



1. THE CO-OPERATIVE ALLIANCE OF KENYA:

CAK was registered on the 22nd December 2009 under the Co-operative Societies Act, CAP 490 of 2004 as the National Apex Organization for Kenya's Co-operative Movement formed at the national level to promote co-operative development and represent the interests of co-operative societies locally and internationally. The aim was to replace the hitherto National Apex body, Kenya National Federation of Co-operatives (KNFC). The Kenya National Federation of Co-operatives formed in 1964, as the first Apex organization, had key objective of promoting the development of the Co-operative Movement in Kenya. In line with its objective, KNFC was instrumental in initiating the establishment of specialized Co-operative Institutions, many of which are now key National Co-operative Organizations (NACO's) playing a critical role in the financial sector such as the Co-operative Bank of Kenya Ltd, The CIC Insurance Group Ltd, KUSCCO, NACHU and many SACCOs among others.

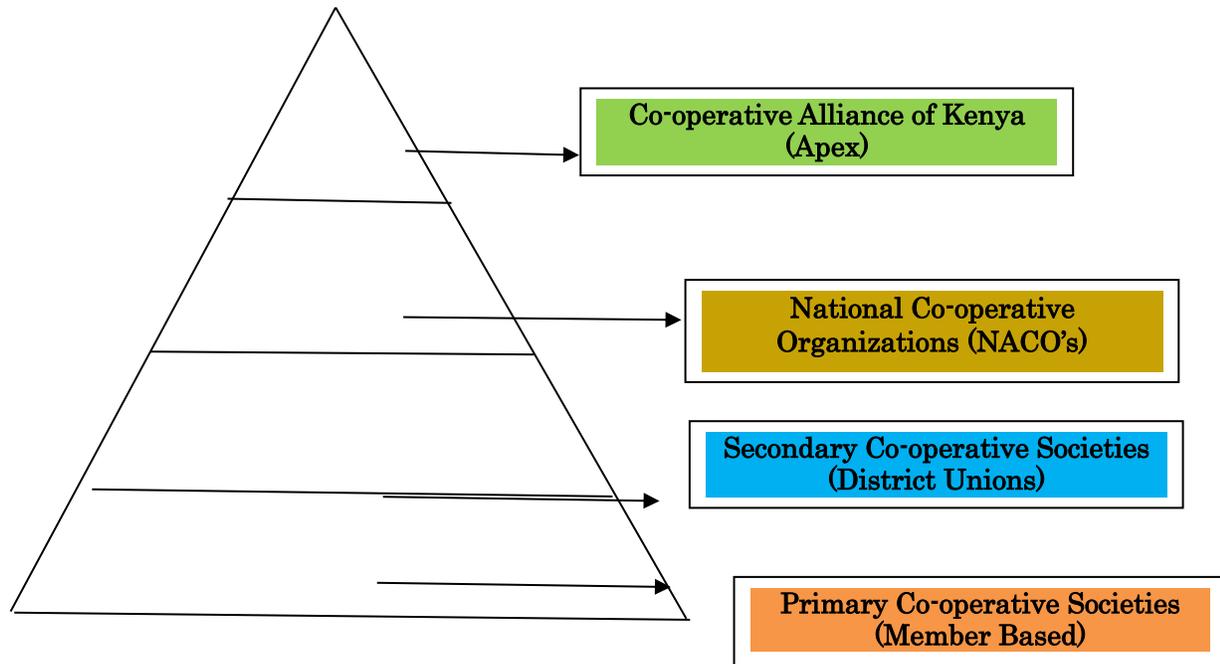
The formation of CAK consequently was a response to the need by the Co-operative Movement to have a single voice in addressing its concerns on the national and international stage. CAK's primary role is that of lobby and advocacy for a favorable legal and policy environment. CAK in addition has the role of collaboration, networking, representation and the promotion of the growth and development of the Co-operative Movement.

