

Cooperatives and Their Role in Supporting the Jordanian Agricultural Sector



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Introduction

The agricultural sector is one of the fundamental pillars of the Jordanian economy, contributing to food security, job creation, and sustainable development. However, this sector faces numerous challenges, such as water scarcity, rising production costs, and weak agricultural marketing. In light of these challenges, agricultural cooperatives stand out as an effective tool for supporting the agricultural sector and enhancing its ability to withstand crises. Cooperatives are a successful model of collaboration among farmers to achieve common goals, such as improving productivity and increasing income.

Agricultural cooperatives are economic and social organizations based on the principle of collective action, where members work together to achieve common objectives that serve their mutual interests. These cooperatives provide various services to their members, including supplying production inputs at affordable prices, marketing agricultural products, and offering technical and advisory support to improve productivity.

Agricultural cooperatives form a cornerstone in supporting the Jordanian agricultural sector and achieving sustainable development. By enhancing productivity, improving marketing, and reducing financial burdens, these cooperatives can contribute to overcoming the challenges facing this vital sector. With proper support and addressing the challenges they face, cooperatives can become an effective tool for ensuring food security and strengthening the national economy in Jordan.

History of Cooperatives in Jordan

The cooperative movement in Jordan is a key part of the country's social and economic development history. It officially began in 1952 with the issuance of the first Jordanian Cooperative Law, although there were earlier attempts during the British Mandate period. Initially, cooperatives focused on supporting farmers through the establishment of rural credit associations and savings societies to protect them from exploitation by lenders and middlemen.

The cooperative movement in Jordan witnessed notable development in its early years. In 1959, the Jordan Cooperative Corporation (JCC) was established to provide essential services to farmers at affordable prices, such as loans, seeds, fertilizers, and pesticides.

Between 1961 and 1966, key institutions were established to strengthen the cooperative movement in Jordan, including the Cooperative Institute in 1963, the Cooperative Auditing Union in 1964, and the Olive Production and Marketing Union in 1966. During this period, the cooperative movement was independent and fully controlled by its members, with the government's role limited to registering associations through the Cooperative Directorate of the Ministry of Labor and Social Development. As a result, the movement saw significant growth, with the number of cooperatives rising from 42 cooperatives with 2,000 members in 1952 to 716 cooperatives with 43,461 members by 1967. Despite the rapid growth in the number of cooperatives and members during the 1960s, the 1967 war marked a major turning point that negatively affected the cooperative movement, especially with the suspension of many cooperatives' activities.

In response to these challenges, a new Cooperative Law was issued in 1968, leading to the restructuring of the sector through the establishment of the Jordan Cooperative Organization and the Jordan Cooperative Bank. This helped gradually revive the movement during the 1970s and 1980s, with the number of cooperatives increasing from 197 cooperatives with 9,305 members to 423 cooperatives with 46,572 members.¹

¹ Abu Zannat, *The Role of Cooperatives in Economic Development in Jordan* (PhD Dissertation) 1991.

Despite efforts to regain momentum, the cooperative movement faced a severe financial crisis in the late 1980s, prompting the government to dissolve the **Jordan Cooperative Organization** in 1988 and replace it with the **Jordan Cooperative Corporation** in 1997 after the approval of Cooperative Law No. 18, which created the new institution to reorganize the sector. However, the new institution was unable to achieve its objectives due to continued rising debt, leading to the freezing of its operations for a long period.

In 2013, the cooperative sector in Jordan experienced a new turning point, with significant steps taken to revive and support the sector through the **Jordan Cooperative Corporation**. Efforts were focused on addressing previous challenges and enhancing the role of cooperatives in supporting the national economy and achieving sustainable development.

