

ABALA GEFETA HOKO MOUNTAIN FOREST MANAGEMENT & PROTECTION COOPERATIVE SOCIETY

BYE-LAWS

Article 1. Name of the Cooperative Society

1.1 The Cooperative society shall be called Abela Gefeta forest management and protection cooperative society (hereinafter called the “Society”).

1.2 The Society shall have limited liability.

Article 2. Address of the Society

2.1 The Society shall have the following address:

Region: South Nations Nationalities and peoples state

Zone: Wolaita

Woreda: Humbo

Kebele: Abela Gefeta

2.2 The society shall have its head office in its own administrative Kebele.

2.3 The society may have branch offices when necessary.

Article 3. Designated Area for Reforestation Activities

The Designated area for Reforestation activities shall be 174.6 ha in Gefeta Kebele Peasant Association, Humbo Woreda, Wolaita Zone, South nation's nationalities and peoples Region.

Article 4. Emblem and Seal of the Society

4.1 The emblem of the society shall be “Cordia Africana”.

4.2 The society shall have a seal with the name and emblem of the society.

4.3 The seal shall be kept with the person given the responsibility to hold the seal under this memorandum of association and shall be used on official letters of the association.

Article 5. Objectives and Activities of the Society

5.1 Objectives

The association shall have the following objectives:

5.1.1 To undertake reforestation and conservation activities of the area designated as forest land within the locality cited under Article 3 above.

5.1.2 To mitigate the degradation of natural resources and climate change in the designated area and restore the natural balance by planting indigenous tree species.

5.1.3 To ensure that the development, protection and conservation of the reforested area is carried out under the full control and active involvement of the community living around the area.

5.1.4 To improve the livelihood of the members of the society by promoting investment and saving culture within the community.

5.1.5 To encourage sustainable forest management and natural resources conservation.

5.1.6 To ensure that members share the responsibilities and the benefits from the reforestation of the designated area.

5.1.7 To increase forest cover in the community managed areas and ensure improved forest condition.

5.1.8 To use the income derived from the reforestation project to meet the various development needs of the community.

5.1.9 To promote the participation of women.

5.2 Activities

5.2.1 To undertake forest development activities such as tree planting, thinning, pruning, weeding, guarding etc of the enclosed reforestation area by contributing voluntary labor in accordance with the program devised by members of the society.

5.2.2 To protect and conserve the reforestation area through enclosure by fencing and/or by guarding the area on a rotational basis by members selected from each sub-kebelle/kebelle (or by paid forest watchers).

5.2.3 To grow seedlings by establishing nurseries and plant them when necessary.

5.2.4 To conserve natural tree seedlings and replant them in open areas.

5.2.5 To provide training and education to members of the society and to elected members of different committees on various aspects of forest management.

Article 6. Guiding Principles of the Society

6.1 Membership shall be based on a voluntary basis and open to all willing to accept the responsibilities of membership without gender, social status, ethnic origin and political discrimination.

6.2 The society shall be under the democratic control of members who shall actively participate in devising their own policies and in passing decisions concerning the activities of the society.

6.3 Any agreement with other organizations or income generated from external sources shall be on terms that ensure the control of members of the society and that maintain their autonomy.

6.4 The society shall cooperate with other cooperative societies whose objectives are of a similar nature including creating a union where necessary.

6.5 The society shall contribute to the sustainable development of the community by devising policies and programs to that effect.

6.6 The society shall create public awareness on the benefits of cooperative organizations for the management of natural resources.

Article 7. Membership

Any person fulfilling the following criteria may be a member of the society:

7.1 14 years of age and above.

7.2 pay the registration fee and contribute the minimum share.

7.3 be a member of the peasant association with the locality of the designated area

7.4 voluntarily accept to abide by the bye-laws, internal bye-laws and various directives that may be issued and discharge obligations accordingly.

Article 8. Application for Membership

8.1. Any person eligible and willing to be a member of the society shall apply for membership and put her/his name and signature on the registration form prepared for this purpose.

