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COOPERATIVESIN TENA WORED A

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Declaration

1. The Undersign eddeclared that this senior project is my work and that all sources of material used for the research have been dully acknowledge

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1.2 STATEMENT OF THE PROBLEM

Cooperatives activity in Tena woreda seems very low. According to Bureau of TENA annual report of 2004 from the total share of saving deposit ,demand deposit and loan the cooperatives share is only 1.5% ,2.7% ,and 6% respectively .From the total population of Tena woreda only 1.2 % organized in cooperatives. This implies that still we are not properly pull our human and financial resources and help ourselves. But this does not means that people are in different to forms of organizations which help to promote their own interest and improve their living and working conditions, It can be proved by a number of traditional self help organization like Ikub,Idir, and senbetie. Where almost all individuals are involved at least in one of them if then ,this paper tries to see the main reasons for cooperatives low participation in the economy by focusing on consumers cooperatives.

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INTRODUCTION

1.1 Back Ground

A Cooperative is an autonomous association of persons united voluntarily to meet their common economic, social and cultural needs and aspirations through jointly owned and democratically controlled enterprises (ICA, SEP, 1995)

Cooperatives can be classified in many ways. One way of classification is based on the function of the cooperatives. Accordingly, there are producer cooperative, marketing cooperative, purchasing cooperative, processing cooperative and service cooperative. Consumer cooperatives are a specific type of purchasing cooperative (Marvin)

They help their members by buying in large volume and therefore at lower cost. Collectively, cooperative members have a bargaining power that no individual could exert alone in the market place. The cooperative also negotiates with vendors, which means more quality control over the goods it purchases for members. They may be more responsive to member preferences and needs than other non-cooperative retail stores (Kimberly 1980)

There are three (3) consumer cooperatives in Tena Woreda. Out of them one (1) is found in Ticho Town which is called the capital city of Tena Woreda. 68 people are organized under them; they provide different types of consumer goods and services to their members. They have a capital of Birr 246,840.73

The paper is on consumer cooperatives in Tena Woreda and is organized in the following pattern. The introductory part is presented in the first chapter. Chapter two gives a possible summary of various literatures that view some theoretical and empirical issues related to the objective of the study. In the third chapter, data presentation and the analysis part is presented while the fourth chapter provides conclusions and recommendations.

1.2 OBJECTIVES OF THE STUDY

The major objectives of the study is being to examine the main reasons for cooperatives low participation in Tena Woreda Economy at large. The specific Objective include.

- To Identify the major kinds of cooperative operating in Tena Woreda.
- To evaluate the performance of consumer cooperative in Tena Woreda.
- To asses ,the role of consumer cooperative to wards improving the standard of living of the population.

THE SPECIFIC OBJECTIVES OF THE STUDY IS.

- In order to identify the major kinds of cooperatives in Tena Woreda.
- In order to evaluate the performance of consumer cooperatives in Tena woreda.
- In order to asses the rule of consumer cooperatives to woredas improving the standard of living of the population.

SIGNIFICANCE OF THE STUDY.

Great purchasing power to consumer by lowering the price of good.

The study may serve as spring board for other studies which focused on similar topics and issues, related to cooperatives generally and to consumer cooperatives specifically

SCOPE OF THE STUDY

From several types of cooperative ,this paper focuses on consumer cooperatives is that. Consumer cooperative are small in number than other types of cooperatives.

METHODOLOGY

A) Area of the study (the research)

- From our zone of the rural area is Tena woreda . It has a town which is Ticho I this Town there are different institution , organizational and governmental bureau, were located by having the population of 167234 it is situated at _____ meters above sea level on well watered plateav and it is seat of woreda because it has 11 rural Keble and 2 town Keble by having totally 167234 population.

METHOD OF DATA COLLECTION

Primary data's are collected through questionnaires , interviews and through personal observations in addition to asses the role of consumer cooperatives towards improving the standard of living of the population, the case study on one selected consumer cooperatives, chefe consumer cooperatives is used.

SAMPLING TECHNIQUE

Purposive sampling is used and tries to address all the five cooperatives established and registered as consumer cooperatives based on proclamation No. 147/91. Hence 15. Questionnaires are prepared.

The questionnaire is designed to evaluate the distribution, performance of consumer cooperatives regarding to their activities ,employment opportunity ,the cooperative principle and financial status.

Data Analysis

To anaalaize the data descriptive techniques and table are used.