Regarding the current status of the cooperative sector based on digital indicators for 2023, the number of cooperative societies in Jordan reached 1,477, including 348 agricultural cooperatives, which represent 24% of the total number of associations. Multi-purpose cooperatives make up the largest share at 51%, while housing cooperatives represent 11%. Women's cooperatives account for 5% of the total, with 3,550 female members. The data also revealed weak membership in some types of cooperatives, such as savings cooperatives, tourism cooperatives, transport cooperatives, cultural cooperatives, and consumer cooperatives. This suggests a need to raise awareness of the importance of these cooperatives and their role in achieving sustainable development.²

2 Jordan Cooperative Corporation.

Legal Framework for Cooperative Societies

A cooperative society is a group of individuals who share common values and principles with the aim of forming an institution that is collectively owned and jointly managed. These societies aim to provide services to their members in exchange for their financial contributions or the efforts they put in. The right to establish and join cooperative societies is considered a form of peaceful assembly guaranteed by the Jordanian Constitution. Article (16/1) of the Constitution stipulates that Jordanians have the right to form associations, unions, and political parties, provided that their objectives are legitimate, their means are peaceful, and they comply with the provisions of the Constitution. This article reflects the state's commitment to ensuring freedom of organization and expression in accordance with democratic principles and the rule of law³.

According to the International Labour Organization's (ILO) Recommendation No. 193 on promoting cooperatives and the International Cooperative Alliance's General Assembly statement on cooperative identity (1995), a cooperative is an independent association formed by individuals who voluntarily come together to meet their shared economic, social, and cultural needs and aspirations. This is achieved through the creation of a collectively owned entity that is democratically managed. Based on this, a cooperative is a model that combines the concept of an economic entity with a collective work structure to achieve common goals.

The legal framework governing the work of cooperative societies in Jordan includes several key legislations, most notably **Cooperative Law No. (18) of 1997**, which serves as the primary reference for regulating the work of cooperative societies. It also includes the **General Regulation for Cooperative Societies No. (36) of 2016**, which was enacted to implement the provisions of the Cooperative Law and provide a clear regulatory framework for the operations of these societies. Additionally, the **Cooperative Unions Regulation No. (166) of 2016** aims to organize the work of cooperative unions and enhance coordination between them. Alongside these legislations, there are the **National Sustainable Agriculture Plan (2022-2025)** and the **National Cooperative Movement Strategy (2021-2025)**.

³ [Cooperative Societies System, Jordanian Legislations](#)

However, **Cooperative Law No. 18 of 1997** is the legal framework that regulates the establishment of cooperative societies in Jordan, focusing largely on the provisions governing the establishment and management of the **Jordan Cooperative Corporation (JCC)**, which replaced the former **Jordan Cooperative Organization**. The law defines the structure of the corporation, its competencies, and the powers of its general director, reflecting an organizational development in the structure of the cooperative sector⁴. One of the main differences between this law and previous laws is the shift in the authority responsible for overseeing cooperative societies, as the law established a new legal entity called the **Jordan Cooperative Corporation**. The law also provided for the establishment of the **General Cooperative Union of Jordan**, which includes all regional and sectoral cooperative unions at various levels within the kingdom, thus enhancing the integration of cooperative work and contributing to the development of this sector in a more comprehensive and organized manner.⁵

Although **Cooperative Law No. 18 of 1997** is the legal framework that governs the establishment of cooperative societies in Jordan, over time, it has become necessary to make substantial amendments to its provisions in order to enhance the role of cooperative institutions in achieving their intended goals, and to institutionalize the principles of responsibility and good governance in managing these institutions.

Among the most prominent issues facing current cooperative legislation is the lack of a legal provision granting founders the right to appeal decisions rejecting the registration of cooperative societies. In contrast to comparative laws, such as Palestinian law, which stipulates that a decision by the Board of Directors of the Cooperative Work Authority to reject the registration of a cooperative society can be appealed to the head of the authority within one month of the decision's issuance. This gap in Jordanian legislation poses an obstacle to achieving fairness and transparency in the process of establishing cooperative societies.