8.2. The association may at any time accept members who fulfill the criteria of membership stated in Article 7.

8.3. The executive committee shall inform the general assembly and get its approval when accepting new members.

8.4. If the application of membership is not accepted, it shall inform the applicant the reason for non-acceptance in writing.

8.5. An applicant who has been refused acceptance of membership of the association may submit her/his grievance to the general assembly.

Article 9. Registration Fee

9.1 A member shall pay a non-refundable fee of 5 birr upon registering for membership of the society.

9.2. A member shall be issued a certificate of registration once registration fee is paid.

Article 10 Payment of Shares

10.1 The society shall sell 400 number of shares with equal value of birr 10 and with a total capital amounting to 4000 birr.

10.2 Each member of the society shall buy at least one share.

10.3 A member may buy shares in cash or in kind.

10.4 A member who is not able to buy his/her share at one time may pay the full amount within 3 time. However, the payment must be made within a one-year period.

10.5 A member may not hold more than 10% of the total paid up share capital of the society. Notwithstanding this, the members of the society may agree that they shall buy equal shares.

10.6 The executive committee of the society may submit the sale of additional number of shares to the general assembly together with the annual work plan.

Art 11. Rights of Members

Members of the society shall have the following rights:

11.1 To vote, elect or be elected to any of the offices of the society.

11.2 To participate in all meetings of the society and give her/his opinions freely including any grievances and queries she/he may have regarding the association and its activities.

11.3 To have common user rights over the land demarcated and designated as the community reforestation area. (Option 2, to have rights over a block of land from the land demarcated and designated as the community reforestation area on the basis of households/subkebele or other basis to be determined and agreed upon by the general assembly).

11.4 To have an individual or common share in the benefits and income to be derived from the activities of the society. (Option 2, To share in the benefits and income to be derived from the activities of the society on the basis of allocation to be determined by the general assembly).

Article 12. Duties and Responsibilities of Members

Members shall have the following duties and responsibilities:

12.1 To manage, conserve and protect the enclosed reforestation area in accordance with the internal rules to be agreed upon by the general assembly.

12.2 Not to allow access to both members and non-members within the protected (enclosed) area except for purposes that will be determined by the general assembly.

12.3 Not to allow cutting of trees, livestock grazing, charcoal making etc (add any other activities to be prohibited) inside the protected area.

12.4. Each household shall protect the forest on the basis of rotation. (Option 2, Forest protection shall be carried out by employed guards (watchers). Their payment shall be determined by the general assembly).

12.5 To refrain from collecting forest products inside the reforestation area except as provided in the rules agreed upon by the general assembly.

12.6 To contribute labor to various activities related to the reforestation area (e.g. tree planting, pruning, fencing etc (add any other relevant activities)).

12.7 To inform the responsible authorities of the association when any person violates rules agreed upon by the members of the society.

12.8. To attend meetings called by the society.

12.9. To contribute labor and participate in any other activities required by the society.

Article 13. Devolution through Succession

13.1 Any member may devolve his/her share/dividend or other benefits through succession.

13.2 The heirs shall have a right to succession after settling the debts or any other liabilities of the successor due to the society if any.

Article 14 Cancellation of Membership

A member may be cancelled from membership of the society for the any of the following reasons:

14.1 when she/he voluntarily wishes to relinquish membership.

14.2 when a member violates this bye-law, internal rules or decisions passed by the society although she/he is given advice and warning to take corrective measures.

14.3 when a member severes her/his relationship with the society for more than one year.

14.4 a member may be cancelled from membership of the society only when the executive committee submits such request to the general assembly and gets its approval.

15. Organizational Structure of the Society

The Society shall have the following organizational structure:

- a) General Assembly
- b) Executive Committee
- c) Internal Control Committee
- d) Finance Committee/credit and saving committee/
- e) Other sub-committees
- f) Hired staff?

16. The General Assembly

16.1 The general assembly shall be composed of all members of the society and is the highest decision-making body of the society. It shall have the following powers and responsibilities:

16.2 Powers and Functions of the General Assembly

16.2.1 To deliberate on and pass decisions on all the activities of the society including the management, protection and use of forest resources, financial revenue and administration.

