

ICA-AP 10th Cooperative Forum

Cooperative Contribution in Helping Economies become more Resilient and Sustainable



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Country Background



- Nepal is landlocked Country in South Asia, surrounded by China and India
- Total area– 147181 sq. km
- Total population– 28.5 millions

Outlines.....

- 1. Geographical and Country background of Nepal**
- 2. Movement Scenario of Cooperative of Nepal**
- 3. Federal Restructure of Nepal and Cooperatives**
- 4. Socio-Economic Status of Nepal**
- 5. Economic Contribution of Cooperatives in Nepal**
- 6. Cooperatives Contribution to make economy resilient and sustainable**
- 7. Findings**

Geographical and Country Background of Nepal

- Beautiful landlocked country surrounded by India and China.
- Federal Democratic Republic with three level governmental system
- Ethnic group and cultural diversity is very rich
- Good example of the country with religious harmony
- Significant number of Himalayas including the highest pick, Mount Everest
- Lord Gautam Buddha's birth place
- However, Country is prone to natural disaster i.e. flood, landside and earthquake due to its complex typography

Present Scenario of Cooperative Movement of Nepal

- **6.3 million members are enrolled in 34,512 Primary Cooperatives**
- **325 District Level Cooperative Unions, 20 Central Level Cooperative Unions/Federations, 1 National Coop Bank and 1 National Cooperative Federation Ltd. as an apex body**
- **39.34 % women leadership in primary cooperatives**
- **Around 51 percent women membership in cooperatives**
- **Cooperative have a largest network than any other sector in Nepal**
- **Cooperatives are involved in diverse facets of the Nepalese economy including financial services, agricultural production, dairy, communication, energy, education, health, and consumer service businesses. Most cooperatives do multipurpose activities.**

Source: Department of Cooperatives



Federal Restructure of Nepal and Cooperatives

- **The constitution has envisioned the three pillar economic actors in Nepal i.e. Public, Private and Cooperatives**
- **The Federal Republic of Nepal consist of Central Government, 7 provincial Level Government and 753 Local Level Governments including 77 District Coordination Committee**
- **Nepal Government is working with the theme “Prosperous Nepal, Happy Nepali”**
- **The federal System:**
 - ❖ **Ended the central and unitary structure**
 - ❖ **Ending Discrimination**
 - ❖ **Federal and social restructure Sustainable Development Goals**



Federal Restructure....

➤ The Cooperatives:

- ❖ Have strong intervention of cooperatives in all level entity
- ❖ Are working for access to finance especially in the rural part
- ❖ Are working for the localization of economy and UN Sustainable Development Goals



Socio Economic Status of Nepal

- In this fiscal year, the contribution of agriculture in GDP is 28% and 64% populations are depended on agriculture
- The industry sector contribute 14.8% where production industry contribute only 5.4%
- The increment of services especially in transportation, communication, education, health and commerce as a result the service sector contribute 57.6 % in GDP
- People below poverty line is 21.6%,
- Within the last 20 years the urban population increased from 12 to 59.5%
- The 15th National Periodic Plan declares sustainable and employable economic growth by empowering private, cooperative and community sector

Source: Concept note of 15th periodic plan of Nepal, National Planning Commission



Economic Contribution of Cooperatives in Nepal

- **Cooperatives have so far mobilized nearly USD 5 Billion as share capital, reserves and savings.**
- **Cooperative contributes nearly 4 percent in GDP and 20 percent in financial sector.**
- **Cooperatives are providing services in different sector for the economic upliftment such as saving and credit, agriculture, dairy, marketing production and processing.**
- **Promoting small scale business and entrepreneurship along with generating employment**
- **Nepal Government, Cooperative and UN agencies initiated the integrated program to develop the market system of vegetable and fruits in Nepal**

Cooperatives Contribution to make economy resilient and sustainable

- **Cooperatives are able to provide their diverse services to the member during the conflict of Nepal (1996-2006)**
- **During the insurgency period significant number of youth departed for overseas job but cooperatives provide tangible support especially for the women for their better livelihood**
- **Provide continuous support providing credit services, political consciousness and encouraged for the social justice and peace**
- **Cooperatives play important role in reducing poverty through entrepreneurship development, cooperation and team work**

Cooperatives Contribution.....

Agriculture Cooperatives helps their member by providing necessary farm inputs and financial support to help them for transport and market management

Cooperatives provided financial services to their members during the time of insurgency and disaster. For e.g. Cooperatives directly involved in the rescue, distribution of immediate relief packages and medium and long term rehabilitation to its member and community against the devastating earthquake of April 25, 2015



- Among 7 provinces in Nepal, Province Number 2 and Karnali Province is under multidimensional poverty where the human development index is comparatively lower than other provinces because the cooperative presence is minimal.
- Cooperatives became instrumental for the localization of SDG agendas and helping for poverty reduction and sustainable economic growth
- Cooperatives are playing key role in the import substitution
- Cooperatives are working for socialist oriented economic development as envisioned in the constitution of Nepal
- Cooperatives have a very good contribution in developing leadership as a result significant number of leaders in local, provincial and federal are cooperators.
- Cooperatives are contributing factor for sustainable economic development and social inclusion in the both rural and urban territory

Thank You for your
kind attention !