The cooperative system in Jordan suffers from the absence of clear regulatory provisions governing the work of management and oversight committees. Aside from the legal provision that prohibits simultaneous membership in both the oversight and management committees, there are no provisions that specify the duration of the oversight committee's term or the tasks it should perform to ensure oversight of the society's activities and legal powers. The law also lacks provisions requiring the management committee to cooperate and coordinate with the oversight committee, creating an organizational gap that affects

⁴ The law is published on page 1683, in the Official newspaper issue No. 4199, issued on April 15, 1997.

⁵ Jordan Cooperative Corporation, jcc.gov.jo.

the efficiency of cooperative work. One of the controversial issues in the current law is restricting the right to liquidate a cooperative society to the general manager of the **Jordan Cooperative Corporation** alone, without granting the general assembly members the right to vote on the decision to dissolve the society in an extraordinary meeting. This provision diminishes the role of members and limits their active participation in making critical decisions regarding their society.

These issues, among others, emphasize the urgent need for comprehensive legislative reforms aimed at updating Jordan's cooperative law to align with modern developments and the requirements of good governance. These reforms should include enhancing the rights of founding members, ensuring transparency in registration processes, organizing the work of management and oversight committees more clearly and efficiently, and granting the general assembly broader powers to make decisions related to the fate of the society.

To strengthen the role of cooperatives in addressing economic and social challenges and achieving the **UN Sustainable Development Goals**, the Cabinet approved the "Amended Cooperative Law" in 2024. The "Amended Cooperative Law" represents a qualitative shift in supporting Jordanian cooperatives, as it aims to combat poverty and unemployment by empowering local communities and enhancing productivity. The revised law provides a clear legal and regulatory framework that contributes to the sustainability of cooperatives and supports the Kingdom's plans for sustainable agricultural development (2022-2025).⁶

Agricultural cooperatives, in particular, will be a cornerstone in the implementation of this plan, as they will create new job opportunities and enhance the role of rural communities. The project also reflects Jordan's commitment to achieving a balance between economic and social goals, thereby reinforcing the position of cooperatives as an effective tool for comprehensive development.

One of the main outcomes of the project is the establishment of the Cooperative Development Fund and the Cooperative Development Institute. The fund represents an important financial window to support productive and developmental projects, as it will provide grants and loans that help cooperatives achieve financial sustainability. As for the institute, it will serve as an educational and training platform aimed at developing the administrative and organizational capabilities of cooperative members and institutional staff, in line with international standards and national needs.⁷

6 [News Report, Alghad Jordanian Newspaper.](#)

7 The previous source.

The Jordanian Cooperative Corporation is currently working on preparing the regulations for the fund and the institute, which will define their tasks and mechanisms to ensure the achievement of the desired goals. Additionally, the cooperative societies and federations system will be amended to facilitate their establishment and enhance their role in promoting the cooperative movement.

The “Cooperation Amendment” represents an important step towards increasing women’s representation in the Board of Directors of the Cooperative Corporation. This step comes in recognition of the central role of women in cooperative work, as women constitute more than 25,000 members of the total 132,000 members in Jordanian cooperatives. Strengthening women’s participation in this sector reflects the state’s commitment to expanding their role in economic and social fields, thereby enhancing their ability to contribute to national development. It is important to note that the lack of a clear legal and regulatory framework had been an obstacle to the development of the cooperative sector, leading to disputes over powers and weakening its role. Therefore, the “Cooperation Amendment” focuses on the establishment of a General Cooperative Union managed by representatives of cooperative societies, limiting the state’s role to oversight and legislation without direct intervention.⁸

The new amendments include mechanisms for regulating and monitoring the activities of cooperatives to ensure their sustainability and protect the rights of their members. This aims to enhance public trust in cooperatives and increase their contribution across various economic sectors.