All the data are organized and analyzed to address each objective of the study under three sub- sections as follows.

- Major kinds of cooperatives operating inTena Woreda. Performance of Tena Woreda consumer cooperative rule of consumer cooperative to woredas improving the standard of living of the population.

Limitation

- One major drawback in doing this paper is time consumer to collect the necessary data with limited period of time and work pressure.
- Difficult to get reference book and library.
- Lack of qualified person for example advisor
- Lack of transportation and cost to collect the available data
- Lack of available material

LITERATURE REVIEW

The cooperative movement has its roots in the Lancashire textile town of Rockdale England where in 1844 harsh living conditions led to inadequate consumer protection.

The adulteration of food by private traders was widespread in 1844. 28 working men adopted a new approach to the supply of food and other goods and the provision of social & educational facilities for ordinary working people by setting up a retail co-operative society (the Rockdale equitable pioneers society).

Cooperatives allow people to pool their human and financial resources and raise more capital. Individuals who may have been unable to solve a problem or to start a business on their own can do so through cooperative action.

DEFINITIONS OF COOPERATIVES

It is very difficult to come by a single universally accepted definition for cooperative because of its flexibility. It serves different economic & social systems.

But let us see the most accepted definition which is the ICA (International cooperative alliance) forwarded in its annual meeting at Manchester in 1995.

Cooperatives is "An autonomous association of persons united voluntarily to meet their common social, economic & cultural aspirations through jointly owned & controlled enterprise."

A cooperative is a voluntary contractual organization of persons having a mutual ownership, interest in providing themselves with needed services on a non-profit basis. It is usually organized as a legal entity to accomplish economic objectives through social participation of its members.

In a cooperative, the investment & operational risks, benefits gained or losses incurred are shared profitably by its members in proportion to their use of the cooperative.

Types of Cooperatives

Even though cooperative can be classified in many ways, this paper is focused (used) the classification of cooperative based on principal functions, such as production marketing services, processing cooperative & purchasing cooperative.

Cooperatives provide members with dependable supplies at competitive specific type of purchasing cooperative may be a utility company such as telephone electricity etc. In the other side a consumer cooperative is a business owned by its customers for their mutual gain. It is a form of free enterprise that is oriented towards service

Historical Development of Consumer Cooperation

The historical development of cooperative business can not be disconnected from the social & economic forces that shaped them. Cooperatives then, as now were created in time a place of economic stress and social upheavals.

Hence, the first cooperative business created in Europe arose during periods of great social upheaval and distress caused by dramatic shifts in agricultural and industrial production practices (Zevli and Bropp 1480.5)

The pioneers and other early co-operators owed much of their inspiration to the cooperative writing of Rockdale.

Rochdale pioneers

A consumer cooperative store, started in Rochdale, England on 21-12-1844 and continuing to this very day, provided the organizational and operating pattern that became the prototype for other consumers.

Cooperative, both at the retail and whole sale level the word over. These 28 Rockdalianians had high hopes and aspirations. They hoped not only to establish a store. For the sale of provisions but also to acquire homes in which their members might live to manufacture articles that the society's members may need as well as to provide employment: to acquire land on which to produce products needed by members, and to employ those members out of work or those whose wage, were very low. They wanted to establish a self supporting home colony of united interest and to arrange the power of production, distribution, education and government in the interest of its members.

2.3.2 Robert Owen

The Cooperative movement in area began with Robert Owen. A factory manager, a utopian socialist a pioneer of industrial cooperation and trade unionism and an advocate of communal living.

Owen envisaged villages including farms lands and small scale industry, all operated cooperatively by the citizens of the village who would live communally

2.3.3 Sidney James Webb (1857-1947)

Webb. Has made a number of important contributions to political and economic theory of the cooperative movement

He argued that consumers cooperative, should form cooperative wholes sale societies (by forming cooperative in which all members are cooperatives the best historical example being the English co-ops) and that these federal cooperatives should undertake purchasing farms or factories Webb; was dismissive of the prospects of workers cooperatives ushering in socialism, pointing out that at the time she was writing such ventures had proved largely unsuccessful.

(cooperative Movement in Great Britain 1891)

2.3.4 The Distributions of Cooperatives in Tena Wooreda

In Tena woreda both the modern and traditional cooperative are practiced. In Ethiopia modern cooperative movement was formally introduced in 1960s with the farm workers cooperatives decree no 44/1960 but in Tena Woreda modern cooperative was introduced in 1968 at the second five years plan of Ethiopian which it emphasized the role of cooperatives in implementing various agricultural and rural development programs.

