



COOPERATIVES IN THE STATE OF PALESTINE

Cooperative products promoted by ESDC during COVID-19
PC: ESDC

Contribution of cooperatives to Palestine's economy (West Bank)

- 342 active cooperatives
- 39,370 members in active cooperatives
- 30.9% female members in active cooperatives
- 12.6% of active cooperatives are all-women cooperatives

(Figures as of 2019)

Cooperatives in Palestine began under the British colonial administration in 1920s. After independence from British rule, cooperatives witnessed growth in diverse sectors with the support from Jordan and Egypt. However, the continuing conflict between Palestine and Israel resulted in weakening the sector. During difficult war times between 1960s and 1990s, cooperatives were used as a means to organise refugees and promote socio-economic development among them. Post 2000s, with the support from international organisations, cooperatives have again seen a positive impetus with focus being on an enabling policy and legal environment, peace and development, agriculture, housing, women and youth as key areas.

Types of cooperatives

Cooperatives in Palestine (West Bank) are present in diverse sectors, including housing, agriculture, consumer, savings and credit, and services.

Did you know?

- The Cooperative Work Agency (CWA), set up in 2018, is an independent body funded by the government, responsible for registering, regulating and promoting cooperatives.
- The 2018 Voluntary National Review report of Palestine mentions the development and promotion of cooperatives as one of the measures to promote decent employment and economic growth (Sustainable Development Goal 8).
- ICA has four members from Palestine. The members with their year of affiliation are: Palestinian Agricultural Cooperative Union (PACU, 1997), Economic and Social Development Center of Palestine (ESDC, 2014), Union of Housing Cooperatives in Palestine (PUHC, 2018) and CWA (2020).

41.2% Agricultural

31% Housing

17.3% Service

7% Handicrafts

3.5% Consumer

Geographical presence of cooperatives



Cooperatives are present in different sectors in both West Bank and Gaza Strip. The number of cooperatives in Gaza Strip is currently unavailable.

Evolution of the cooperative sector

→ 1920-1947

- Cooperatives in Palestine were introduced under the British colonial administration. The first cooperative, an agricultural cooperative of tobacco growing farmers established in Acre (now in Israel) in 1924.
- In 1930s and 1940s, cooperatives in the agriculture, rural development and transportation sector witnessed a boost following the enactment of the first cooperative law in 1933. By 1947, there were 244 cooperatives in the country.

→ 1948-1994

- During the rule by Jordan and Egypt over West Bank and Gaza Strip between 1947 and 1967, cooperatives were part of the guided economic system policy. Cooperatives were promoted among war refugees for economic advancement.
- During this period, consumer cooperatives were formed in the Gaza Strip as branches of the Egyptian central consumer institutions to allow consumers have access to rationed goods.
- The occupation of West Bank and Gaza Strip by Israel from 1967 to 1994 had a negative impact on the growth of cooperatives as support from Jordan and Egypt became difficult due to limited contact. However, existing primary cooperatives continued to support members at local level with basic goods and services including loans, consumer goods, medical insurances, water, electricity and housing.

→ 1995-2000

- With the establishment of Palestinian National Authority (PNA) in 1993 to govern West Bank and Gaza Strip, cooperatives were brought under the supervision of Ministry of Labour (MoL). The General Directorate of Cooperatives under MoL became the official body responsible for registering and supervising cooperatives. Cooperatives that were formed between 1995 and 1997 were re-registered and consolidated in the national register.
- The second half of 1999 and beginning of 2000 was a significant time for peace building between Palestine and Israel. Within the framework for 'Shaping the Future Together: Employment Promotion Through Self Help' (SHIFT), a number of projects were facilitated by the Cooperative Branch of the International Labour Organisation (ILO). Cooperative federations were among the twenty partner organisations that came together as a network to implement the SHIFT framework.
- The isolation of communities, restrictions on movement, commerce and human rights during Israel's occupation of Palestine brought out the need for coordinated actions towards development driven by common goals. The cooperative model assumed high importance among locals to develop self-reliance and community-based coping mechanisms. Area C was one of the areas where cooperatives flourished and became the most common organisation type for herding and agricultural communities.

→ Post 2000

- In 2009, to support reforms in the cooperative sector, ILO assisted PNA to develop a cooperative development policy to steer the unification of cooperative law in the country (until now, cooperatives in West Bank and Gaza Strip were governed by laws of Jordan and Egypt). The law was formally passed in 2017 and marked an important milestone for cooperatives in the country.
- In 2017, a Cooperative Sector Strategy (2017-2022), prepared by the General Directorate of Cooperatives and ILO was launched. The Strategy focused on promoting institutional environment for the growth of cooperatives; improving the financial and organisational performance of cooperatives; expanding cooperatives into new sectors including renewable energy; cooperative education among youth; and promoting technology industry among youth and women.
- Post the enactment of the Palestinian Decree-law N° 20 of 2017, CWA was established in 2018 with the support of ILO to regulate and promote cooperatives and cooperative unions in Palestine.