2. STRUCTURE OF THE CO-OPERATIVE MOVEMENT:

The Kenyan Co-operative Movement has a four tier structure that starts with the Primary Co-operative Societies at the bottom of the pyramid, followed by the Secondary Co-operative Societies, then the National Co-operative Organizations are on the third tier and the Apex – the Co-operative Alliance of Kenya Limited at the top of the pyramid. There are nine active National

Co-operative Organizations that are offering various services such as banking, insurance, housing, financial, consultancies, ICT, agricultural produce marketing among others namely;-

1. Co-operative Bank of Kenya for offering Financial Services.
2. Co-operative Insurance Company (CIC) offering Insurance Services,
3. Co-operative University College of Kenya for Co-operative Education and Training,
4. Kenya Union of Savings and Credit Co-operatives (KUSCCO), the union for urban savings and credit co-operatives,
5. National Co-operative Housing Union, (NACHU) for the Housing Co-operatives in Kenya,
6. Kenya Rural SACCO Societies Union, (KERUSSU) for the Rural Savings and Credit Co-operatives,
7. Co-operative Development Information Centre (CODIC) for Computer Software Information Management ,
8. Kenya Co-operative Coffee Exporters (KCCE) for Value Addition and Marketing of Coffee
9. New Kenya Co-operative Creameries (New KCC) for Processing and Marketing Dairy Produce.



Co-operative Statistics:

We have 22,000 registered Co-operatives Societies

15 million-member strong

Present in financial, agricultural production, manufacturing, insurance, housing, and transport.

KES 760 billion savings

Assets of over KES 1 Trillion.

About 660,000 persons are directly employed

Other 3,000,000 persons derive livelihood from Co-operative related activities.

Objects of CAK

1. To represent, fulfill and to further the interests of its members
2. To promote the development of the Co-operatives.
3. To engage in any income generating activities.
4. To act as a custodian and exponent of the Co-operative values and Principles.

Role of CAK

1. CAK's primary role is lobby and advocacy for a favorable legal and policy environment.
2. Collaboration,
3. Networking,
4. Representation and
5. Promotion of the growth and development of the Co-operative Movement.

Membership:

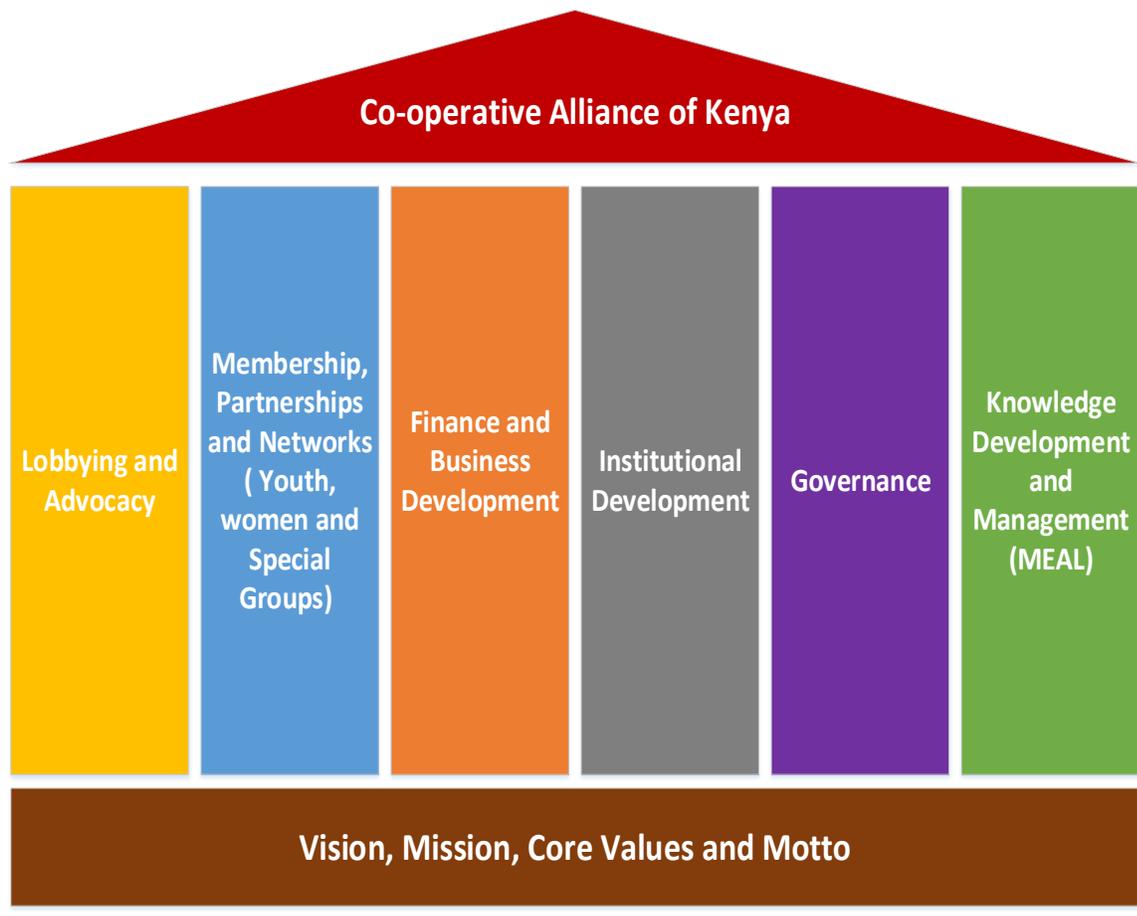
Membership of the Alliance consist of the registered NACOs, Co-operative Unions and Primary Co-operative Societies.