“The ‘Cooperation Amendment’ opens the door for cooperatives to work with greater momentum in various economic sectors, contributing to comprehensive development. It also strengthens the representation of the cooperative sector in the Board of Directors of the Cooperative Corporation, with an emphasis on greater women involvement.”⁹

8 The previous observatory.

9 The previous source.

“The Legal Nature of the Jordanian Cooperative Corporation and Its Assigned Tasks

The Jordanian Cooperative Corporation is one of the official institutions in Jordan, established under the Cooperative Law of 1997, which granted it an independent legal personality, enjoying financial and administrative autonomy. Thanks to this status, the institution is able to own movable and immovable assets, conclude contracts, and accept donations and grants in accordance with the provisions of the law

The Jordanian law has expanded the legal status of the cooperative institution, considering its funds as public funds, which are collected under the Public Funds Collection Law. It has also granted it financial exemptions and facilities similar to those enjoyed by ministries and government departments. Furthermore, the institution's accounts are subject to the audit of the **Audit Bureau**, reinforcing the notion that its funds are public funds.

The institution aims to provide full supervision over the cooperative sector in the Kingdom, with a focus on improving the economic, social, and cultural levels of cooperatives, their members, and local communities. It also seeks to promote a culture of self-reliance, without directly engaging in cooperative activities. To achieve these goals, the law has assigned the institution a set of main tasks through which it works to develop the cooperative sector.

Among the tasks of the institution are registering cooperative associations and federations, overseeing them, providing guidance and technical services to cooperative associations, federations, and their members, including monitoring their accounts and approving their budgets, facilitating access to funding sources, as well as establishing specific or general cooperative funds to finance their projects. Additionally, the institution organizes specialized training and educational courses for the members of cooperative associations, federations, and their staff. It also aims to establish institutes and training centers to enhance cooperative capacities.

Moreover, the institution spreads awareness about the importance of cooperative work through various communication channels to promote a culture of cooperation among citizens, prepares draft laws and regulations related to the cooperative sector to develop and organize it, and strengthens cooperation and coordination with government and private entities to enable cooperative associations and federations to implement their developmental programs in various sectors. The institution also represents the cooperative

sector at Arab, regional, international, and non-governmental organizations.

It is important to note that despite the many tasks assigned to the institution, there is a clear gap between the plans drawn up and their actual implementation on the ground. This delay in activation is due to several reasons, including a shortage of qualified human resources and a lack of the necessary administrative infrastructure to carry out tasks efficiently and effectively. Additionally, the absence of specialized administrative units is a major factor hindering the achievement of the desired goals. The tasks assigned to the institution require high-level coordination among various sectors and related entities, which is difficult to achieve in the absence of an integrated administrative structure. Therefore, the establishment of administrative bodies and units under the **Jordan Cooperative Corporation** is considered a necessary step to enhance its ability to manage and implement projects efficiently.

Economic Modernization Vision and Supporting the Agricultural Sector in Jordan

The agricultural sector is considered one of the important sectors mentioned in the **Economic Modernization Vision** launched by Jordan in 2022. This vision aims to support and develop the national economy and enhance productivity. In this context, the **Council of Ministers** approved the justifications for the draft amendment to the Cooperative Law of 2024, with the aim of supporting and empowering small and medium-sized productive projects, and providing job opportunities, especially in agricultural fields. In addition, work has been done to amend the **Agricultural Risk Fund Law** to expand the coverage to include a larger number of farmers, as well as issuing instructions related to inspections and supervision.

Agricultural activities, the amendment of the regulations for licensing agricultural, plant, and animal activities in accordance with the Monitoring Law, have been modified. The regulations for licensing agricultural, plant, and animal activities have been updated to align with the Monitoring Law. Additionally, regulations for the registration of pesticides, fertilizers, veterinary medicines, and vaccines were modified, eliminating the exclusivity of registration and removing all overlaps with other laws. Instructions related to inspection and monitoring of agricultural activities have also been issued.

Moreover, the Ministry of Agriculture and its affiliated institutions implemented 30 priority projects for 2023, within the executive program for the Economic Modernization Vision. This was achieved through increasing the storage capacity of grain silos in the Al-ghabawi area to over 100,000 tons, granting approvals for 20 companies to invest in 36,000 dunums of land in the Al-Hammad and Al-Sarhan areas, and providing loans to 1,664 projects through the **Agricultural Credit Corporation** with a total value exceeding 16 million dinars in 2023. Additionally, the **Food Security Council** was formed and activated, and the completion rate of the agricultural industrial complex project in the Southern Jordan Valley reached 95%. As of the end of 2023, the number of registered agricultural holdings in the **Digital System** reached 19,345.