16.2.2 To adopt the bye-laws and internal rules of the society.

16.2.3 To elect the Chair, Vice-Chair, Secretary and Cashier of the association including members of the executive committee, the internal control committee, the finance committee and other sub-committees.

16.2.4 To decide on the on the amount of contribution of shares by members.

16.2.5 To approve saleable forest products and to supervise their procedures.

16.2.6 To determine mechanisms for benefit sharing from income derived from forest products and the carbon fund. (Alternatively be provided in the bye-laws itself if it is decided that the income goes to a common fund, see article __. (

16.2.7 To review and approve the annual work plan and budget of the society;

16.2.8 To review and approve the annual activity and audit report;

16.2.9 To make decisions on request for membership of the society;

16.2.10 To make decisions of cancellation of membership from the society when any member does not meet its obligations provided in this bye-laws;

16.2.11 To ensure that the activity report presented to it by the executive committee is in line with the objectives of the association as well as the approved work plan;

16.2.12 To amend the bye-laws when necessary;

16.2.13 To make decisions when there is change of the head office of the society or the establishment of branch offices of the society;

16.2.14 To cause the examination of the account of the society by an external auditor;

16.2.15 To decide on the dissolution of the society;

16.2.16 To make decisions on other matters not specifically given to the management body of the society.

Article 17. Meetings of the General Assembly and procedures for elections and decision-making

17.1 The regular meeting shall take place two times annually. In case of matters that need urgent attention, an extraordinary general assembly meeting may be called.

17.2 An extraordinary general assembly meeting may be called when more than 10% of the members of the society request for such meeting.

17.3 There shall be a quorum when 50% of the members of the society are present at the general assembly meeting.

17.4 Election may be undertaken only when there is a quorum.

17.5 Once the quorum is fulfilled, the general assembly shall elect three election committee members to conduct the process of elections in accordance with criteria to be decided by the general assembly.

17.6 Any decisions of the general assembly shall be passed by a majority vote of members present. In case there is a tie, the chair shall cast a vote and the decision favored by the chair shall be final.

Article 18 The Executive Committee

18.1 The executive committee shall be composed of seven members which shall be accountable to the general assembly.

18.2 The executive committee shall have equal representation from each sub-kebelle (kebelle) forming the association (optional).

18.3 The composition of the executive committee members should include women to ensure gender balance.

18.4 The term of office of the executive committee shall be three years. However, the term of office of a member of the management committee shall not exceed for more than two consecutive terms.

18.5 In the event that a member of the executive committee does not perform well, the individual may be dismissed from office upon the decision of 2/3 of the members of the general assembly and reelection shall be conducted for the replacement.

Article 19. Powers and Functions of the Executive Committee

The Executive Committee shall have the following powers and functions:

19.1 Prepare the annual work plan and budget of the association and upon approval implement same.

19.2 Formulate the forest management plan and related activities and submit it for approval to the general assembly for implementation.

19.3 Develop measures to protect the designated forest area for use by members (and non-members?) and submit same for approval to the general assembly.

- 19.4 Submit major issues to the general assembly for resolution.
- 19.5 hold the minutes of meetings in writing.
- 19.6 call meetings of the general assembly in accordance with the bye-laws of the society.
- 19.7 cause the audit of the society's accounts by an independent auditor.
- 19.8 Prepare and submit reports of the financial status of the society to the general assembly.
- 19.9. hold the books of accounts of the society in an appropriate manner.
- 19.10 Submit the annual activity report of the society to the general assembly meetings.
- 19.11 The executive committee shall elect its own Chair, Vice-Chair, Secretary and Cashier and present the nominees to the General Assembly for approval.
- 19.12 The executive board shall form an advisory committee from government and non-government agencies which shall be non-voting members of the association.

Article 20. Chair, Vice Chair, Secretary and Cashier of the Association

The General Assembly shall elect the Chair, Vice-Chair, Secretary and Cashier of the Association from members of the Executive Committee that shall have the following powers and functions:

20.1 Chair

- 20.1.1 chair the meetings of the general assembly and the executive committee.
- 20.1.2 ensure that the decisions of the general assembly and the executive board are implemented.
- 20.1.3 represent the society on any matters related to the activities of the association.
- 20.1.4 enter into contracts on behalf of the society with governmental or non-governmental organizations.
- 20.1.5 call the ordinary and extra-ordinary meetings of the general assembly and the executive board.
- 20.1.6 approve the financial documents of the society as well as sign cheques together with the cashier or hired staff.