Even though the movement of cooperative in Ethiopia can be categorized fewer than four phases . The Tena woreda cooperative can be came across through these phases.

i.e From traditional to the post 1983

Before the stated years and still to day most of this woreda peoples are organized through traditional cooperatives . Such as Idir, Ikub and Debo.

Idir- iti is one of the traditional forms of cooperatives. It is operate in all rural and urban areas of this woreda . The majority of this woreda people especially head of a particular family are member of this idir.

The main objective of establishment of this of association is to help family who is the member of idir in case of getting sorrow (a family last one of its members because of doling)

It shares a lot of similarities with modern forms of cooperatives such as voluntary membership ,Democratic control & administration, fair and equal payment of compensation for a family whose members is died.

Each members is participating accordance with the by lows of that particular Idir.

Members participations is very high in idir because its foundation is based up on the willingness of members.

Idirs is ranking first of all other form of traditional coop. in participating large classes of the people in the woreda.

Ekub- It is other form of tradional cooperative like organization or traditional self group in Ethiopia.

Ekub is a financial form of traditional cooperative formed voluntarily. In this woreda the formation of Ekub is based on classes of people who have identical (similar) earning or in come .Un like saving and credit cooperatives, it does not bear interest on the money saved (collected) the person who has got the money on his turn basis solves his immediate economic and social problem.

In this woreda many people use these form of traditional cooperative –like association as a means of financial solution to their economic problems.

Ekub is some what similar to the modern saving and credit cooperatives.

Debo

This form of traditional cooperative like associations or natural help group is standing an other very important traditional form of cooperation in Tena woreda.

It is mainly a cooperation formed at the rural area of the different part of the country . Debo does not have a system of administration like other form of association it is based on equivalent lab our or material contribution by each farmer.

Generally these three traditional forms of associations which are the values and costumes of our society should be brought to modern form of cooperatives so that they can contribute to the economic and social development of the people of Tena worda.

2.4 Cooperative Principles and Values.

Consumer cooperatives like all other forms of cooperatives adhere to the cooperative principles set-douin by the international co-operatives Alliance in geneua. (meyer, 1999) m.meyer Explained along the street of any city or rural.

Community ,Which supports the rest the structure . There fore some of the value is as follows:

1. Self help and Mutual help:-

Cooperation is effective only when members are united there should not be any discrimination between rich and poor no body is subordinate to any body. All are treated equally self help through mutual help is the essence of cooperation.

2. Democratic Control

Cooperatives provide one vote to each member regardless of the member of his/her total shares capital or savings .All affairs of the cooperatives are and ministered by persons elected or appointed in amanner agreed by the members and accountable to them. Also amember's family has only vote. This democratic control helps make sure the cooperative works for the benefit of all members.

3. Equality

The members of consumer cooperative have equal participation & equal opportunity to make use of the service of the associations .There can be no cooperation unless it is between equals.

4. Equity

Cooperation aims at distribution justice. A Cooperative enterprise may drive profit because of cost –plus pricing policy , Recognizing that this profit arises out of over –charging member used it is given back to the members in proportion to their part icipation in the business of the cooperative.

5. Honesty

Cooperatives are expected to serve their members and the community honestly.

6. Autonomy

Members are in absolute control and are the ultimate authority of the enterprise . The controle ists in the general body of membership and the general body determines the purpose of the organization not any other party.

7. Openness and social Responsibility

Cooperative is open to all persons who can use of its service cooperative is socially responsible. In essence they are expected to contribute something to the community in which they are running their business.

Some principles of cooperative

1. Voluntary and open membership

It is voluntary organized open to all persons able to use their services and willing to accept the responsibility of membership with out gender social racial, political or religions discrimination.

2. Democratic Member Control

Women and man serving as elected representatives are accountable to the member.

The members have equal voting right. One man one vote.

3. Members economic participation principles

Members contribute equitably to the capital of their cooperative .At least part of their capital is usually the common property of the cooperative members.

4. Autonomy and independence principles

When cooperatives enter in to agreement with organization ,they retain their freedom ultimately to control their future.

5. Educational, Training and Information principle

“Creat cooperators before creating cooperatives” is a catch word of cooperative movement. Cooperative education is imperative for the successful operation of cooperative organization.