Furthermore, work has been done on amending regulations for the registration of pesticides, fertilizers, veterinary medicines, and vaccines, eliminating registration exclusivity, and removing all overlaps with other laws. The **Agricultural Credit Corporation** launched a program to encourage the establishment of agricultural industries based on locally produced agricultural products in industrial cities. A digital system for registering agricultural holdings was also established. Additionally, the **National Sustainable Agriculture Plan** was launched in 2022 and is being implemented until 2025. A new program to enhance sustainability and adaptation to climate change has been introduced, alongside several measures to help farmers cope with the impacts of climate change. The ministry has funded 233 farmers with modern water-saving irrigation systems through facilitating interest-free loans, and financed 9,777 agricultural projects through the **Agricultural Credit Corporation** with a total cost of 52.485 million dinars, providing 6,822 job opportunities in the agricultural sector. The number of tenders for using rainwater harvesting technologies reached 17, and the rehabilitation of Bedouin farmers in 43 out of 50 sites has been completed. Furthermore, a digital system for registering and documenting agricultural holdings has been launched.

National Strategy for the Jordanian Cooperative Movement for 2021-2025

The **National Strategy for the Cooperative Movement** for the years 2021-2025 aims to strengthen the local community by encouraging the establishment of cooperative associations in various fields, based on the principles of participation, self-responsibility, and solidarity, with the goal of achieving economic, social, cultural, and environmental development and contributing to addressing challenges related to poverty and unemployment. This strategy was developed as a necessary response to the recovery from the impacts of the COVID-19 pandemic, which affected various sectors. The strategy adopts a new approach focused on creating innovative cooperatives in fields such as renewable energy, shared services, and labor contracting, with special attention to youth, women, and workers in the informal economy. It also aims to improve the performance of cooperative associations by updating legislation, providing a supportive environment, and developing advanced infrastructure. To implement these goals, the **Cooperative Institution** will work on establishing the **Cooperative Development Institute**.

Enhancing Awareness and Organizing Workshops and Studies, In addition to establishing the **Cooperative Development Fund** to provide financial support, and creating a directorate for monitoring cooperative accounts to ensure transparency and sustainability.¹⁰

However, despite the importance of this strategy, there are some observations on the application mechanisms that, if modified, could contribute to improving its implementation and achieving its goals more effectively. Among these challenges is the difficulty cooperatives face in obtaining the necessary financing to implement their projects, which may limit their ability to achieve the strategy's goals. Additionally, there is a lack of public awareness regarding the importance of cooperative work and its role in development. Moreover, some areas suffer from weak infrastructure and essential services, which may affect the ability of cooperatives in those areas to achieve their objectives.

¹⁰ Statements of the Director General of the Jordan Cooperative Corporation, Abdul Fattah Mohammad Al-Shalabi, on the occasion of the International Day of Cooperatives 2021.

Agricultural Cooperative Associations

The **Cooperative Law of 1997** and the **Cooperative Associations System of 2016** did not include clear provisions specifying the types of cooperatives that can be established. However, ten types of cooperative associations that can be registered with the **Jordan Cooperative Corporation** were defined based on a decision issued by the institution's board of directors for this purpose. In this context, the **Jordan Cooperative Corporation** prepared a draft of the implementing instructions for the provisions of the **Cooperative Associations System No. (1) of 2023**, issued under Article (35) of the same system. These instructions classified cooperative associations based on the activities and operations specified in their internal regulations.

Since agricultural cooperative associations play a significant role in promoting agricultural development and achieving sustainability in this vital sector, the classification includes two main types: the first type is multi-purpose agricultural cooperatives, which include agricultural holders with diverse agricultural activities. The second type is specialized agricultural cooperatives, which focus on gathering agricultural holders with similar or specialized agricultural activities in a specific field.

