

# Cooperative human resource management and development Directive Number 907/2022

Jun 2022 Addis Ababa

# **Cooperative human resource management and development Directive**

WHEREAS; cooperatives should have an organizational structure and a human resource management system to capitalize on human resources, finance, and assets and to realize their objectives,

WHEREAS, for cooperatives to be effective, they should focus on properly planning, organizing, leading, controlling, and giving appropriate timely decisions,

WHEREAS, cooperatives should have an organized human resource management system to use organizational structures based on their size of operation and should be used based on their capacity,

NOW, Therfore; Ethiopian cooperative commotion has issued this directive in accordance with the provision of cooperative proclamation 985/2016 articles 39 (5) and 79 (3).

# Part one

# **General provisions**

#### 1) Short title

This directive can be cited as "cooperative human resource management and development directive number 907/2022".

#### 2) Definitions

Subject to the word definition given under cooperative proclamation number 985/16 and proclamation number 1156/2019 issued to guide and manage government developmental institutions and private institutions unless the word context requires otherwise, in this directive:

- 1) "Cooperative proclamation" means cooperative proclamation number 985/16 that was issued to register and regular cooperatives all over the country.
- 2) "Labor proclamation" means proclamation number 1156/2019, issued to guide and manage government developmental institutions and private institutions.
- 3) "Proclamation of pension of private organization workers" means proclamation number 715/2011 issued concerning private organization workers.

- 4) "Plan of private organization worker's pension" means the system established to provide pension payments and services for private organization workers covered under the proclamation.
- 5) **"Permanent worker"** means a worker hired for an unlimited schedule by the article 9 of labor proclamation number 1156/2019.
- 6) "**Temporary worker**" means a worker hired for a limited time by the article 10 of labor proclamation number 1156/2019.
- 7) **"Probation period"** means a check time that a worker can deserve for the hired job based on the job agreement.
- 8) "Growth structure" means cooperatives growing a worker from the low level to high level Structure.
- 9) "Job structure" means duties and responsibilities given to a worker by cooperative management and implemented in full time.
- 10) **"Knowledge"** means knowledge acquired through education by a worker to be assigned to a job structure and achieve the activities properly.
- 11) "Skill" means a skill developed by a worker through training or experience sharing that improves the quality and efficiency of the activities and facilitates skills that support organizing knowledge and other stakes.
- 12) "Salary" means money that has paid to worker for activities implemented, based on work agreement.
- 13) "Motivation" means additional payments given to their workers who score high results based on cooperatives' objectives and plans; that realize high achievements in production and service delivery for the cooperatives.
- 14) "Discipline" means a worker that respects and accepts the worker's conditions, work environment, and employer's conditions; additionally, acting on ethical issues outside of work; and any contemporary and ethical action should be considered as a discipline action.
- 15) "Disagreement" refers to a written application by a worker that has not been resolved through the normal problem-solving system and has not been resolved through discussion with its department head or higher officials and requires further resolution.

- 16) "Guarantor" means a person who is represented by a worker that if any loss and/or fraud on cooperative money or assets may happen due to the negligence of the worker, the guarantor should have a responsibility to replace the money and/or assets.
- 17) "Disaster on the job" means a sudden damage caused to cooperative worker bodies during operation or concerning operation.
- 18) "**Regular working time**" means agreed working time which is implemented by workers based on a low, common consensus or working rule.
- 19) "**Representative**" means a person who has a legal personality, legally transferring responsibility to another person.
- 20) "relative" means the father, mother, sister, brother, son, husband, and wife.
- 21) "Disability" means an equal opportunity to benefit from economic, social, or cultural discrimination that follows the damage to physical, mental, or emotional discrimination.
- 22) Any female is described by the male sex.

# 3) Objective of the directive

To strengthen the cooperative-worker relationship by establishing a strong cooperative system run and managed by strong professionals.

# 4) Scope of implementation

This directive applies to the organized cooperatives according to the Cooperative Proclamations No. 985/2016 throughout the country's.

# 5) Cooperative principles, values and ethical values

# 1) Cooperative principles

- a) Cooperatives shall be voluntary organizations open to all persons willing to use their services and able to accept the responsibilities of membership without discrimination on the basis of gender, social status, race, political ideology disability or religion.
- b) Cooperatives shall be democratic organizations controlled by their members who actively participate in setting their policies and making decision, each member having equal voting right as well as one member having only one vote.
- c) Members will receive surplus dividends based on their shares and participation after deducting and setting aside an amount for reserve and other services.