A cooperative will succed only if its members know their rights and responsibilities and understand how the cooperative should work there fore cooperative provides educational and training to their members, elected representative ,manager, the community and employes.

6. Cooperation Among cooperatives

The successful of cooperative largely depends on their coordination and integration The ICA rule states that all cooperative organizations in order to best serve the interests of their members and their communities shall actively cooperate in every practical way with other cooperatives at local, national and international levels having as their aim the achievement of unity of action by cooperators throughout the world.

2.5 Difference between Consumer Cooperatives and other forms of enterprise

The fundamental difference between consumer co-operative and other forms of enterprise is member orientation. Versus investor orientation consumer cooperative focus on generating benefits (which may or may not be profits) to members, While other forms of enterprise focus on creating returns for their investors, Because of this consumer cooperatives are often created to correct market failures (e.g. It provide an important local services) and not to simply make corporate profits.

Consumer cooperative can be differ from other form of enterprise by the following points, such as objective of the enterprise, membership of the enterprise, the nature of the share capital, control of business, doing business with non-members, measures of efficiency or success, disposal of surplus.

Generally consumer cooperatives are driven by both economic and social concerns. They are community based organizations that are not only about the bottom lines of their businesses, but also the needs of their members and the quality of life in their communities.

They take a global approach to production and distribution, taking into account members' concerns about health, environment and other issues corporate social responsibility is a fundamental feature of their approach to business (Tagomango, 2006)

2.6 Role of Consumer Cooperatives

Consumer co-operatives are organizations that belong to the members. Consumers, who influence and control co-operative activities at every level. The aim of a cooperative is not to make profit, but to be of use to its members and defend their interests. (Manlin 1980:2)

Created in the 19th century for the protection of the interests of their members, they have developed their activities in diverse sectors: foodstuffs, household appliances, leisure activities, etc. They were there for the 1st consumer cooperative and subsequently have often helped to set up national consumer unions & other large cooperative organizations.

It is also the task of consumer cooperatives to provide information, education and to protect the interest and health of consumers. For this purpose, they offer a whole range of services such as the elaboration of a food quality policy by their own laboratories, the distribution of magazines and information brochures in the shops and to members, the preparation of information and education campaigns, and even the setting up of training courses for consumers. (Frederik, 1997:11)

When cooperatives are grouped together at woreda, regional and (national level) the democratic system is repeated at every level. Consumer cooperatives were the 1st consumer organization aiming to defend & promote consumers' interests, and in many countries they contributed to the creation of consumer associations as it was recently the case in Sweden.

In general, you can gain access to volume discounts and negotiate from a position of greater strength for better delivery terms and other arrangements. Suppliers will be more willing to discuss customizing products and services to meet your specifications. If the purchasing group provides them sufficient volume to justify the extra time and expense, i.e. consumer cooperatives create access to quality supplies and services at reasonable cost" (Frederik 1997:9)

III DATA PRESENTATION AND ANALYSIS

3.1 Over View of cooperatives in Tena Woreda.

From the experience of different area cooperatives have major vote in economic development, they have significant share in different sectors of the economy. However, in this woreda their activity seems very low. They have significant share in economic activity as compared to other types of enterprise i.e private, government and public.

3.2 Finding & Analysis

This section is organized into three sub-sections, the 1st sub-section discussed the major kinds of cooperatives at woreda level. The second examines the performance of consumer cooperatives in Tena woreda; finally, the third sub-section presents the role of consumer cooperatives towards improving the standard of living of the population.

3.2.1 Major Kinds of Cooperatives in Tena Woreda Cooperative in

Tena by Type.

According to the data from Tena Woreda Cooperative Office promotion, there are 15 cooperatives organized under four (4) types of cooperative activities in Tena Woreda. Their total amount of capital invested is 113,575,286.73 birr they have 2473 members of 78% are men. In order to make the research simple, these four (4) types of cooperatives are re-categorized according to their business activities as it has been mentioned in the literature. Most of Tena Woreda producers' cooperatives are categorized as one. According, there are four types of cooperatives.

The name of cooperatives their number of members and their capital are summarized in the following tables.

Spatial distribution of cooperatives in Tena Woreda.

Table 1

Producer and marketing cooperatives

Name of Cooperative	numbers of members	capital in birr.
IRIGATION Cooperative - Dairy development and marketing coop.	206	24522

Table 2. Service Cooperatives.

Name of Cooperative	numbers of members	capital in birr.
Saving and Credit cooperatives	389	50054067

Table 3. Processing Cooperatives.