In this context, the **Board of Directors of the Jordan Cooperative Corporation** issued specific instructions called "**Instructions for Agricultural Cooperative Associations No. (1) of 2022**", based on the provisions of Article (35) of the **Cooperative Associations System**.¹¹ These instructions aim to organize agricultural work and clarify the necessary procedures for rectifying the status of agricultural cooperative associations in alignment with the new legal and regulatory framework. The instructions include defining agricultural activities according to the **National Guide for Classifying Economic Activities** issued by the **Ministry of Industry, Trade, and Supply**, as well as specifying the agricultural holdings and activities licensed by the **Ministry of Agriculture**. An agricultural holder is defined as any individual or entity managing an agricultural holding, whether as an owner or a tenant, provided they have an agricultural holding number issued by the **Ministry of Agriculture**. This step aims to enhance the efficiency of agricultural work and ensure compliance with legal and regulatory requirements.

11 The instructions are published on page 4766 of Official newspaper No. 5808, issued on 1st August 2022.

The Role of Cooperatives in Supporting the Agricultural Sector

Agricultural cooperatives are one of the effective tools contributing to the development of the agricultural sector and enhancing sustainable development. They play a central role in improving the economic and social conditions of farmers, increasing productivity, and addressing challenges associated with this vital sector. In light of the increasing challenges facing the world today, such as climate change, population growth, and global market pressures, **agricultural cooperatives** have become a pressing necessity to achieve food security and promote rural development.

Agricultural cooperatives aim to achieve multiple objectives that benefit both farmers and rural communities. One of the main objectives is to improve agricultural productivity by providing resources and services at affordable prices. These resources include providing high-quality seeds, fertilizers, and pesticides, which are essential for achieving sustainable agricultural production. **Agricultural cooperatives** also offer technical guidance and training on best agricultural practices, which contributes to improving farmers' efficiency and enhancing their skills.

In addition, **agricultural cooperatives** play an important role in encouraging innovation and the use of modern technologies. By providing advanced agricultural equipment and offering technical support, **agricultural cooperatives** enable farmers to improve the quality of their products and increase productivity. They also work to raise awareness about the importance of sustainable agriculture, which contributes to preserving natural resources for future generations.

One of the main challenges farmers face is access to markets and selling their products at fair prices. Here, **agricultural cooperatives** play a role in organizing collective marketing activities, allowing farmers greater opportunities to negotiate with buyers and secure competitive prices. This organization not only improves farmers' negotiating power but also helps reduce marketing and transportation costs.

Moreover, **agricultural cooperatives** provide platforms that enable farmers to collaborate with each other and exchange information and experiences about markets and their requirements. This interaction enhances their ability to make informed decisions regarding the timing of product sales and the selection of target markets.

In light of the rapid climate changes, agriculture faces significant challenges that affect

productivity and the sustainability of resources. **Agricultural cooperatives** play a vital role in addressing these challenges by promoting the use of smart agriculture technologies and providing innovative solutions for managing water and soil resources. They also work to raise awareness among farmers about the importance of adapting to climate change and adopting sustainable agricultural practices.

Additionally, **agricultural cooperatives** contribute to strengthening the resilience of rural communities against natural disasters by providing strong support networks and effective emergency plans. This role makes them a key partner in achieving the economic and social stability of farmers.

The Role of Agricultural Cooperatives in Supporting Agricultural Productivity and Rural Development

The role of the Jordan Cooperative Corporation (JCC) is not limited to improving productivity alone, but extends to enhancing rural development in general. Agricultural cooperatives contribute to creating new job opportunities in rural areas, which helps reduce unemployment rates and migration to cities. They also work on improving infrastructure in these areas by investing in projects such as the construction of agricultural product storage centers and transportation networks.

On the other hand, agricultural cooperatives are an effective tool for achieving food security, as they ensure the continuity of agricultural production and provide food at affordable prices to the population. They also enhance Jordan's ability to achieve self-sufficiency and reduce reliance on food imports.