- d) When entering into agreements with other organizations, including the government, or raising capital from outside sources, cooperatives must do so on terms that ensure democratic control by their members, maintain their autonomy, and do not jeopardize their self-help characteristics.
- e) Cooperatives shall provide education and training for their members, elected representatives, managers, and workers so as to enable them to contribute effectively to the development of their cooperative and to the public at large, particularly to the youth, about the nature and benefits of cooperatives.
- f) Cooperatives should serve their members most effectively and strengthen the cooperative movement by working together through local, national, regional, and international structures.
- g) Cooperatives should work for the sustainable development of their community through policies approved by their members.

# 2) Cooperative Value:

a) Self-help

d) Equality

b) Self-responsibility

e) Equity and

c) Promoting culture of democracy

f) solidarity

# 3) The ethical values of members of Cooperatives

a) Honesty

d) Participatory

b) Openness

e) Social responsibility

c) Accountability

f) Caring for others

# 6) Ethical values of cooperative worker's

# 1) Cooperative workers have the following ethical values;

a) Transparence

b) Honesty and openness

d) Welfares

c) Equity

e) Keeping secrete

- f) Working together and cooperation
- g) Overcoming social responsibilities,
- h) The existence of serving others
- i) Thinking for others

# Part two

# **Cooperative human resource organizational structure**

# 7) Creating an organizational structure for cooperative human resources

- 1) Any cooperative should have a human resources organizational structure designed to follow a cooperative operational system.
- 2) The cooperative can improve its human resource organizational structure when expanding or shrinking its operation based on assessments according to this article subarticle 1.
- 3) Cooperatives shall consider the following issues when establishing or changing their human resource organizational structure:
  - a) Consider cooperative capital capacity or development,
  - b) Consider cooperatives' types of service delivery, work load, and time needed,
  - c) Concerning cooperative branch numbers and infrastructures,
  - d) Assessing the ability of systems to provide fast and efficient services by using new technology and systems,
  - e) Serving based on time and cost minimization,
  - f) Concentrate on the expected outcome of cooperative.
- 4) When a cooperative develop or modifies its human resource organizational structure, it should be done by professionals within the cooperative or outsourced to outside professionals, and it should be approved by the cooperative management committee or board members.
- 5) The approved amended cooperative human resource organization on this article subarticle 4 should fulfill the following:
  - a) The results of the human resource organizational structure study should be implemented after getting the general assembly's approval.
  - b) The human resource organizational structure should include the job title of each worker, level of the job, job description, and salary amount paid.

# 8) Required Mane power, and accountability

- 1) Any cooperative shall require professional workers to support its operation professionally.
- 2) The accountability of the cooperative manager shall be to the cooperative management committee or board leader.
- 3) The accountability of other cooperative professionals shall be for cooperative managers.
- 4) Cooperatives with deputy heads, department heads, branch managers, and industry managers shall be accountable to cooperative managers or deputy managers based on human resources organizational structure.
- 5) According to this article, sub-article 3, the accountability of cooperative workers who don't have a manager or representative manager or deputy manager should be for the cooperative management committee or board head.
- 9) Any cooperative shall implement a detailed assessment of the structure and human resources needed to fulfill its human resources.

# Part 3

# <u>Duties and responsibilities, as well as the rights and obligations of the</u> cooperative manager and worker

- 10) The accountability of cooperative manager shall be for management committee or board heads and have the following duties and responsibility
  - 1) Effectively leading the cooperative operations based on his duties and responsibilities to achieve the goal,
  - 2) Leading, organizing, controlling, and solving problems of cooperatives,
  - 3) Analyzing policy issues, implementing operations based on law, regulation, and directivities,
  - 4) Prepare a business plan or operational plan, as well as a budget and operational directives, and then put them into action once approved.