Name of Cooperative	numbers of members	capital in birr.
Multi Purpose	1820	63249857

Table 4 . Purchasing Cooperatives.

Name of Cooperative	numbers of members	capital in birr.
consumer cooperative	68	246840.73

This section has explained each cooperatives distribution through out the woreda which is evaluated based on the data.

Producer & Marketing Cooperatives

There are three (3) types of producers & marketing cooperatives

They have in aggregate around 206 members and 24522 birr capital .According to the data ,these cooperatives are distributed through out kebeles of the woreda Even if their number and participation is not enough with respect to the woreda kebeles populations they are found in some of the woreda, their distribution is based on their nature of production & marketing activate as well as infrastructure of the woreda.

Processing Cooperative

There is one type of processing cooperative .In aggregate it has 1820 members & **63249857** in capitals .Its distribution is followed on the nature of production .The mining processing cooperatives is found in one area of the woreda which is in Ticho .

Consumer Cooperatives in Tena Woreda

There are three (3) consumers cooperative in Tena Woreda.

They perform different types of activities and they have a capital of 246,840.73 Birr and 68 members of which 65 men & 3 women .This implies women participation in this sector is lower but women participation in consumer cooperatives was expected to be higher. It is because they are directly responsible for the consumption of their family

It is Suggested that for the development of consumer cooperative ,the simplest way is teaching and training women about the cooperative ideas, Hence this woreda can not use his full capacity for the growth and development of consumers cooperatives.

Table – Shows the list of consumer cooperative in Tena woreda ,their number of members (by sex) and their year of establishment.

Name of consumer cooperatives	years of Establishment	Number of members		
		Men	Women	Total
Wedihu consu-cooperative	2000	24	-	24
kela –consumer cooperative	2003	22	1	23
Wadago Consumer cooperative	2003	19	2	21
Total		65	3	68

In this study the performance of consumer cooperative in Tena woreda is evaluated on the following points.

- A. Participating the society
- B. Types of activities the involved
- C. Their back ground to organized
- D. Cooperative principles
- E. Employment opportunity
- F. Economic & financial situations.

A. Participating the society

In Tena woreda the participation of peoples in cooperative is very low. There fore it seems that cooperatives do not play a significant role in participation the society in economic activities . This research evaluates the performance of consumer cooperatives in Tena worda by comparing its capital contributions and number of members with that of consumer cooperatives in other woreda. The Robe woreda consumer cooperatives have the greater share in total capital distribution of consumer cooperatives in the worda. They have a capital of 718,155.36 birr & 288 members of which 254 men & 34 women. They share 55% of it.

Where as in Tena woreda consumer cooperatives have 68 members and they account 35% of the total capital invested.

B. Activities of Consumer Cooperatives in Tena Woreda

In Tena woreda consumer cooperative was established in in the recent year. For retailing daily consumption goods& services for its members.

It's aim is not make profit but to be use to its members by supplying best quality of good & services at lower prices & at near by places. It 's main activities of consumer cooperative in Tena Woreda are as follows:-

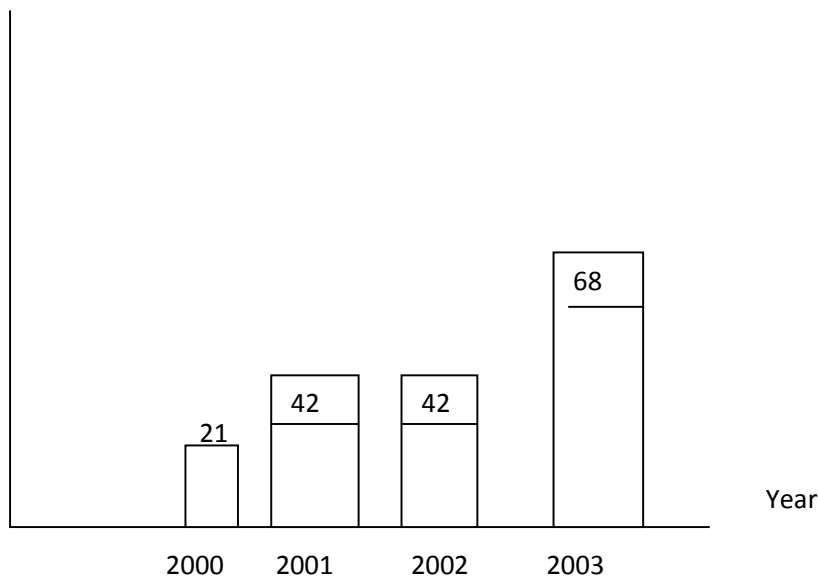
- It provides training to self help and mutual help.
- It renders economic service like credit ,supply ,distribution or market at low cost.
- It could provide industrial by product such as flour for bread marking.
- It promotes productivity by ensuring better market and returns to producer.
- It helps children those lost the father and mother dure to HIV
- It established different types of store.
- It improves (develop) the participation of women in the cooperative.

