

THE LEADERSHIP OF THE KANGULUMIRA AREA CO-OPERATIVE TO ACQUIRE FINANCIAL LITERACY

Cooperatives hailed for job creation, receive machines

By Samuel Sanya

Gardens teeming with pineapples, maize, and potatoes dot the landscape in the Nakatundu village, Kangulumira sub-county, Kayunga district. Close to the gardens is the Kangulumira Area Co-operative Enterprise (KACE) factory which adds value to the agricultural products.

At the factory, Yahaya Wafana, the KACE secretary makes large gestures as he shows trade minister Amelita Kyambadde bottles of pineapple wine and bags of sun-dried pineapple crisps that the co-operative makes and sells in Kayunga town.

According to Wafana, the co-operative which started in 2005, now consists of 28 rural produce organisations with 2,742 members.

"We have been able to eliminate middlemen who were offering lower prices than what the market was offering, by working together," Wafana said.

KACE is one of 55 co-operatives around Uganda that have received boiler machines to add value to their agricultural raw material from the trade ministry, under the One Village One Product programme.

The programme aims at developing cottage factories in villages, which add value to locally abundant agricultural products, to improve the livelihoods of the rural poor.

Betty Kibode, the KACE chairperson, noted that the co-operative has acquired the quality certification mark for its pineapple crisps, which enables it to sell to customers within Uganda, but requires an automated fruit



The leaders of Kangulumira Area Co-operative showing Kyambadde some of their products. Photo by Samuel Sanya

juice processing machine to enable it export its wine and pineapple juice.

While speaking to Kangulumira Area Co-operative Enterprise members at a meeting after the tour, Kyambadde urged the co-operative to maintain the highest levels of hygiene and to adhere to international standards so as to improve the market for its products.

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Yahaya Were, the Kayunga district resident district commissioner urged the leadership of the Kangulumira co-operative to acquire financial literacy and book keeping skills to improve accountability. "Without proper accountability, members get discouraged," he said.

Tom Serwanga, the Kayunga district LC5 chairperson, noted that co-operatives are

the quickest way for Ugandan farmers to switch from subsistence to commercial farming. He urged the farmers to desist from hastily switching from crop to crop due to changes in prices since this makes it difficult to sustain factories.

"If we had machines for irrigation, production would significantly increase since we would have three seasons a year, up from the current two," Serwanga said.

A report by the International Labor Organisation estimates that 100 million jobs are provided by co-operatives around the world – 20% more than multinational corporations.

"In agriculture where the majority of co-operatives are still found, cooperatives maintain farmers' ability to be self-employed. It allows them to continue to farm and contribute to rural community development," the report explains.

"...And in both urban and rural contexts, the impact of cooperatives in providing income to members creates additional employment through multiplier effects, including enabling other enterprises to grow and in turn provide local jobs – the indirect employment capacity of cooperatives," the report adds.