. Conduct 3 two days workshops on cooperatives covering board members, affiliation fees, shares, dividends, General assembly, etc.	The first two days' workshop focussed on assisting the new board members understand the KMCOS by-laws
	The second two days' workshop focussed on the operationalisation of each of the cooperative instruments as are prescribed in the by-laws.
	The final workshop was on Finances. The focus was to ensure all the relevant books of accounts were in place, procedures and practices to be followed in ensuring the cooperative's finances are safe guarded and revitalisation of the Bank account for KMCOS with Finance Bank Zambia.
2.2. Conduct a 2 days training in entrepreneurship and market systems approach.	Only an introductory meeting was held. The training was to be held in the second half year of the 2018.
2.3. Conduct a 2 days training in land use Management and water conservation.	A 2 days training covering both 2.3. and 2.4 was conducted facilitated by a Zambian agro company known as YARA. Soils in 4 banana fields were sampled and tested for pH levels. The results were low pH implying that the soils had high acid levels. There was a recommendation for each farmer to have their banana fields tested so that appropriate land use practices be carried out where needed.
2.4. Conduct a 3 days training in banana production, other crop(s) production and aquaculture.	
4 farmers were identified for a demonstration in banana production. These would be supplied (at a cost) with required inputs by YARA. A discussion was held with the department of Fisheries for introduction of aquaculture in KMCOS. The discussion was not conclusive. This was to be followed up.	

Planned Activities	By the end of April 2018 to what level were the activities achieved?
Objective 3: To have KMCOS with an improved irrigation system in place by the end of 2019.	
3.1. Conducting physical head count of farmer members (Census).	At commencement of the renewal process, the Zambian Government's department of agriculture supported the intervention by allowing their field officer to undertake the exercise. This was carried out and the number of plots ascertained under the KMCOS membership was 92.
3.2. Conduct feasibility study on existing irrigation system	Yet to be Done
3.3. Outsourcing and installation for improved irrigation system	
3.4. Facilitate a 2 days training in irrigation equipment management and establishing an irrigation committee.	
4. To conduct monitoring visits intended to support the newly elected leaders of KMCOS by MDDD	Five monitoring and follow up visit were carried out as follows:
	4.1. Quality assurance on finances. During this visit it was clear that the treasurer had not grasped the concept on keeping of books of accounts. Therefore a further induction became inevitable. This was done in the presence of the agriculture extension officer and MDDD field officer for their continued support to the treasurer.
	4.2. To resolve on land ownership in view the demanded statutory requirements. This resulted into developing a membership application fee. See Annex 2.
	4.3. Third visit was a follow through to the first, focussing on insuring the books of accounts were up to date. While the new board had started working well in keeping with shared accounting principles, it was clear that they had not yet started addressing how to recover the members' shares which were not accounted for by the previous leadership. It was resolved that the members responsible for the misdirection of those finances sign a commitment to repay.
	4.4. The fourth visit involved encouraging the new leaders to find business opportunities, marketing strategies and other possible alliances for funding towards improving their irrigation system which is in a deplorable state. This involved meeting with the Zambian Government department of agriculture which deals with irrigation. A response is still being awaited for.
	4.5. The fifth monitoring visit focussed on meeting all the members for the revision of the 2017 to 2019 KMCOS meeting. It was realised then that the budget used to support the renewal of the cooperative was exhausted. The new leadership was left with an assignment to come with initiatives on how to further fund the plan.

6. Effects of the Renewal Process

- 6.1. KMCOS members have come up with a marketing strategy for their bananas, setting aside one day in a week when all members come together and ensure customers are attended to. This has taken out the in-house competition which was beginning to tear down the cooperative. This is a sign of a cooperative spirit at work.
- 6.2. Members have developed confidence in the leadership as evidenced by the overwhelming payments made towards land utilisation fees, membership and buying of shares. This also shows that members are now beginning to earn money from their business.
- 6.3. The Government department which deals with cooperatives in the District has also taken an interest in what is going on in KMCOS with the hope that this may be used as a model cooperative.