Laws on cooperatives

- 1933: The cooperative law N°50 of 1933 was the first cooperative law enacted for the promotion and regulation of cooperatives in Gaza Strip.
- 1956: The cooperative law N°17 of 1956 was enacted for the promotion and regulation of cooperatives in West Bank.
- 2017: The Palestinian Decree-law N° 20 of 2017 was enacted for the promotion and regulation of cooperatives in both Gaza Strip and West Bank. It is a unified law for cooperatives in Palestine and replaced the earlier two laws that were passed by Egypt and Jordan during their rule.

Key highlights

- A minimum of 15 members are required to register a cooperative and it is mandatory to maintain this number after registration.
- There is provision to establish a surveillance committee as a permanent body to oversee the management of the cooperative if members are unable to do it themselves.
- An individual member can own a maximum of 20% of the cooperative's total issued shares.
- Primary cooperative organisations, sectoral unions and the general union are exempted from taxes, customs duties and registration fees on movable and immovable property necessary for the implementation of the objectives specified in their bylaws; provided that they are not disposed of within a period of five years.
- Primary cooperatives are not mandated to be affiliated to any sectoral or general union of cooperatives.

Cooperative landscape of Palestine

Cooperatives in Palestine are present in diverse sectors including agriculture, housing, services, etc. Since the establishment of PNA, cooperatives have focused on peace building and socio-economic development of people in conflict-torn zones. International organisations have played a crucial role in supporting cooperatives by providing policy, financial and capacity building support with a focus on women and youth.

Farmers' cooperatives collaborate with Palestine Fair Trade Association

Established in 2004, the Palestine Fair Trade Association (PFTA) is a union of farmers' cooperatives producing olive oil and traditional food products such as dates, almonds, couscous and sun-dried tomatoes. PFTA helps in the promotion of organic farming, capacity building of farmers, fair-trade certification and marketing of products in national and international markets. In 2009, PFTA became the first entity in the world to receive the fair-trade certification for olive oil. As of 2020, PFTA has 51 farmers' cooperatives as members, comprising of a network of over 1,000 farmers in northern West Bank region. 96% of the farmers associated with PFTA practice regenerative and organic farming and are fair-trade certified.



Olive production by PFTA. PC: CWA

Meeting people's basic water needs through Abu Dis Cooperative Society for Water

Established in 1970, Abu Dis Cooperative Society for Water (ADCSW) is engaged in the supply of water in Abu Dis town. Despite facing restrictions in the beginning to operate in the water service sector, the establishment of ADCSW was made possible with people's cooperation and determination. At the time of its establishment, it was the only source of water supply for the town in the entire Jerusalem municipality. ADCSW serves 3,800 households covering 26,000 people. It also supplies water to Al Quds University with over 13,000 students. With the support of its members, ADCSW has set up its own administrative, collection and maintenance department and shops in the neighbourhood. The model of ADCSW is based on members' contribution and self-financing in return for which it offers guaranteed water supply at reasonable prices to its members.



Water supply unit of ADCSW. PC: CWA

Beit Sahour Cooperative Society for Health Welfare

Beit Sahour Cooperative Society for Health Welfare (BSCSHW) through its Shepherds Field Hospital has been serving the poor in Bethlehem municipality since 1959. Among its services, includes primary care for new born children and new mothers. Over the years, BSCSHW has introduced diverse departments in the hospital including general medicine, orthopaedics, radiology, etc. Medical services are provided free of cost to those from socio-economic marginalised backgrounds in the Bethlehem municipality. Other than medical services, BSCSHW is also engaged in community development activities and played an active role during the COVID-19 relief work.



Members of BSCSHW. PC: CWA

ESDC's initiatives to support cooperative members for socio-economic development

Established in 2003, the Economic and Social Development Center of Palestine (ESDC) is a rights-based non-governmental organisation (NGO). It works with cooperatives and other community-based organisations to promote food security, women's and youth empowerment and livelihoods. ESDC is part of a national campaign on food security under which it is supporting the creation of 2,500 home gardens by distributing seeds to 1,000 cooperative members. Further, it is supporting the development of youth cooperatives in Palestine through capacity building programmes, awareness workshops and infrastructure support. During the COVID-19 pandemic, ESDC procured production equipments and materials at lower prices for women-owned small cooperatives to help them continue their business operations. It also supported them in enhancing packaging and marketing of their products. It led an awareness campaign to promote food products produced by cooperatives as healthy options over other products to boost sales of women-owned small businesses and cooperatives.