C. Back ground & Growth of consumer cooperative in Tena Worda

During the dirge reign and at the middle of this government there was no particular law of consumer cooperatives ,After 2000 the consumer cooperative were started in Tena worda by having its particular law and rules.

Cooperatives can be established any where by those who have a common problem to solve .According to the data throughout questionnaires all of the three (3) consumer cooperatives are established around the residential places.

The Growth of consumer Cooperatives in Tena Worda.



Source Collective through questionnaires (2004)

The 1st consumer cooperative was established in 2000 E.C . There is one consumer cooperative until 2002 two consumer cooperative in the past years .All are established in the near year (are new)

D. The Consumer cooperative principles and values in Tena Woreda

In this woreda members have a right to participate in setting policies and making decisions .The study tries to overlook members' participation by comparing and evaluating the frequent two specific meetings. i.e General meeting and managementings.

The analysis is made by ranking the frequencies of each cooperative meeting fewer than four periodic groups i.e monthly, quarterly, semi-annually and annually .Those that have a higher frequency of meetings per year indicate a better democratic member control.

Member Economic Participation Principle.

In Tena woreda the economic participation of the members in the consumer cooperative is in the form of share capital there of one share has a price of 500- 5000 Birr. Besides to this the registration fee birr for the membership is 100 Birr. The members participate in other economic activities .Such as in purchasing and selling activities ,i.e it provides consumable goods and services at lower price to its member. There for the consumer cooperative provides better services to its members rather than making profits.

Generally this cooperative has not a finance problem and less. But when ever it faces with finance problem it gets a credit service from bank, Government NGO & from other institutions.

Autonomy and Independency principles

Consumer cooperative in Tena Woreda is vigilant in developing open, clear relationship with government .It retains its freedom ultimately to control its future.

Consumer cooperatives are organized under the proclamation No 138 /91 and they are free of taxes. However ,according to the interview with the office of Tena woreda cooperative orgalizing and promotion Bureav,consumer cooperative have given little attention by the government in the past year but know the government give some attention to cooperative is practiced largely in rural area of this woreda .

Most of the cooperatives also claimed that government did not give attention for their problem and development.

Education ,Training and Information Principles

The consumer cooperatives in Tena Woreda give formal education and training to its member in weekly training given monthly and as it was needed for the management commute. But for its member it was given quarterly or Annually and as it was needed there for the performance consumer cooperative regarding to education and trading principle is some what good.

Education also given to its member's weekly and unfortunately at the needed time.

Cooperation among Cooperative Principles.

Consumer cooperatives are those that can have a direct contact which clients. They make easy the distribution of production the cooperative among the producer cooperatives and consumer cooperatives indicates that the development of local production .In Tena woreda there is no link between them.

Generally from the data and the interviews shows that there is no cooperation among the cooperatives there is some hint that some cooperatives have cooperation with non-formal cooperatives.

Concern for the community Principle

Consumer cooperatives are those that can have a direct contact with clients. They make easy the distribution of production .The cooperation among the producer cooperatives and consumer cooperatives indicates that the development of local production .In Tena woreda there is no link between them.

Generally from the data and the interview shos that there is no cooperation among the cooperatives ,there is some hint that some cooperatives have cooperation with non-formal cooperatives.

Concern for –the Community principle

In tena woeda the cooperative is work for sustainable development of the communities through policies approved by their members .It is organized that generally exist for the benefits of their members.

Honesty

It is the market identity of cooperatives .It is difficult to assess the quality of the goods and services provided by the market and cooperatives for the main reason on that both the retail market and the cooperatives shops purchase from the same sources they distribute mainly of imported goods.

The study compares the retail prices of the market and the cooperatives .In this woreda the consumer cooperatives supply goods and survices to their members and to the community at lower prices than the private retail shops.