The Role of Cooperatives in Mitigating Climate Change

Agricultural cooperatives contribute to mitigating climate change by promoting collective action and finding sustainable solutions to environmental challenges. Cooperatives can help enhance shared knowledge, enabling communities to address the impacts of climate change more effectively. They also contribute to improving resource management and achieving food security, which reduces carbon emissions and promotes environmental sustainability.

Agricultural cooperatives in Jordan strive to raise environmental awareness among those working in the agricultural sector through organizing workshops and awareness campaigns aimed at highlighting the importance of adopting sustainable agricultural practices. These activities cover various topics, including reducing carbon emissions, conserving natural resources, and adapting to climate change, which has clear impacts on agricultural production and the environment. These efforts also empower workers to better understand current environmental challenges and equip them with the knowledge needed to apply practical solutions that help protect the environment and promote the long-term sustainability of the agricultural sector.¹²

Additionally, agricultural cooperatives effectively contribute to environmental sustainability through the implementation of projects aimed at improving natural resource management. These efforts includes initiatives such as tree planting to combat desertification and improve air quality. Furthermore, improving water management through modern technologies ensures the optimal use of this vital resource. Agricultural cooperatives also focus on developing sustainable irrigation systems that reduce water waste and enhance agricultural productivity, thus contributing to balancing the needs of local communities and preserving the environment for future generations¹³.

In many countries, cooperative societies have proven successful in mitigating the effects of climate change by supporting farmers in facing climate-related challenges and improving their economic conditions. For instance, in Morocco, cooperatives contributed by providing drip irrigation technologies, which reduced water consumption and enhanced agricultural productivity, a crucial aspect in light of water scarcity. In India, cooperatives focused on empowering farmers through training programs on organic farming, which positively impacted the quality of agricultural products and increased farmers' income. These examples demonstrate how cooperative societies can be an effective tool for adapting to climate change and achieving sustainable development.

12 [Ammannet.net News Website, Report: Climate Change in Jordan: Challenges, Impacts, and the Role of Youth and Civil Society in Addressing Them](#)
13 [alghad Jordanian Newspaper Website](#)

Challenges Facing Agricultural Cooperatives in Jordan

Agricultural cooperatives are a cornerstone in achieving sustainable development for the agricultural sector, contributing to improving productivity, enhancing food security, and increasing farmers' income. However, these cooperatives face many challenges that hinder their ability to grow and develop. For example, difficulties in obtaining loans, a lack of skilled labor, challenges in marketing products, and limited expertise among workers. Women's cooperatives specifically face challenges such as insufficient funding, weak marketing, high prices of raw materials, inadequate government support, managerial issues, and limited funding, in addition to challenges in obtaining licenses and income tax issues that pose a threat to the women's cooperative sector.

In detail, agricultural cooperatives face a significant challenge in outdated laws and regulations that govern their operations. Often, these regulations are not aligned with modern needs and market requirements, which impedes the cooperatives' ability to operate efficiently. Most agricultural cooperatives suffer from a lack of financial resources, limiting their ability to invest in infrastructure development or improve the services provided to members. Furthermore, these cooperatives face difficulties in accessing sustainable funding sources due to the lack of collateral or high borrowing costs. This challenge can be overcome by encouraging the creation of specialized agricultural funding funds and providing flexible loan conditions for cooperatives.

Additionally, collective action still faces a significant challenge in many rural communities, where individual work culture dominates the way of thinking. This reduces the effectiveness of cooperatives and weakens their ability to integrate their members. Furthermore, fragmented agricultural ownership is a primary challenge for cooperatives, as the division of land makes it difficult to utilize it economically. This situation limits the cooperatives' ability to implement large-scale agricultural projects or use modern technologies.

Many agricultural cooperatives also lack the capacity to form strong specialized federations that represent their interests and work to enhance their market position. This weakness leads to scattered efforts and a lack of necessary coordination to achieve common goals.

In the same context, marketing is one of the most significant challenges faced by agricultural cooperatives, as many of them struggle to access local and international markets due to the lack of effective marketing strategies or weak infrastructure for storage and transportation.

