

German Cooperative and Raiffeisen Confederation



Deutscher Genossenschafts- und Raiffeisenverband e.V.

European Seminar

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**Development engagements of DGRV –
Experiences and Best practices**

Development Activities of DGRV

- Technical Assistance in line with development approaches of the German government and international institutions
- Commitment to the “Millennium Development Goals“
- Orientation on :
 - the experiences of German and international cooperative organisations
 - situation in the partner countries and of the partners.
- DGRV cooperates as technical advisor with the Federal Ministry for Economic Cooperation and Development, World Bank, etc.
- Engagement in financial sector development and in the real economy in order to support social structures

Basic Concept for Development Services of DGRV

Long-term objective:

Participation of broad groups of population in the economic and social development – for the improvement of economic and social conditions

Goal:

Support and set-up of sustainable cooperative systems

through:

Technical assistance (legal framework (i.a. supervision, auditing), support of setting-up cooperatives and cooperative link-up systems

Direct target groups:

- ⇒ Members / potential members and customers of cooperatives and coop. SHOs
- ⇒ Cooperatives and coop. central institutions

Indirect target groups:

- ⇒ Policy makers
- ⇒ Ministries, central banks, bank supervisory authorities

Multilevel Approach for Setting-up Cooperative Systems

central government, regional governments, ministries, central bank/supervisory authority

- legal framework for cooperatives, MSMEs, rural finance
- regulation, by-law, supervision, licensing, norms, standards
- refinancing programmes, support/coordination

national federations
(with diverse services such as consultancy, auditing)

service

shares

national cooperative centres

service

shares

regional federations
(with diverse services such as consultancy, auditing)

service

shares

regional cooperative centres
(such as banks)

service

shares

local cooperative societies
(savings and credit cooperatives/banks, rural and small-scale industry commodity and service cooperatives)

service

shares

members/customers of local cooperatives (MSMEs, farmers, general public)
cooperatively-organized self-help groups