- 5) Hire cooperative worker's, manage, hurts, evaluate cooperative worker's based on cooperative staff organization and management guidelines,
- 6) Open a bank account with the other management committees and make payments based on the responsibility and delegation given.
- 7) Properly managing cooperative book of account and facilitating for audit service at list once a year.
- 8) Advising the management committee to manage the cooperative operation properly and create the latest operational systems.
- 9) Control properly and proper implementation of cooperative money, asset and materials to maximize efficiency of cooperative.
- 10) Submit operational reports to the management committee or board on time.
- 11) Submit an operational report to the cooperative management committee or board members as needed.
- 12) Performs additional tasks that are assigned by the management committee or board

# 11) Rights and obligations of a cooperative manager and worker

- 1) Any cooperative managers and workers who obligate from illegal acts and any illegal practice includes the following:
  - a) To be intentionally or unintentionally dangerous in a workplace, either intentionally or through negligence,
  - b) Taking cooperative property from the workplace without allowing,
  - c) Fraud.
  - d) The presence of drinking and drunk at work place,
  - e) Un implementation of safety rules pertaining to protection and lifesavers, as well as unwillingness to follow safety rules,
  - f) Acting pugnacious or striker at work place,
  - g) Gender attacks in the workplace,
  - h) Giving the cooperative secrete to another body without their permission,
  - Not informing during recruitment if, any Relationship or married relations within management committee or board,

# 2) Other laws provide for cooperative rights are as expected, they have the following rights:

- a) Leading, managing, and controlling workers' performance and activities implementation based on work agreements and laws,
- b) Establishing a cooperative employment committee, hiring workers, managing, rating and giving wage growth, transferring, punishing, blocking from work, fairing from work and taking legal actions on workers based on this directive and other related legal systems.
- c) deleting or changing structures, assigning workers to new structures, determining salary or other payment amounts

Have rights.

# 3) Other laws provide for cooperative obligations are as expected; they have the following obligations:

- a) Implementing labor proclamation, established bylaws, internal law and directives,
- b) Paying worker's pension deducted from worker's based on private organization worker's pension proclamation and income tax for responsible authorities,
- c) Producing and introducing worker's detail job description,
- d) Paying salary, a perdiem, an allowance and other benefits to worker's based on work agreement,
- e) Supplying important raw materials and operational tools, securing the working environment and facilitating a healthy environment to facilitate workers' implementation of its activities quantitatively and qualitatively,
- f) Supplying without payment office identity card, taking when released from the cooperatives,
- g) Paying for medical expenses incurred by worker as a result of a test mandated by law or by responsible authorities,
- h) Giving work experience when a worker's requested or releases from cooperative,
- i) Organizing workers' personal documentation worker's education and experience, date of hire, date of growth, salary amount, utilized annual leave, work representation, different supplied legal documents, given operational directives and award certificates and letters given to workers, a discipline charge and decisions,

- j) evaluating a worker's performance within 6 months by a responsible leader, giving comment by the worker before the higher official's approval,
- k) Have a responsibility to collect from worker when release or transfer from cooperative any materials by voucher and verbal,
- l) Reserved directly or indirectly violating or reducing a worker's legal Right and benefits,
- m) Notifying other institutions if the worker's guarantee for other institution workers when the worker is released,
- n) Cooperatives are responsible for giving education, training and introducing new staff members to other staff members.

# 4) Rights of cooperative manager

- a) To obtain rights indicated on this directive, benefits and payments,
- b) To see his fail in front of the management committee and board,
- c) Participate and give technical comments on cooperative general assembly, management committee, or board meetings,
- d) Complaining to the cooperative, getting a written or oral response,

#### 5) Obligations of cooperative manager

- a) Responsible to laws, cooperative bylaws, internal bylaws, and other directives and manuals,
- b) Increasing the benefits members of cooperative by utilizing his skills and knowledge,
- c) Implement the works trustfully; physically and mentally eligible and competent on its works,
- d) Avoiding using drugs that obscure the mind while at work, respecting cooperative working time, avoiding working at another institution's on regular working time instead of cooperative work,
- e) Keeping and using cooperative resources properly or materials taken for work,
- f) Cooperative property, materials, or tools Using or transferring to another body without the permission of the responsible body, or not using except for cooperative activities and controlling others,
- g) Avoid misappropriation, Froude, negligence, and abuse of power,

h) In accordance with cooperative finance management directives, timely settlement of the withdrawal of cooperative finance used for works.

Have duties.

#### 6) Rights of worker's

- a) Any worker can access the rights and benefits indicated in this directive without any discrimination.
- b) When a worker asks, Checking its own file in front of the responsible manager,
- c) Participating in structural growth, transfer, education, training, disciplinary actions, and other issues, and right to get clarity, if any complain on implementation,
- d) Participate and give comments on the cooperative operational and budget plans, operational status evaluation, and worker meeting.
- e) Complaining to the cooperative, getting an oral or written response.