All registered Co-operative Societies in Kenya are members of the Alliance.

Vision, Mission & Slogan:

Vision	Every Kenyan is a Co-operator
Mission	To articulate and promote the interests of the Co-operative movement locally and internationally for wealth creation and social development.
Tagline	‘Stronger together’

Key Result Areas:



Core Values:

The CAK ascribes to values and principles that are integral to its advocacy role for the Co-operative movement. These are:

i. The Co-operative Principles of ;

1. Voluntary and Open membership
2. Democratic Member Control
3. Member Economic Participation
4. Autonomy and Independence
5. Education, Training and Information
6. Co-operation among Co-operatives
7. Concern for Community

ii. Non Political

CAK shall not have any affiliations to political parties or ideas which are divisive or bring tribal animosity but shall remain non-partisan by promoting the social and economic wellbeing of all its members irrespective of their political affiliations.

iii. Integrity

CAK shall operate on the principles of integrity that promote honesty and transparency and accountability while shunning ills such as corruption, drug abuse and human rights violations, among others.

Ethical Policy:

- i. CAK shall not engage in or support any organization that engages in activities that are destructive to the environment but instead shall support environmental conservation;
- ii. CAK shall not condone corruption but shall promote good governance practices internally and within the co-operative movement;

- iii. CAK is an equal opportunity organization and shall not condone discrimination or harassment but shall champion equality within the co-operative movement. CAK shall encourage women ,youth and persons living with disabilities to take up leadership roles in society;
- iv. CAK shall not condone human rights violations but will champion fair treatment of all;
- v. CAK shall not condone child labour but shall encourage adoption of acceptable labour practices as well as the right of education for all children;
- vi. CAK shall not engage in any divisive activities but shall encourage unity amongst persons of different cultures
- vii. CAK shall promote competition and fair dealing internally and amongst its stakeholders
- viii. CAK shall not have any dealings with organizations who are not compliant to laid down laws but shall encourage all to adhere to laws, rules and regulations laid out.

3. GOVERNANCE STRUCTURE:

CAK has a National Governing Council that is highly representative in terms of the geographical coverage and the different types of Co-operatives. The National Governing Council serves as the governing authority of the Alliance and consist of 15 elected members comprising of four (4) from the National Co-operative Organizations, eight (8) from the following regions; Nairobi, Western, Nyanza, Rift Valley, Central, Eastern, Coast and North Eastern, One (1) member representing countrywide SACCOs, and two (2) members co-opted by the Governing Council.

The Commissioner for Co-operative Development is included and is an ex-official member and the Executive Director serves as the secretary to the Council.

Except for Nairobi County where 25 delegates were elected, in the rest of the Counties we have 5 elected delegates. In total CAK has 255 delegates countrywide and its presence is in the 47 counties.

4. ACHIEVEMENTS:

Creating Employment, Generating Income and Reducing Poverty:

The co-operative societies are a significant source of employment in Kenya. At the institutional level, there are over 660,000 employees charged with the responsibility of running the daily operations of the co-operative societies. Further, the sector generates more than 1.5 million jobs in the small scale enterprises and informal sectors. These are the workers employed in manufacturing and marketing of goods and services bought and patronized by Co-operatives respectively. Examples of these include office stationery used by Co-operatives, packaging materials for dairy products, machinery and equipment for agro-processing and stockiest of farm inputs. There are also people who derive their employment from marketing products produced by Co-operatives such as various dairy products like fresh milk, ghee, butter, yoghurt and cheese to mention a few.

