

Memorandum

Future of the SACGLC

March 2010



Complied by the SACGLC

Transition Working Group¹

1. Introduction

The Transition Working Group that was formed at the November 2009 Retreat, held a tele-meeting on Wednesday, 17 February 2010 to further discuss and plot the way forward for the Co-op. Part of the way forward is continued consultation with Co-op member organisations. Individual Co-op members are therefore requested to, within their own organisation with relevant decision-makers, complete the following task:

Task for co-op members:

- **To consider whether you and your organisation want to be a member of a leadership learning (Option A) and a representative structure (Option B) and**
- **What do you think would be the benefits of belonging to such a structure and what emphasis would you place on the representation aspects of the organization?**

Refer to the minutes accompanying this memorandum, as well as the organisational options (A, B & C) as already circulated to members – refer to business meeting minutes (November 2009 Retreat). The intent is to already have a good idea of what the Co-op members want by the time of our Learning Event in April.

Comments to be submitted in writing to Adele Wildschut (awildschut@synergos.org.za) by latest Monday, 29 March 2010.

2. Main issues for consideration in deciding future of the Co-op

- 2.1 The organisational options as the starting point (Options A, B & C or a combination of them): is Co-op about leadership development & learning (80% or 50%) and / or being a representative body (20% or 50%)? A representative body to deal with governments (of the member organizations) and other national stakeholders, and at a later stage (as it develops and finds its feet), the international NGO sector.
- 2.2 Sustainability of the Co-op; keeping the Co-op alive.
- 2.3 Registration of the Co-op
- 2.4 Identify / nature, values and purpose of the Co-op.

As soon as these are clarified, the members can make a final decision.

3. Follow up discussions and decisions

As soon as the issues in point 1. are dealt with, then would follow a discussion to decide about the location of the Co-op – in which member country (Zimbabwe, South Africa, Mozambique or Namibia)?

To consider the following:

- 3.1 Feasibility / sensibility: enabling legislation, types of legal entities, registration authority, ease and cost of registration, tax regime.

¹ Members: Beulah, Inviolatta, Tina, Acia, Erika & Adele, Ronny, Macame. The contents of the memorandum are informed by discussions from the first tele-meeting held by the group on 17 February 2010.

- 3.2 Donor considerations: which countries are “sexy” and not over-funded? Which country will be preferred by donors? In which country will there be less of a pressure on the pot of funds available? Less competition for available funds with other networks?
- 3.3 In which country will the Co-op be able to leverage most support? Where is it known and respected?
- 3.4 Benefits and disadvantages of registering in each country.

4. Fiscal Sponsor

Propose a fiscal sponsor (or more) for the Co-op.

Benefits include:

- Being provided with an official letter stating the institution is fiscal sponsor – adds weight to your legality and credibility.
- Assist a newly formed organisation to build credibility, a good reputation and track re record.
- Fiscal sponsor can provide the financial management.
- Can jointly with institution run the finances.
- Can do the book-keeping on own or jointly.
- Payments can be done by the Fiscal Sponsor (fully or partly).
- Audited financials: will have more standing in the international world.
- Can provide tax exemption status e.g. 501(c) in the US

Role of Synergos:

Agreement that Synergos has done very good work with the Co-op and this should not be lost; keep the relationship going. Continued facilitative role for Synergos? Otherwise role should be passed to member organisations who would want to fulfill that role.

5. Representivity and regionality

Be a regional body?

Element of advocacy: depends on purpose agreed by members

6. Documentation, Institutional memory

A need to document the Co-op’s experience on working with various issues, such as (South African) The Lotteries and the National Development Agency. Build case studies around these experiences; can inform future actions.

Not loose the experience that it has built up as a network over the years.

7. Proposals to move forward

- 7.1 Start with registering the Co-op as a not-for-profit network under the South African NPO Act (is not cumbersome and is for free). If function as an NPO for the next 2 years, it is acceptable.
- 7.2 Currently, the Co-op can not do advocacy work since it is not registered as a representative structure.
- 7.3 Proposed legal entity status: voluntary association (currently no legal status).
- 7.4 Drafting of a Constitution based on the agreed nature and function of the Co-op.
- 7.5 Then work towards being a proper, official legal entity.
- 7.6 And during that time, consider the following:
 - how best to function
 - where it would be most beneficial to register the Co-op.
- 7.7 Identify fiscal sponsors.

TO DO: All Co-op members to make suggestions for possible fiscal sponsors.