# 7) Obligation of worker's

- a) Responsible for the law, cooperative bylaw, internal bylaws, and different operational directives,
- b) Maximizing the benefits of cooperative members by utilizing their skills and potential,
- c) Working faithfully and being eligible in person and with full attention in the workplace,
- d) Avoiding using drugs that obscure the mind while at work, respecting cooperative working time, signing time control, avoiding individual work on regular working time instead of cooperative work,
- e) Any worker's must immediately report to responsible leader, if problems affecting cooperative operations occur to him or his relatives, and assisting in the control of perils to life and property,
- f) Any worker should get permission from the responsible leader before leaving its regular working time,
- g) Implementing written and oral direction from department heads or higher-level officials in order to fill the gaps left by workers who are not at work,
- h) Keeping and using cooperative resources properly or materials taken for work,
- i) To be accountable for damages caused to properties due to the negativity or apathy of workers,

- j) Cooperative property, materials, or tools Using or transferring to another body without the permission of the responsible body, or not using except for cooperative activities and controlling others,
- k) Avoid misappropriation, Froude, negligence, and abuse of power,
- 1) To be volunteer for Checking in and out of a cooperative institution at any time,
- m) Any shifter worker should not be released without submitting production and other kits to other representatives from the work area and without the permission of the department head,
- n) Workers should submit properties and money on their hands, documents, working materials, office furniture, and identity cards when transferring to other positions or living institutions, and settle finances used for work according to cooperative directives.
- o) Without a conscience, the worker cannot hold any other man,
- p) The responsibility of remaining silent and failing to notify heads of the responsibility of not being abused and failing to notify heads when other workers are abused or make mistakes on other workers when it comes to injury or theft, ignoring when someone attacks others,
- q) Obligation to notify any close relatives on the cooperative management committee or board, as well as workers, during the requirement.

# <u>Part 4</u>

# Human resource planning, professional requirement, recruitment process and salary payment

#### 12) Human resource planning

- 1) Based on organizational structure and strategic plan, cooperatives shall assess and plan short-term, medium-term, and long-term human resource plans.
- 2) The cooperative shall include its human resource demand within its annual plan and get general assembly approval based on the cooperative organizational structure.

# 13) Worker's recruitment processes

# 1) Fulfilling Open structure by worker's

- a) Cooperatives can fulfill human resource needs through internal transfer, promotion, or recruitment means hierarchal based on the approved human resource plan by the cooperative general assembly.
- b) If cooperatives guarantee to get competent workers, they can hire workers without following the steps set out in this article, sub-article 1 (A).
- c) Cooperatives are hiring new workers if there are no workers replace through transfer or promotion within the cooperative.
- d) The cooperative management committee or boards should approve and transfer to the requirement committee the importance of replacing the vacant structure.

#### 2) Establishment and role of recruitment committee

#### Establishment of recruitment committees are as follows:

- **a)** Cooperatives should be organize recruitment committees whose numbers can be 3 for primary cooperatives and 5 for cooperative unions and federations, which are accountable for cooperative manager or representative; combination of committee members are from workers, and one should be female; one represented by the manager should be the leader; working time of committee members should be 3 years.
- **b)** If the cooperatives don't have a manager or representative manager and any representatives for committee members, the recruitment process can be implemented by the decision of the cooperative management committee or board.
- c) The recruitment process for cooperative managers should be done by a cooperative management committee or board.

**d)** The department heads of the worker needed can participate in the recruitment process without voting power.

# 3) Duties and responsibilities of recruitment committee

# Recruitment committee has the following duties and responsibilities:

- a) Checking employment promotions are advertised according to this article's sub-article 5(a).
- b) Examine the competent documents to ensure that they are legal, correct, and meet the requirements of the advertised document,
- c) Computing applicants and selecting the best,
- d) Keeping the secret of computation up to officially declared,
- e) Submit the list of selected candidates and minutes containing decision comments for the diction makers,
- f) Selecting an examination document preparation body, if necessary,
- g) Check the candidates get enough time to prepare themselves for the examination.