E. Employment Opportunity

The major activity of consumer cooperative is retailing consumable goods & services .The Tena Woreda consumer cooperatives have a number of employees ranging from aminimum of two to the maximam of 25 . Accordingly ,there are 12 employs under the Tena woreda consumer cooperative. Their educational level is above grade 5 they paid the minimum salary of 150 birr and the maximum salary of birr 400 an average they paid 275 birr for one employee per month.

Generally the employees are permanent except the cleaners & guards. Hence the consumer cooperative is established from the last three years it is on the way of developing. There for it has a good chance to create Employment opportunity for the future.

F. Economic and financial Situation

Since the consumer cooperative was established in the recent year it is difficult to evaluate its financial situation but it is profitable. It has not lost.

Regarding to its physical capital the consumer cooperative in this worda have its own space for shops from banks. NGO, governmental organization & institutions, one cooperative has land problem.

3.2.2 Role of consumer cooperatives towards improving the standard of living of the population.

In this part of study, the role of Tena woreda consumer cooperatives towards improving the standard of living of the population is examined based on one consumer cooperative price list of some commodities.

Consumer cooperatives play a major role in improving the standard of living of the population. The origins of consumer cooperatives by itself are as a way to out of low standard living by facing market competition and inflation. It increases the purchasing power of consumer by lowering the prices of goods and services. In this woreda in the cases of non-competitive market by increasing the bargaining power of the consumer, it reduces the prices of goods and services. In this woreda in the cases of non-competitive market by increasing the bargaining power of the consumer, it reduces the prices of goods and services. On the other hand, in the cases of competitive markets by creating direct distribution channel between producer and consumer, it reduces prices of goods and services, more over, by returning the profit of the numbers or to the community, it increases income level so as the purchasing power. There for it was established in the recent year for the future this consumer cooperatives is more improve the standard of living of the Tena woreda population.

The following table shows the prices of some selected commodities of urban government workers of consumer cooperative and the near by retail shops.

Commodity price of Ticho Consumer Cooperative and private Retail Shops.

T/L	Commodity	Retail price in birr		price diff.b/n TICHO CON. Coop @ others	purchasing price of Ticho coop.	Revenue from sales of Ticho Con. Coop. in Birr.
		Ticho Coop.	con. Others			
1	Salt	3.50	6	2.50	3.25	0.25
2	Sugar	15.75	18	2.25	15.25	0.50
3	popular Soap	9.50	11	1.50	9.25	0.25
4	Nazareth Soap	3.50	4.0	0.50	3.25	0.25
5	Flour	10.30	13	2.70	10	0.30
6	Liquid Oil	34	36	2	33.5	0.50
7	Ayat Oil	31	35	4	30	1.00
8	Macaroni	17.50	18	0.50	17	0.50
9	coffee	80	96	16	75	5
10	soft- Durank	5.20	7	1.80	5	0.20
11	Ex.Book (32)	4	4.50	0.50	3.75	0.25
12	Bic. Pen	2.85	3.50	1.35	2.50	.35

Form the sampled items, there is a selling price difference between urban governmental workers consumer cooperatives and private retail shope from the minimum 0.30 birr to a maximum of 16 birr. For example 1kg of coffee shows 16 birr difference .One shows differences on selling prices this increase the individual consumer purchasing power through decreased selling prices.

i.e through decreasing costs. This indicates that even if thee price difference seems llow,they have a capacity to work more through educational improvements and through cooperation with other types of cooperatives.

The reveeneve of urban governmental workers of consumer cooperative from the sampled items ranges from the minimum of 0.25 to the maximum of 5.00 birr it implies that the cooperative do not have a profit motive.

Besides to this consumer, even if it is insignificant compared with the number of the total community urban governmental worker of consumer cooperative improved the standard of the population by creating employment opportunities . It has employee. The minimum salary paid is birr 50 and the maximum is birr 400 .This also leads to forth production of goods and services in the economy by increasing their demand due to increase in income of the population. The consumer cooperative participation in this worda community.

Development programs has also a significant role in improving the standard of living of the population.

IV. Conclusion and Recommendations

4.1 Conclusion

Cooperative have major rule in economic delit.

They have significant share in different sectore of the economy .This paper tries to see the main resons for cooperatives low participation in the economy .by focusing on the performance of consumer cooperatives in Tena worda.

The specific objectives operating in Tena , Evaluating the performance of consumer cooperatives and assessing the role of consumer cooperatives to wards improving the standard of living population.