Vegetable farming supported by ESDC. PC: ESDC



- In 2020, ILO launched a three year programme on 'Be the Impact' with CWA to strengthen cooperatives by promoting supportive institutional, regulatory and promotional environment for autonomous and economically self-reliant cooperatives.
- In 2019-2020, ILO in partnership with the Italian Agency for Development Cooperation (AICS), COSPE Onlus, and local partners in Palestine implemented a project on 'Land and Rights - Paths to Social and Solidarity Economy in Palestine'. Representatives from CWA, Ministry of Agriculture, PACU, and others organisations were trained on Think.Coop and Start.Coop modules of the ILO.
- We Effect, ESDC, PACU, and PUHC having been working together for the development of cooperatives. This includes strengthening institutional and business capacities of cooperatives in diverse sectors including agriculture and housing.
- In 2017-2020, Legacoop Emilia Romagna, the regional organisation of Legacoop Italy along with other international organisations implemented the Tubas Rural Business Opportunities and Social Innovation (T.U.R.B.O) project for the development of rural cooperatives and women's social enterprises.

Engagement with ICA-AP

- Cooperators and government officials from Palestine have actively participated in international programmes organised by ICA in Asia and Pacific. Some of these include the Consultation on Cooperative Identity for Middle East and North Africa (MENA) region (2021), Cooperative Development Conference for MENA region (2019), Sub-Regional Cooperative Development Meeting on Enhancing Cooperative Linkages (2017), Training of Trainers by ICA-AP Women's Committee, Workshop on Enhancing the Role of Women in Cooperatives (2015), thematic regional conferences, Regional Assemblies, ICA global trade fair, UK (2012), among others.
- ICA is actively represented by Palestinian cooperators in its regional thematic committees including on women, youth and cooperatives in educational institutions.

What are cooperatives?

Cooperatives are autonomous associations of persons united voluntarily to meet their common economic, social, and cultural needs and aspirations through a jointly owned and democratically-controlled enterprise.

Cooperative values

Cooperatives are based on the values of self-help, self-responsibility, democracy, equality, equity, and solidarity. In the tradition of their founders, cooperative members believe in the ethical values of honesty, openness, social responsibility and caring for others.

Cooperative principles

The seven cooperative principles are guidelines by which cooperatives put their values into practice.

1. Voluntary and Open Membership
2. Democratic Member Control
3. Member Economic Participation
4. Autonomy and Independence
5. Education, Training, and Information
6. Cooperation among Cooperatives
7. Concern for Community

References

- <https://bit.ly/3xM2nml> ICA-AP (2020). Webinar on impact of COVID-19 on women cooperators in Asia and Pacific.
- <https://bit.ly/3yNZcmJ>
- <https://bit.ly/2VCKl0h>
- <https://bit.ly/3AXMvI2>
- <https://bit.ly/2VxS7bE>
- <https://bit.ly/3hVNL5A>
- <https://bit.ly/3wxBUjh>
- <https://bit.ly/3A0y3RU>
- <https://bit.ly/3hAA1yo>
- <https://bit.ly/3xNu07b>
- <https://bit.ly/3e9wAw6>
- <https://bit.ly/3r48pog>
- <https://bit.ly/2VDir0x>
- <https://bit.ly/3kncpPB>
- <https://bit.ly/3e93EVo>
- <https://bit.ly/2T3RAx5>
- <https://bit.ly/3kb9XLU>
- <https://bit.ly/3hUowk8>
- <https://bit.ly/3e9F1rD>
- <https://bit.ly/3ANZ7RT>
- <https://bit.ly/3xBfH5q>
- <https://bit.ly/3hYNa2Z>
- <https://bit.ly/2VzSToz>
- <https://bit.ly/3wG5Wli>
- <https://bit.ly/3wzw6WG>
- <https://bit.ly/3wCr7o9>
- <https://bit.ly/3AVd6Fh>
- <https://bit.ly/3r4Q4rc>
- <https://bit.ly/3r5ZFHV>

About International Cooperative Alliance Asia and Pacific

ICA-AP is one of four regional offices of the ICA. Established in 1960 in New Delhi, India, it unites, promotes, and develops cooperatives in the region. ICA-AP's 112 members from 31 countries spans a variety of sectors, including agriculture, credit and banking, consumer, education, fisheries, forestry, housing, and insurance.

Contact information

ICA-AP: info@icaap.coop



[ICAAsiaAndPacific](https://www.facebook.com/ICAAsiaAndPacific)



[ICAAPAC](https://twitter.com/ICAAPAC)



[ICAAsiaPacific](https://www.instagram.com/ICAAsiaPacific)

- ESDC: : info@esdc-pal.org
- PACU: info@pacu.org.ps
- PUHC: : info@puhc.ps
- CWA: info@cwa.pna.ps