# 4) Pre-condition to be recruited in cooperative

- a) Under 18 and over 60 years of age, except as indicated in article 48 of sub-article 1 of this directive.
- b) Fired from work due to discipline action,
- c) Decisions made by a legal court as a result of untrustworthy, theft, and embezzlement crimes,
- d) Assure that Un ethical acts like taking Drugs, not accept by local community,
- e) Proof that he is unable to perform the task,
- f) A person who isn't willing for oath of fidelity according to this article sub-article 7 (q),
- g) Not to be the close relative of a cooperative worker, management committee, or board

# 5) Advertising and registration of candidates

- a) The vacancy structure of the cooperative should be advertised clearly to invite candidates,
- b) Cooperative Vacancy shall be advertised on internal advertising boards and visible advertising areas, as well as in news peppers and mass media with wide distribution,
- c) The name and address of the cooperative, the name of the job specifications, the salary amount and requirement conditions, the number of workers it requires and the job

identity number, the type and level of qualification, knowledge, skill, and other important processes; working language, application letters and documents, working conditions such as filed works, overtime, and holy day works; the amount of guarantee, the date of registration, the starting and ending date, and the job identity number all should be included in the job vacancy advertisement,

- d) Based on the vacancy level, the advertisement should be open for 5 to 15 working days.
- e) During registration Making difference between candidates with regards to ethnicity, gender, religion, political attitude, or others is forbidden, without the candidates submitted substandard or wrong documents and Suspicious documents,
- f) Candidates which are fulfilling the criteria and applied on time should be registered but if the registration time ended not possible to register; if two and above candidates are not registered on one position it should be re-advertised,

# 6) Selection Criteria for candidates

- a) If large numbers of applicants are registered, the recruitment Committee can select competent and skilled candidates for final screening.
- b) If the only competent candidate is selected, the recruitment Committee can give an examination with the permission of higher officials without violating this article, subarticle 6 (a); whereas the candidate should score the indicated marks.

#### 7) Examination and decision making

- a) The recruitment Committee should prepare a written, oral, and practical examination to identify the candidate and hire them,
- b) The candidate's identification criteria, as specified in this article sub-article 7(a), are expected to be met, with marks of 70% for the written examination, 20% for the practical, and 10% for the interview, for a total of 100%. A candidate who takes an interview and a practical examination should score more than 50% on the written examination,
- c) A candidate who will be competent for the specified vacancy should score at least 50% of the total marks,
- d) Vacancies in this article sub-article 7(b) that are difficult for written examination, such as drivers, machinists, garage operators, tractor and combine-harvester operators, should be 80% for practical and 20% for interview examination,

- e) The recruitment committee may invite concerned professional organizations or individuals to prepare examinations for higher positions like manager, vice manager, operation manager, branch manager, department heads, and especial skill positions,
- f) The workers who are hired for new positions shall be candidates who score the minimum requirement and score more than other complaints,
- g) When the cooperative computes male and female candidates for the same position, 3 marks should be added for the female. If they score equal marks, the female can pass.
- h) When the cooperative computes candidates, the disabled candidates who are eligible should get first,
- During computation, if a disabled male and a normal female score equal marks, the disabled male can pass; if a disabled female and a normal female score equal marks, the disabled female can pass,
- j) After the employment committee identified the candidates through an examination, they submitted the minutes to the decision making body. The decision makers should evaluate the decision within 5 days and either accepts it or respond to committees for a re-check if there is a problem with it.
- k) Decision makers can investigate the background history of the worker if necessary. If there is a problem reversed to recruitment committee for re-check.
- After the requirement processes have been approved by the decision makers, the list of winning candidates and the next three competent candidates should be posted on cooperative notes boards, and notifying the selected candidates to report and fulfill the employment process,
- m) If the selected candidate doesn't report on the specified days, an additional 5 days will be given. If he doesn't report within the given additional days, call the next competent person to fulfill the employment process. If the candidates from 1 to 3 do not report on the specified date, the vacancy should be re-advertised.
- n) If the hired worker resigns the position for different reasons before 6 months, hiring the next candidate is possible; calling the next candidate after 6 months is not allowed.
- o) The selected candidate should request to submit evidence of being free from crime acts from policy and health examination results from a hospital before the hiring process.

- p) If the selected candidates have served in another institution before, they will be asked to submit a clearance letter from the previous institution.
- q) The selected candidate should make a written agreement before starting the work.
- r) If the above documents are fulfilled, a signed letter by a cooperative manager or representative body that indicates the full name of the worker, its department, job identity number, name and level of job, salary amount, hired date, month, and year should be given to the worker; the letter should be copied to the cooperative concerned with another department.