Many cooperatives also suffer from a shortage of production inputs, such as seeds, fertilizers, and pesticides, at affordable prices and high quality. This shortage negatively impacts productivity and increases agricultural costs. This challenge can be overcome by establishing partnerships with local and international suppliers to provide production inputs at competitive prices, as well as supporting scientific research to develop sustainable local alternatives.

Alternatives and Solutions¹⁴

Agricultural cooperatives face a variety of challenges that require strategic solutions to enhance their role in achieving economic and social development. One of the most prominent solutions is updating laws and regulations to make them more flexible and aligned with international standards, simplifying administrative and tax procedures, and providing incentives to establish new cooperatives in innovative sectors. Additionally, encouraging farmers to lease or consolidate lands within a cooperative framework that ensures everyone's rights and enhances economic benefits is crucial. Promoting awareness of the importance of collective work through training programs and workshops aimed at farmers and cooperative members is also an essential step.

Alongside providing technical and logistical support to cooperatives and joining specialized federations focused on developing the agricultural sector, this can contribute to enhancing self-reliance. This requires sustainable investment in available resources, whether financial, human, or natural, leading to economic and social benefits for cooperative members.

It is also important to expand into new areas such as renewable energy and shared services. Creating multi-stakeholder cooperatives that include various stakeholders enhances the integration of efforts and improves the efficiency of cooperative work. Furthermore, involving youth, women, and workers in the informal economy requires targeted initiatives that provide the necessary training and funding to empower them to participate effectively.

¹⁴ The solutions and alternatives were presented by female and male farmers and specialists who were met by the Tamkeen Team during 2024.

Similarly, exempting cooperatives from taxes and increasing the representation of the private sector in their boards of directors can enhance decision-making efficiency and provide diverse expertise. Additionally, establishing a dedicated financing window for cooperatives or revitalizing the **Jordan Cooperative Bank** to provide financing on favorable terms is crucial. Partnerships with the private sector to provide modern technology and necessary financing should also be pursued.

In the same context, developing electronic platforms to market agricultural products and directly connect farmers with buyers reduces reliance on intermediaries and increases financial returns. Moreover, diversifying funding sources through launching small investment projects or obtaining favorable loans can contribute to the sustainability of cooperatives, while providing continuous training programs to improve the managerial and technical skills of cooperative members. Establishing emergency support funds to face crises such as natural disasters or market fluctuations is also essential.

It helps protect farmers from significant losses. Encouraging sustainable agricultural practices such as organic farming and climate-smart agriculture enhances productivity and reduces negative environmental impacts.

To ensure the success of these solutions, strong government support is essential, including financial and legislative facilitation, along with the role of civil society in raising awareness about the importance of cooperative work and supporting local products.

Conclusion

In conclusion, the future of the agricultural sector and its workers depends on the ability to confront current challenges and capitalize on available opportunities, especially since the challenges are diverse, ranging from water resource scarcity to climate change and rising production costs.

Therefore, it can be said that agricultural cooperatives are a cornerstone in strengthening the Jordanian agricultural sector, as they contribute to improving productivity, enhancing efficiency, and supporting small farmers by providing necessary resources and services through innovative and sustainable solutions. This is achieved by promoting the concept of the shared economy, providing platforms for training and development, and encouraging the use of modern technologies in agriculture.

To ensure the continuity and success of these cooperatives, it is crucial for the relevant authorities, both governmental and private, to support them by implementing flexible legislative policies that facilitate their work and enhance their role. Additionally, providing financial incentives and encouraging partnerships with international organizations can help strengthen the role of cooperatives in agricultural development. Finally, there must be a focus on raising awareness among farmers about the benefits of cooperatives and their role in improving their living standards and increasing their competitiveness in the markets. Furthermore, supporting women working in agriculture through these cooperatives contributes to their economic and social empowerment, enhancing their role in agricultural development and ensuring the sustainability of their effective participation in this vital sector.



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