20.1.7 submit the annual work plan of the executive board to the general assembly for approval.

20.1.8 submit the annual activity report of the executive board, the financial status and audit report of the society to the general assembly and transmit same to the relevant government and donor agencies.

20.1.9 perform other functions given to it by the general assembly.

20.2 Vice-Chair

20.2.1 perform the powers and functions of the given to the Chair in Article 16.1 above, in the absence of the Chair.

20.2.2 perform other functions specifically given to it by the Chair or the executive board.

20.3 Secretary

20.3.1 assist the Chair in the performance of its functions.

20.3.2 hold the minutes of the general assembly and the executive committee.

20.3.3 prepare the agenda of the meetings of the general assembly and the executive committee in consultation with the Chair.

20.3.4 hold any records and files of the society including the registration of members of the association.

20.3.5 perform any other functions given to it by the chair of the executive committee.

20.4 Cashier

20.4.1 receive income of the society against legal receipts;

20.4.2 deposit the income of the society at the bank and keep the receipts in an appropriate manner;

20.4.3 keep petty cash of no more than 200 birr for administrative expenses;

20.4.4 balance the book of accounts of the society every month together with the finance head;

20.4.5 hold the cheques of the society;

20.4.6 withdraw money from bank upon the joint signature of the chair.

Article 21. Internal Control Committee

21.1 The internal committee shall be composed of 3 members to be elected by the General Assembly and accountable to it.

21.2 The term of office of members the committee shall be three years which may be renewable only for another term of three years.

21.3 The general assembly may fully or partially dismiss any member of the internal control committee during their terms of office.

Article 22. Power and functions of the Internal Control Committee

22.1 It shall ensure that members and non-members of the society adhere to the rules and regulations of the association.

22.2 It shall ensure that the property of the society is appropriately kept in accordance with the rules and regulations of the association.

22.3 It shall ensure that the executive committee of the society appropriately discharges its powers and functions.

22.4 It shall ensure that the recommendations given in the audit report are properly implemented.

22.5 It shall report on its activities to the general assembly at least once a year.

Article 23. Sub-Committees

The society may establish sub-committees accountable to the executive committee to undertake specific functions for the purpose of managing and protecting the demarcated reforestation area when necessary.

Article 24. Board of Trustees

24.1 A Board of Trustees shall be established composed of the Chairman, Vice-Chairman and Secretary of the Executive Committee and at least _____ members from World Vision Ethiopia, the Woreda Rural Development and Agricultural Office and other relevant government sectors from the Woreda which play a key role in the effective implementation of the objectives and activities of the society. (Option 2, the specific names of WVE and woreda government offices may not be mentioned at this stage by simply stating, “governmental and non-governmental agencies existing within the region

which play a key role in the effective implementation of the objectives and activities of the society”).

24.2 The external members of the board shall be elected by the general assembly. (Option 2, the external members of the board of trustees shall be elected by a majority vote of the executive committee).

24.3 The external members of the board of trustees may participate in general assembly meetings as non-voting members.

24.4 The Board of trustees shall have quarterly meetings annually.

Article 25. Powers and Duties of the Board of Trustees

25.1 render technical, professional and advisory assistance to the society.

25.2 jointly monitor the reforestation carbon project with members of the executive committee.

25.3 act as liaison with the relevant governmental, non-governmental and international financing agencies for the effective implementation of the project.

25.4 assist in the formulation of internal regulations and forest management plans.

25.5 provide assistance in case of potential disputes with unauthorized forest uses.

25.6 recommend a general manager for the project with adequate capacity for the administration of the project.

Article 26. The General Manager (Optional)

26.1 The General Manager shall perform the day-to-day activities of the society under the supervision of the executive committee.

26.2 The hiring of the general manager shall be carried out by the executive committee subject to approval of the general assembly.