7. Conclusion and Way forward

- 7.1. The renewed KMCOS if sustained, will certainly become a good model of a functional cooperative for farmers in the District. The benefits thereof will improve the living standards of the members and the community in general as there is likely to be creation of job opportunities for the young people in the area especially those who have just left school and are in search for employment.
- 7.2. There is need however for KMCOS to ensure the planned activities are implemented within the agreed time frame and members shares lost during the previous leadership are recovered. When members begin to get dividends this will be a sure way of success.
- 7.3. There is still need for KMCOS to engage a person who will keep their books of accounts while they may continue getting advice from both the Government and Monze Diocese development department on how to grow their cooperative.

Annex 1: *Membership Application*

DIOCESE OF MONZE
KAPULULILA FARMER'S MEMBERSHIP APPLICATION AND AGREEMENT.

1. **Purpose:** The members' application and agreement is for occupancy and utilization of an agreed to piece of land at Kapululira also known as the Zambezi Training Centre.
2. **Ownership of Land and Jurisdiction thereof:** Zambezi Training Centre referred to as L/1144/M under commission of lands, is a property of the Catholic Church's Diocese of Monze, with the Bishop of Monze as proprietor. Therefore the Diocese has a reserved right to cancel this membership agreement if it becomes a source of conflict within Kapululira community and between Chirundu District communities or indeed in an event where this agreement is being violated.

3. Applicants Details

3.1. Member Full Names: _____
NRC No.: _____ Sex: _____
Marital Status: _____
Contact: _____

3.2. Next of Keen: Full Names: _____
NRC No: _____ Signature _____
Sex: _____ Marital Status: _____
Relation with Applicant: _____

4. Terms

- 4.1. The applicant acknowledges that their occupation and utilization of the piece of land is for production purposes failure to which they may be asked to vacate the land.
- 4.2. The occupant's termination from being a member of Kapululira Multipurpose Cooperative Society (KMCOS) will result into termination of their occupation and utilization of the given piece of land.

4.3. Utilization / Occupancy fee

- 4.3.1. The member agrees to pay to KMCOS a monthly utilization and occupancy fee of ZMW30.00 (Zambian Kwacha Thirty only) effective January 1st, 2018. The member further agrees that this fee may be changed from time to time in which case KMCOS Board would notify the members sixty (60) days before such a change is affected.
- 4.3.2. Members who will have paid in full for a given year (i.e. an amount of ZMW 360.00) may not be affected by the change where such a change is pronounced within the year.
- 4.3.3. Payment of the utilization / occupancy fee will be arranged between KMCOS Board and the concerned member. Utilization / Occupancy fee for the current month should be paid not later than the 15th day of the following month. Member who fails to pay as stipulated risks to forgo the piece of land.
- 4.3.4. It is further understood that the KMCOS Board will in turn pay a monthly fee of ZMW20.00 (Zambian Kwacha twenty only) for each member to the Diocese of Monze in keeping with the minute of KMCOS general assembly of 28th December 2017. This amount may be adjusted accordingly with reference to 4.3.1. above.
- 4.4. It is understood that no member may sublet part of or the whole piece of land to another person regardless of where they may be coming from.
- 4.5. The Diocese may decide to change the use of land. In which case members will be informed 12 months in advance. However, it is also understood that the KMCOS Board has the latitude to negotiate with the Diocese authority on behalf of the members when such and similar pronouncements are made by the Diocese.

5. Confirmation Parties to this Application / Agreement having read, understood and agreed to stipulations here contained, confirm as follows:

5.1. Applicant:

Signature: _____ Date: _____

5.2. For KMCOS

Full Names: _____

Designation: _____

Signature: _____ Date: _____

5.3. For the Diocese of Monze:

Full Names: _____

Designation: _____

Signature: _____ Date: _____