There are 4 (four) types of cooperative in Tena worda .They have 113,575,286.73 Birr capital and 2473 members .The major kinds of cooperative in Tena worda is agricultural & marketing cooperatives ,They are also 4(four) consumer cooperative found in Tena worda. They have a capital of 246,840.73 and 61 members . 78% are men.

The study tries to evaluate and examine the performance of Tena worda consumer cooperatives based on their competence to participate the society types of activity they involved ,their back grounds to organized ,cooperative principle and value, their back grounds to organized ,cooperative principle and value ,their employment opportunity and their economic and financial situations.

Besides to this was discussed the role of consumer cooperative to wards improving the standard of civing of the society its economic, social and political role.

The role of Tena worda consumer cooperatives to wards improving the standard of the population is examined based on one consumer cooperatives urban governmental consumer cooperative, the price list of some commodation from the

Sampled items ,for example a total of hayat oil is shown 4 birr and a kilo of salt shows 2:75 difference on selling prices.

Generally consumer cooperatives has big role in Tena woreda in improving the living standard of community by creating available market condition, by rendering credit and saving serves ,by seeking solution to the common economic problems of its members and by providing industrial by product etc. According to the study the Tena woreda consumer cooperative was established in the recent year. There fore it does not have good performance regarding to cooperatives principles and their economic activities.

Recommendations

- ❖ Based on the study cooperatives has a great importance of development .There fore emphasis should given by the government to encourage and aware people to from cooperatives .So that to cooperate their human & financial resources.
- ❖ As the study finds out the major problems for the development of cooperatives are their poor performance on education & training & their poor cooperation with each other.

Hence this study recommended that selection motivating & training cooperative leaders & helping cooperatives to form cooperation between them selves will power to the development cooperatives.

- ❖ Even though it is important to cooperate and mobilize members own resources to solve their common problems government should creat mechanism for available financial assistance ,education and training courses and coordination to cooperatives.

ANN EX . Summary of Questionnaires Response

Name of consumer cooperatives	year of Establishment	meeting.		last Audit	is there participation register	member ship	registration fee	share price	educ. & Train.
		General	management						
Ticho Consumer cooperative	2000	per year	monthly	2004	yes	open	100	5000	yes 2
Kiela consumer cooperatives	2003	per year	monthly	2004	yes	open	50	500	yes 2
wadago consumer cooperatives	2003	per year	monthly	2004	no	open	10	100	yes 1

QUESTIONNAIRES

This questionnaires is prepared to evaluate the performance of consumer in Tena woreda

I. The Cooperative

1. Name _____
 2. Address Kebele _____ Tel.No _____
 3. Number of members _____ male _____ Female _____
 4. Activity of the cooperative _____
 5. Is the cooperative open to new members or closed to new members?
 6. Registration fee for membership birr _____
 7. The cooperation is esfabishep
- Around residential place
 - Around officed

II. The Members

1. Requirement for a member ship
- Registration fee birr _____
 - Price share _____
 - Other requirements
2. Members Educational back ground
- Degree
 - Diploma
 - 12@ 10th Grade completed
 - Certificate
 - From Grade 1-8
 - From 9-12
3. Members Participation
- Man power
 - Share capital
 - Using the cooperative services
 - Other

III. Cooperative meeting

1) General meeting

- Year - Quarterly
- Semi-A annually monthly

2) Manages Meeting

- Last election date
- Schedule of meeting
- Monthly
- Weekly
- Other

IV. The Employees

1. The total number of employs _____ male _____ female

2. Are all members or not members

3. Educational level

- Diploma & above
- Certificate
- 10th & Grade completed
- From Grade 1-12
- Other

4. Salary – Maximum

- Minimum
- Benefits if only

V. Financial situations

- Last audit date

- If there is deficit amount in birr _____

- If the cooperative has accredit facility is it from

- ❖ Banks
- ❖ Individuals
- ❖ Micro finance
- ❖ Government
- ❖ NGO
- ❖ Other

VI . Education & Training

Date of Training	Place of Training	number of members participant	kinds of Education and training

Is there any cooperation with other cooperative

Yes

No

If yes what type of cooperation

- **What are types of problem faced during the cooperation**

❖ **Land**

❖ **Finance**

others

Other comments

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Thank you for your

Participation

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ST Mary's University College

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Department accounting

Declaration

- I. The undersigned declared that this senior project is my work and that all sources of material used for the research have been fully acknowledged

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Signature _____

Date of Submission 2002