26.3 The general manager shall participate in the meetings of the executive committee as a non-voting member.

Article 27. Powers and Functions of the General Manager

27.1 It shall prepare the work plan of the project in line with the objectives of the association and submit same to the executive board for approval.

27.2 It shall implement the directives and decisions passed by the executive committee.

27.3 It shall prepare the annual activity and financial report of the society and submit same to the executive board.

27.4 It shall ensure and follow that the official stamp, documents and any information of the association is kept in an appropriate manner.

27.5 It shall direct the day-to-day activities of the society.

27.6 It shall prepare and submit timely and essential information to the executive committee that promotes the effective implementation of the activity of the society.

Article 28. Other Hired Staff

The society may employ other staff such as accountants, cashier, guards etc., where necessary for the effective implementation of its activities.

Article 29. Source of Income of the Society

The source of income of the society shall be from:

29.1 Members' contributions.

29.2 Income derived from the sale of forest products and/or non-forest products.

29.3 Income derived from the sale of sequestered carbon as a result of the reforestation activities.

29.4 financial or material contributions or donations from either national or international donor agencies.

Article 30. Benefit and Income Sharing

30.1 Income derived from the sale of forest and non-forest products shall be shared according to the decisions of the general assembly.

30.2 The income derived from carbon sequestration as a result of the reforestation activities shall be used for development activities agreed upon by members of the society (Optional, Income derived from carbon sequestration shall be divided among members according to the decisions of the general assembly).

30.3 The society shall keep 30% of the net profits of the society as a reserve fund. The amount of money deducted from the net profit as a reserve fund shall be deposited in a

saving account opened in the name of the society. The amount allocated as reserve shall be deposited only until it shall not exceed 30% of the capital of the society.

30.4 The society shall retain____% of the annual income of the society for overhead costs.

Article 31. Financial Management

31.1 A bank account shall be opened in the name of the society.

31.2 The money of the society shall be deposited in the association's bank account.

31.3 Any deposits or withdrawals from the bank account of the society shall be effected upon the joint signature of the chair and cashier of the society.

31.4 The cashier shall not keep more than 500 birr in his/her deposit box.

Article 32. Per Diem and Other Payments

32.1. There shall be no payment for the various committee members for services rendered to the society. However, when members of the committee travel outside the locality of the association, they shall be paid a per diem of _____birr per day and for travel expenses against receipts.

32.2 The executive committee shall determine the amount of per diem to be paid and get approval from the general assembly.

Article 33. Ownership of Property Rights

33.1 The society shall own property once its established as a legal entity.

33.2 The society shall own any immovable or movable property it has produced through its own activity.

33.3 The society shall have user rights over the land which right includes the right to sell, lease and sell the fruits of the labor of the members of the society including the right to carbon sequestered as a result of the reforestation project.

33.4 The society shall have rights over the demarcated community reforestation land and can exercise such rights against third parties.

Article 34. Audit of the Accounts of the Society

34.1 The Society shall have its account audited annually based on the Ethiopian accounting year (September-June).

34.2 The account shall be audited by the relevant authority certified to carry out such auditing.

34.3 The audit report shall be presented to the general assembly with one month of the completion of the audit.

Article 35 Dispute Resolution

35.1 Any dispute that may arise between members of the society shall initially be submitted and resolved by the executive committee.

35.2 Any dispute that may arise between the elected members of the society and other members shall initially be submitted to the general assembly for resolution. In such instances, the government office responsible for organizing cooperatives may act as a mediator.

35.3 If disputes under that may arise under the above circumstances are not resolved within the society, the case will then the parties to the dispute shall nominate arbitrators from the community to resolve the dispute within a period of 15 days.

35.4 A party aggrieved by the arbitral decision may lodge an appeal to the court which has jurisdiction over the case.

Article 36 Internal Regulations

The executive board shall prepare internal regulations for the proper implementation of the various activities of the society which shall be submitted to the general assembly for approval.

Article 37. Amendments

This bye-law may be amended by a decision of one-half of the members of the general assembly.

Article 38. Duration of the Society

The Society has been established for an indefinite period of time.