The co-operative movement plays a critical role in the economy of this country as vital engines for the development of the Nation. These co-operatives cuts across all the key economic sectors such as Agriculture, Finance, Transport, Housing, both formal and informal Employment sector, - mobilizing and pooling resources, driving economic growth and empowerment of the Kenyan population; contributing significantly to poverty alleviation employment creation and nationhood.

Co-operatives have played a key role in financial deepening and intermediation with mobilized savings of Kshs 760 billion, accounting for 30% of the gross national savings and an asset base of over 1 trillion, while providing affordable credit to members through Savings and Credit Societies (SACCOs) which have established Front Office Services Activities (FOSAs) that are deposit taking activities in both urban and rural areas. Some SACCOs are now key financial sector players and providers of micro finance services. Indeed, the Government took cognizance of this key sector, appreciating the need to safeguard the huge public funds handled by the SACCOs and saw the need to provide a legal framework to govern this sector for the protection of the public funds held and therefore enacted the SACCO Societies Act under which the Sacco Societies Regulatory Authority was established with the mandate of licensing FOSAs and supervising them and providing a Deposit guarantee fund.

Other than generating income, Co-operatives provide the basis for sustained livelihood through

the pooling together of income from sales of produce delivered to the Co-operatives on a daily basis or seasonally for milk and coffee respectively. The assured monthly incomes ensure that the basic needs are met such as food, clothing, shelter, payment of school fees. This enhances the standard of living and leads to poverty reduction.

Providing Social Protection:

Co-operatives are viewed as socio-economic enterprises even though the economic pillar takes more prominence. The members, leaders and management have the economic benefit at the back of their mind as a sign of a successful Co-operative. All the services and education and awareness creation is directed at the membership and little thought is given to the general public. Subsequently social protection rides on the shoulders of the economic success of Co-operatives where this happens in the products and services offered to members. A case in point is the SACCO way of operating. The SACCOs mobilize savings out of which loans are advanced. The loans come in different types and forms from loans for mitigating against emergency cases such as sudden hospitalization, deaths, court cases to development loan packages for purchasing various kinds of assets like land including the development of the same. This therefore offers quick solutions to socio-economic problems that may arise any time.

Secondly, most Co-operatives take insurance cover with Co-operative Insurance Company of Kenya, (CIC), which is owned by Co-operatives for offering protection against risks associated with the Co-operative enterprise as well as for other general risks such as vehicle insurance, family insurance scheme. This protection is however only available to those who are able and willing to pay the requisite premiums. The only free social protection that CIC gives is the corporate social responsibility programme which sets aside limited funds annually to provide needy services to the communities.

Co-operative Representation and Advocacy:

The Co-operative Movement organizational structure has positioned the Co-operative Alliance of Kenya, CAK, as the lobby and advocacy arm. This means that the Co-operative Movement can and does engage various Government Ministries on legal issues affecting the Co-operative Societies. CAK is growing steadily and will not only be a voice in the country but has ably

represented the Co-operative Movement in Regional bodies such as the International Co-operative Alliance, (ICA) as well as in the Eastern Africa Farmer Federation, (EAFF).

5. CHALLENGES:

The Co-operative Movement is faced with global and local challenges that need to be addressed during the reengineering process.

Globally, countries in Africa are faced with the problem of reduced global demand for commodities as well as volatile commodity prices and there is high likelihood of increased poverty as a consequence.

Locally the Co-operatives are faced with challenges of inadequate lobbying and advocacy for an enabling environment, poor governance of the Co-operative institutions, low adoption of information and communication technology, inadequate research and development, and inadequate education and training to members and potential members.

However the technological advances so far achieved as well as trade and economic liberalization, together with regulatory reforms aimed at enhancing economic integration have decreased barriers to the international trade. Co-operatives will perform even better as these challenges are addressed.

6. SIZE OF THE ORGANIZATION:

CAK effectively represents the Kenya co-operative movement which has a total membership of over 22,000 co-operatives, comprising the National Co-operative Organizations (NACOs), Co-operative Unions and Primary Co-operative Societies. The individual Co-operative members to these Co-operatives are over 15 million.

7. MAIN LOCATION:

Within the compound of Co-operative University of Kenya, along Ushirika road, Karen

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