

## PRESS RELEASE

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### **Twelve Project Proposals Selected for Funding by Coop<sup>AFRICA</sup> Challenge Fund**

The Cooperative Facility for Africa (Coop<sup>AFRICA</sup>) funded by DFID, is a partnership programme implemented by the International Labour Organization (ILO) aiming at supporting the development and promotion of cooperatives and other member-based organizations of the social economy respecting the values and principles of cooperatives in Africa.

The programme disposes of Challenge Fund mechanism through which funds are accessible through a competitive bidding process. A challenge fund is an open financing mechanism that allocates grants funding through a competitive process. The funds are set up to meet specific objectives such as extending financial services to the poor. Bids are assessed against transparent criteria. The Selection Committee then awards grants to the projects that best meet the aims of the Challenge Fund. The Coop<sup>AFRICA</sup> Selection Committee is assisted by National Advisory Groups and panel of experts on specific fields of expertise.

In December 2009, twelve proposals have been selected by the Selection Committee among 192 project proposals received for the fourth call for proposals in 2010. For this round, Coop<sup>AFRICA</sup> will provide funding worth USD 635,000.

The list of approved projects, under certain conditions is as follows:

1. **Kenya - Computer feed - Improving Service Delivery for SACCOS Through ITC** (approved max. grant of USD 50,000)

The project aims at empowering small cooperatives to embrace ICT tools in their operations at a price they can afford. The project will be piloted in three cooperative societies to be identified by Co-operative Alliance of Kenya Limited. Computerisation shall bring efficiency in the day-to-day operations, accuracy and improve service delivery and performance of the cooperatives.

2. **Kenya - Dunga fishermen Cooperative - Cage/Aqua culture Development Project -** (approved grant of USD 40,000)

The project aim at improving the living standard of the fishermen/women and its members in Dunga Beach by providing opportunity to increase fish production and promote effective marketing and higher profit. This will be achieved through innovative methods of cage and aquaculture intervention that have proved to be effective in Asia and European countries. The project will improve the economic

base of members and the surrounding community by increasing employment opportunities to fish handlers within fish processing plants and other local market.

3. **Kenya - Nest Savings and Credit Cooperative Society Ltd - Market Research and Product Development (approved max. grant of USD 50,000)**

This project is a market growth strategy for NEST SACCO. The overall objective is to build the SACCO's capacity to access financial services to the local community of low income peoples largely comprising youth and women. The SACCO will then meet regulatory requirements of the new SACCO act in terms of building its institutional capital and increasing loanable funds by mobilizing deposits. The project aims to support Nest to effectively respond to the demands and preferences of customers taking note that the poor are not one homogeneous group with similar needs.

4. **Kenya - Wamunyu Farmers Co-operative Society Ltd & Masii Farmers Cooperative Society Ltd - Joint Milk Marketing Initiative (approved max. grant of USD 65,000)**

The objective of this project is to support joint marketing of milk, not only for the 2 leading organizations but for 8 other cooperatives and a few self help groups whose market for their dairy product is Machakos and Kitui. The ten small and uneconomic dairy cooperatives and a few dairy farming focused self-help groups in the larger Machakos district have realised that they are all operating within a radius of 40Kms and are sharing the same market. None has the capacity to sustain any single milk marketing outlet. The ultimate goal of all the 10 cooperative societies is to federate with a view to increasing their value chain activities and therefore strengthening their control and management of the dairy chain.

5. **Rwanda - Abahuzamugambi Ba Kawa/Maraba Cooperative - Strengthening Abahuzamugambi Ba Kawa/Maraba's Capacity (approved max. grant of USD 35,000)**

The project will provide an updated pulping machine to ABAHUZAMUGAMBI BA KAWA Cooperative. This new infrastructure will improve coffee quality, production efficiency, and water usage. In addition, by connecting the pulping machine to the local electricity grid, the coop will improve business operational efficiency and conservation. The improved production capacity and operational efficiency will allow the cooperative to pay our farmers higher prices for cherries, thus increasing their income.

6. **Tanzania - Karagwe Development and Relief Services - Improvement and Strengthening of Rural Microfinance Institutions in Karagwe District (approved max. grant of USD 50,000)**

The project is to improve and strengthen rural microfinance institutions in

Karagwe District. The project intends to facilitate the community members to form reliable and strong SACCOs to get an alternative way of getting financial support. The project will promote, sensitize and stimulate the community to develop initiatives focusing on socio-economic activities.

7. **Uganda - Bweyale Solidale Community Co-operative Savings and Credit Society Ltd** - Establishment of Village Savings and Loan Associations 50 village Banks (approved max. grant of USD 50,000)

The project aims to increase the income of the disadvantaged households in Kiryadongo sub-county. In order to work towards this goal, Bweyale solidale SACCO will provide sustainable financial services based on sound principles to economically active poor who are unable to meet their needs at the same time will be strengthening the capacity of the SACCO to reach operational and financial self-sufficiency.

8. **Uganda - Ikongo Rural Cooperative Savings and Credit** - Strengthen members of Ikongo, acquire development skills geared towards poverty eradication for community enhancement (approved max. grant of USD 50,000)

The project aims at strengthening capacities of the members so as to participate fully in the cooperative activities. In order for members to have better income generating activities and improve their businesses, an entrepreneurship and business skills training will be implemented. In collaboration with Ikongo farmers marketing cooperative, members who are mainly farmers will be strengthened in better farming methods, post harvest techniques, storage and bulking. This will further be supported by installation of a market intelligence database which will keep farmers informed of the changing market prices.

9. **Uganda - Kangulumira Area Cooperative Enterprise** – Promotion of Value Addition To Farmers’ Pineapple Produce By Turning It Into Packed Juice and Wine (approved max. grant of USD 45,000)

The project intends to construct a juice and wine processing plant which will produce 25,000litres of quality packed pineapple juice and 12,000 litres of packed pineapple. Poor technologies and crude methods have been the main obstacles to value addition. Personnel will therefore be trained to run and manage the processing plant, as well as farmers who will benefit from training in production of a marketable volume of pineapples.

10. **Kirumya Bridge Manufacturers Co-operative Society Limited** – Oil Palm Processing In Bundibugyo (approved max. grant of USD 50,000)

The project will promote palm oil processing and soap making and other related activities such as animal keeping and poultry. It will increase farmers’ incomes and the capacity of the society to conduct business and increase its services to the members and business turn over. The project will contribute towards the reduction

of child labour and its worst form. When the members and farmers earn higher incomes out of their produce, it is expected that they will be able to pay school fee for their children.

11. **Uganda Co-operative Alliance LTD** - Cooperative Response to HIV/AIDS (approved max. grant of USD 100,000)

The overall objective of the project is to contribute towards improved livelihoods of men and women, including youth, by mitigating the negative social- economic impact of HIV/AIDS through the co-operative movement sector in Uganda. The project will strengthen the capacity of cooperative organizations and institutions to play an active and direct role in responding to HIV and AIDS and its consequences among their members and the broader community.

12. **Uganda Crane creameries Co-operative Union Ltd** - Cooperative Dairy Processing Project (approved max. grant of USD 50,000)

The project aims at getting the dairy farmer playing a bigger role in dairy value chain. The outcomes of the project will be increased incomes, stronger cooperative organisations, quality improvement, improved access to health services, and affordability of education, gender equality and participation of the youth. With farmer's participation in the value chain, and being the owners of the primary raw material in the process, they will no longer be price takers but price setters which has been the major setback in the industry.

Coop<sup>AFRICA</sup> congratulates once again all successful applicants and would like to thank all national Focal Points and National Advisory Groups for their support.

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