#### 8) Important documents to organize worker individual fail

- a) The cooperative should organize the worker's individual fail which contains; 6 small photographs which have been taken within 6 months; an application letter; an individual history form; forensic results obtained from policy which shows out of criminal acts; health results given from hospital; education and work experience evidence; recruitment committee minutes and examination results; approved individual property and assets registration documents; job agreement or containing agreement; guaranty evidence and agreement documents; probation period letter; duties and responsibilities; and other related documents.
- b) When each worker can be hired in a cooperative, he can get a starting salary scale which is indicated on the job structure.

# 9) Organizing Reserve documents

The selected candidate's documents should be attached with his documents, whereas the address and other documents of the reserved candidates can be properly failed for 6 months.

# 10) Manager hiring process

- a) The criteria in this article's sub-article 7(a) are as expected; preparing for the examination and making a decision on the manager's hiring process mandate should be left to the management committee or board.
- b) The cooperatives can give information to responsible appropriate authorities before the managers' recruitment advertisements.
- c) Appropriate authorities can support and follow the recruitment process.

# 11) Registration of worker individual properties and asset

- a) Any manager or worker hired by a cooperative shall register and sign any properties or assets he own, as well as spouse or children under the age of 18, on registration forms provided by the cooperative.
- b) Property and asset registration form contains at lest name of the registered, address, martial statues, number of spouses, types of properties, areas, approved documents, estimated properties cost, cash at banks, amount of money at hand and securities, amount of invested shears and money, and other income generative sources.

#### 12) Content of works agreement

- a) The cooperative shall submit one copy of a work agreement that is signed by the cooperative and the worker himself.
- b) The cooperative worker agreement should contain at least the name and address of the cooperative, the name, age, and address of the worker, the amount of salary paid in a month, working time, duties and responsibilities of the cooperative and worker, and a signature of both, and other issues included in the agreement forms and other issues included in the nature of the job.

# 13) Employment guarantee system

#### 1) Types and amount of guarantee

- a) Any cooperative worker hired for a money-related or property-related job position should have a guarantee that they are responsible for any damage caused by the worker.
- b) Acceptable guarantees should include a legal house map provided by the responsible authority, a car certificate, the salary of a permanent worker, and other properties.
- c) The prices of the guarantees indicated in this article sub-article 1(b) should be translated into money and indicated in the agreement.
- d) Grantor who is availing salary should submit letters which indicate the names of their permanent workers and the amount of their salary.
- e) If the grantor is married, he/she should get the approval of his/her spouse for the guarantees.
- f) Any properties taken as guarantees by the cooperative should get letters approved by the responsible authorities.

# 2) Duties and responsibility of cooperative

- a) Cooperatives should require hired managers and workers to guarantee or collateralize their liability for any damage or loss caused by them.
- b) Cooperatives should decide the amount of guarantee requested by a worker or guarantor. This amount can be determined based on the estimated impact on the properties or assets run by the worker.
- c) Assuring that anybody applying for the guarantee availed by the worker and requesting the worker to submit the available property free from prohibition, and continuing to follow up on any conditions that may be happening on properties availed for guarantee.
- d) Workers transferred to positions requesting a guarantee as well as a guarantee may quit because of different seasons. If they don't get another guarantee and the cooperative understands the problems, they can be transferred to another position that doesn't request a guarantee, considering their profession.

#### 3) Duties and responsibility of worker

- a) Any worker assigned to a cooperative vacancy should submit valid and legal documents to ensure that they did not leave illegally and that no one is complaining.
- b) If a guarantor requests to quit or resign from guaranteeing property or salary, the worker should replace it with another equivalent guarantee. The request should be responded to by checking if the cash and properties handled by the worker are safe or not, and if the worker doesn't cover the loss, the loss will be audited within 30 days, and the guarantor should cover the loss and the question should be solved.
- c) Worker should be accountable for damage, reduction, and loss caused to properties that he handled until he responds to beneficiaries.

# 4) Duties and Responsibility of guarantor

- a) Fully accountable for any damage to cooperative properties and assets caused by a worker who is a guarantor for and whose property should be sold-out and cover the loss.
- b) If the guarantor is married, the property that is available for guarantee should be accepted by his spouse.
- c) If the guarantor is with his salary, he will pay by deducting from the monthly salary based on the loss caused on cooperative properties and assets.

- d) The guarantor should submit legal documents which assure that nobody can complain and that they are not legally controlled by another body.
- e) The guarantor should agree that the properties available can be registered by the office of agreement registration and document validation and that the properties should be kept with the responsible authority until the agreement quits.

# 14) Probation period

- 1) