



# GUIDANCE NOTE:

## ACCREDITATION OF SUPPORT ORGANISATIONS AND SERVICES OFFERED BY REPRESENTATIVE BODIES AND SUPPORT ORGANISATIONS

### BACKGROUND

The Co-operative Banks Act number 40 of 2007 ('the Act') provides for the registration of support organisations and representative bodies as well as accreditation of Support Organisations by the Co-operative Banks Development Agency (CBDA). Sections 31-35 of the Act outlines the application process, registration requirements, requirements for continued registration and cancellation or suspension of registration of representative bodies. Sections 36-39 of the Act outlines the application and accreditation requirements for support organisations while Section 40 deals with the cancellation and suspension of accreditation.

### PURPOSE

The purpose of this guidance note is to outline the reasons for the accreditation of Support organisations and to spell out the roles and responsibilities of the accrediting institution and the accredited institution and to provide a distinction between the services offered by support organisations and representative bodies. This guidance note should be read in conjunction with the Act, Sections 31- 40.

### DEFINITIONS OF SUPPORT ORGANISATION AND REPRESENTATIVE BODY

- a) According to the Act, "Support Organisation" means a support organisation accredited under section 38 that supports more than one co-operative financial institution or co-operative bank as contemplated in section 37".
- b) "Representative body" means a secondary co-operative, irrespective of whether it is also a secondary co-operative bank, or other association of co-operative financial institutions and co-operative banks registered under section 33 that represents at least two co-operative banks or co-operative financial institutions in interactions with organs of state, the private sector and stakeholders.

### WHY ACCREDIT SUPPORT ORGANISATIONS?

- a) To ensure that the CBDA conducts quality assurance on the support activities offered by the Support Organisation e.g. training
- b) To ensure that Co-operative Financial Institutions receive support from credible institutions and quality support from the Support Organisations.
- c) To ensure that the Support Organisations have the requisite knowledge and experience in offering support to the CFIs.
- d) To ensure that the Support Organisations have sufficient human, financial, and operational capacity to function efficiently and competently for the benefit of the CFI sector.
- e) To ensure that the Support Organisations abide by the signed support agreements with the CFIs
- f) To ensure that the Support Organisations are accountable to the CBDA thereby minimizing the risk of CFIs not receiving value for money for the purchased services.
- g) To instil confidence in the sector.
- h) To ensure that the Support Organisation uses the tools and materials developed or approved by the CBDA.
- i) Accredited Support Organisations will be able to grant certification to participants after completion of training.
- j) To ensure consistency and standardization of training.

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### ROLES AND RESPONSIBILITIES OF THE ACCREDITOR AND ACCREDITEE

ACCREDITOR (CBDA)	ACCREDITEE (SUPPORT ORGANISATION)
1. Quality assurance of support services	1. Provide quality support services to CFIs
2. Develop support tools and materials	2. Use the tools developed or approved by the CBDA to offer support
3. Receive performance reports and training reports from support organisations	3. Submit performance and training reports to CBDA
4. Renewal/withdrawal of accreditation	4. Apply for renewal of accreditation
5. Ensure compliance of the support organisation to the accreditation conditions	5. Comply with the accreditation conditions
6. Set standards and training outcomes	
7. Monitoring and evaluation of the support activities	

#### Note:

- 1) It is the responsibility of the CFI to ensure they are receiving training from an Accredited Support Organisation.
- 2) Accredited Support Organisations will be listed on the CBDA website and will be issued with a certificate.
- 3) If there is an unaccredited institution offering training to the CFIs, it is the CFIs responsibility to report it to the CBDA.
- 4) The CBDA reserves the right to any time attend the training sessions conducted by the Support Organisation.

### SERVICES OFFERED BY SUPPORT ORGANISATIONS AND REPRESENTATIVE BODIES

SUPPORT ORGANISATION SERVICES	REPRESENTATIVE BODY SERVICES
1. Education and training	1. Advocacy and Lobbying in matters relating to legal, business and labour related e.g. [taxation issues, unfair competition, unjustified levies, punitive legislative instruments, delayed payroll remittances]
2. Accounting and auditing	
3. Research and Consultancy	
4. Risk management	
5. Information technology services	
6. Marketing and promotions	
7. Mentorship and Coaching	
8. Incubation	

**NB.** No Support Organisation will assume the services of a Representative body and no Representative body will conduct the services of a support organisation unless registered to conduct both.