

The President of SANACO Mr Lawrence Bale Members of the board of SANACO Fellow speakers, Honourable guests Cooperatives Stakeholders Ladies and gentlemen, I greet you all.

Thank you for the invitation to this crucial session. It is both an honour and a privilege to address you today on the significance of investing in the growth and sustainability of cooperatives. As we gather here, we must reflect on the pressing socio-economic challenges that confront us, high cost of living, unaffordable taxes, unemployment, and high levels of poverty. These challenges stubbornly persist, requiring us to rethink our approach and adopt innovative, people-centred solutions.

One of the most effective solutions lies in the cooperative movement.

The International Co-operative Alliance (ICA) tells us that the livelihood of millions of people, is generated by cooperative enterprises. This alone underscores the powerful role that cooperatives play in shaping economies and empowering communities. Indeed, cooperatives hold some of the answers to the many socio-economic challenges we face.

Cooperatives offers a Pathway to Inclusive Economic Growth.

History has shown us that cooperatives help to reduce inequality by empowering people through dignified and sustainable means of livelihood. As a resilient form of business, cooperatives provide ordinary people with access to business and employment opportunities, enabling them to raise savings and extend education and training to their communities.

Cooperatives are a proven force for economic and social inclusion, fostering self-reliance and collective prosperity. This enterprise model is in line with the priorities of the Government of National Unity's Priority number one, that of advancing economic inclusion and job creation.

Many successful cooperatives across different sectors serve as shining examples of what can be achieved when people seize opportunities and take ownership of their economic futures. These enterprises serve as a passport for people to take control of their lives, shaping their own destinies through collective effort.



Cooperatives are also at the heart of the much-needed village and township economic revival. With strategic support from the government, we must ensure that the services and goods consumed in townships and villages are produced by men and women from those very communities. Local economic empowerment must be our guiding principle as we work towards a more inclusive economy.

The United Nations General Assembly, on the 19th of June 2024 proclaimed 2025 as the International Year of Cooperatives (IYC). We were together with the President of SANACO, Mr Lawrence Bale at the ICA Global Conference on Cooperatives, November last year in India, New Delhi, where the International Year of Cooperatives was launched, with the theme: Cooperatives build a better world.

It was a great revelation that between 45% to 47% of India's GDP is from Cooperatives! It is for this reason also that the Government of India then established a separate Ministry for Cooperatives. This gives us a challenge as a country to reflect on our investment in this sector.

We identified monthly thematic areas for the promotion of the cooperative agenda during 2025 as the International Year and we look forward to our engagement and partnership with you as the broader cooperative sector, for example:

- 1. April Policy and Legislative matters affecting cooperatives –
- Strategy Review and Apex Cooperative matters
- 2. May Africa Month
- Africa Dialogue on the Cooperatives Agenda ICA Africa,
- 3. June Youth and Cooperatives Development
- 4. July International Month
- July International Cooperatives Day (ICD) Celebration 4-5 July
- Global Conference on MSME Ministers 22-24 July (Linkage with the G20 Start-up) colleagues, you will remember, this year South Africa is the leader of the G20, your contributions, participation on the cooperative's agenda of the G20. We have and continue to interact with ICA and we are having our next meeting on the 27th February.
- 5. August Women and Cooperatives Development
- 6. September rural and Township development through Cooperatives
- 7. October Cooperative Financial Services Month
- Hosting the International Credit Union Day on the 3rd week of October I am sure you remember last year we hosted the International Cooperatives Day in sequence with the Cooperatives Indaba
- 8. November entrepreneurship month ensure during the Global Entrepreneurship week, that we promote Cooperatives as an enterprise model of preference



9. December – International Day of Persons with disabilities – 3 December – Cooperatives and persons with disabilities

Colleagues, last year, the Minister made it clear that a coordinated cooperatives front is what we should interact with when it comes to areas of the Apex Cooperative process and the International Cooperatives Day (ICD) celebrations amongst others.

We hosted the last year International Cooperatives Day through a Forum that put Mr Bale as the Spokesperson of cooperatives movement during the panel. Colleagues, those that were there, you would remember the issues raised mostly unhappiness from the floor, including that we need to build a strong primary and secondary cooperatives movement as they shall be the backbone for the Apex Cooperative.

I asked my office to confirm with CIPC whether there is an Apex Cooperative registered in RSA through CIPC, and I was appraised that there is none as we would know indeed as the department as we have to ensure that the articulations of the Act were adhered to. It is in this regard that we have developed (extracting from the cooperatives Act) a guiding framework on the development of an Apex Cooperative – an instrument we shall be using to the raise awareness with in all the provinces so that we ensure that no one is left out. During this Strategic session Mr July Motsoeneng, who is the Acting Director Cooperatives from DSBD will be presenting on this body of work and we look forward to our collaboration with you and receiving inputs.

Furthermore, I would like to remind the house that at the last year ICD, the Spokesperson of the Cooperatives Organizations Mr Bale, announced that the 2025 ICD will be hosted either in North West or Mpumalanga provinces. I must say, North West has already engaged the Department as they say they are ready, working with Economic development and the Premier's Office, as well as our SEDFA North West colleagues. The task team that organized the last year one will be revived so to ignite the work again for this year.

I should thank your participation on the Evaluation of the Cooperatives Strategy, together we shall reshape it, so that it becomes responsive to the current reality. I thank you.

As I conclude:

While we celebrate the success of the cooperative movement, we must also acknowledge the challenges that hinder its full potential. These include the lack of adequate economic and social impact statistics on cooperatives, a limited public appreciation of the cooperative business model, and fragmented financial and non-financial support systems. To ensure the sustainability and expansion of cooperatives, we must address these challenges head-on.



As part of our commitment to strengthening cooperatives, the Department of Small Business Development will focus on creating an enabling environment for their growth. Government will enhance financial and non-financial support for cooperatives through SEFDA and by streamlining financial products across all three spheres of government. Please note that there is call for application for the Cooperatives Development Support programme, closing on the 07th of March, please invite and encourage your members to apply.

Furthermore, we recognize that collaboration is key. We stand ready to work with all stakeholders, private sector partners, development agencies, civil society, and cooperatives themselves to advance the cooperative movement. This is not just about economic transformation, it is about fostering a movement that places people at the centre of development, ensuring that wealth creation benefits the many rather than the few.

Let us all commit to building a cooperative movement that is resilient, innovative, and inclusive. Let us work together to ensure that the economic benefits of cooperatives reach every corner of our nation, empowering communities, transforming lives, and driving sustainable development.

Together, we can harness the power of cooperatives to create a better, more equitable future for all. Let us stand united in this mission and ensure that cooperatives remain a cornerstone of our economic strategy. All the best with your Strategic Session. I thank you.