inter-action according to the
principle of subsidiarity

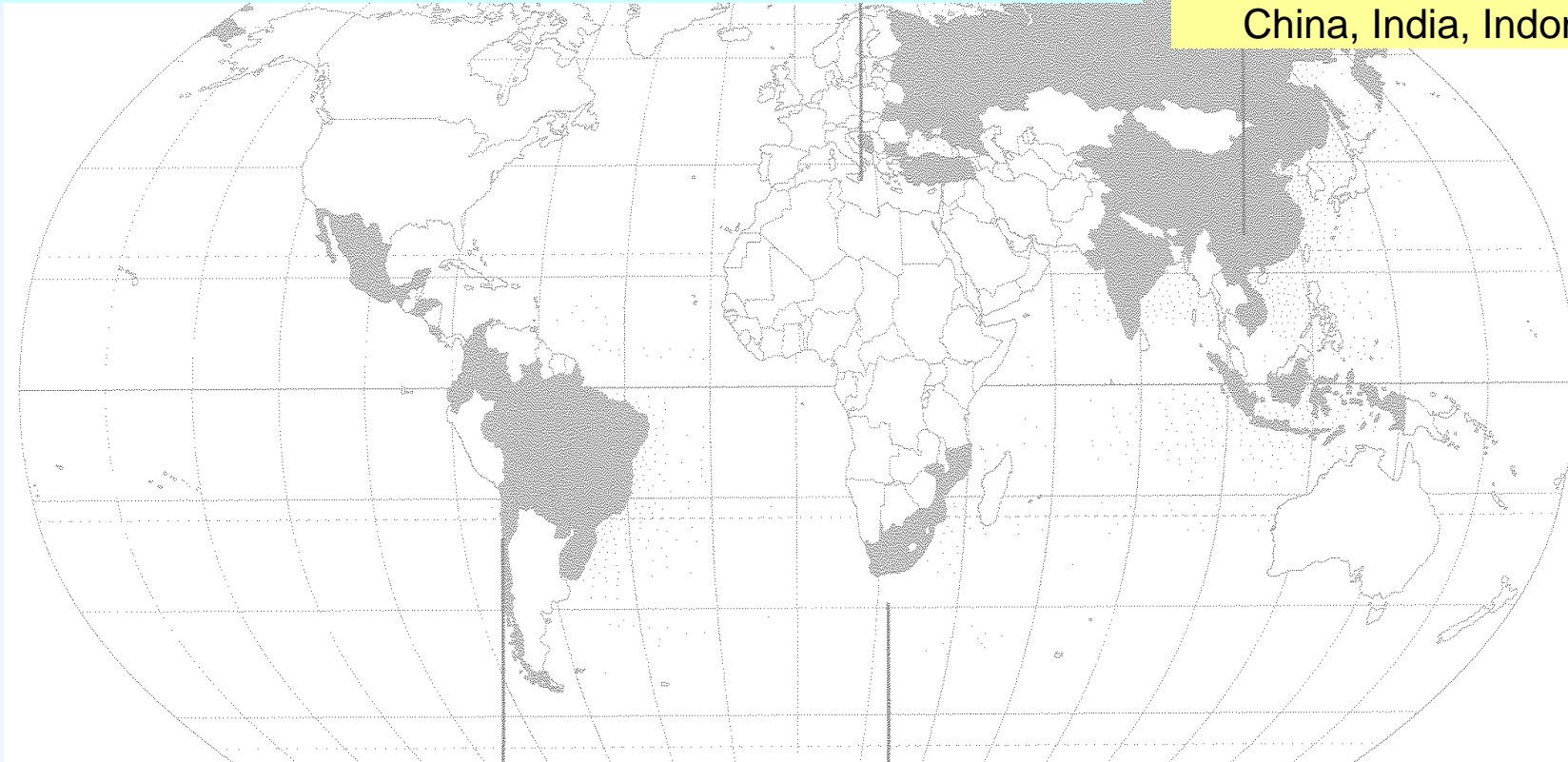
Project Countries

Central and South East Europe:

Bosnia-Herzegovina, Bulgaria, Montenegro, Russian Federation, Ukraine, Republic of Moldova

Asia:

Turkey, Kyrgyzstan, Laos, Vietnam, Cambodia, China, India, Indonesia



Latin America:

Bolivia, Brazil, Chile, Costa Rica, Ecuador, El Salvador, Honduras, Columbia, Mexico, Paraguay, Uruguay

Africa:

South Africa, Mozambique

Best Practices

Examples of DGRV Projects (1)

ESTONIA

Partner

- E-PIIM – a dairy cooperative in the south of Estonia

Objective

- Technical assistance
- Long-term loan

Results

- doubling of production
- export orientation

Best Practices

Examples of DGRV Projects (2)

ECUADOR

Partner

- Savings and Credit Cooperatives

Objective

- Set-up of a cooperative link-up system (focus on auditing, training, consulting, refinance)

Results

- Total balance-sheet of savings and credit cooperatives: 1.8 bn US\$, market share 8%
- Set-up of FINANCOOP (a cooperative central unit)
- 1.7 mio. members (15% of population)

Best Practices

Examples of DGRV Projects (3)

SOUTH AFRICA

Partner

- Yebo Cooperative (a central cooperative operating country-wide)

Objective

- Set-up of a cooperative link-up system (focus on training, consulting, support of cooperative SME)

Results

- Foundation and strengthening of Yebo
- Yebo supports numerous cooperative self-help groups (bakery, street vendors, painters, brick makers, all types of farmers etc.)
- Services of Yebo (bulk buying, consulting, training, financial services, accounting)

Lessons Learnt

“The Cooperative Idea – A Success Story”

- Needs and partner oriented
- Decentralised, multilevel system
- Adequate legal framework
- Regulation and supervision
- Compulsory audit
- Institutional protection scheme (incl. savings guarantee system)
- Training/Qualification

Thank you!

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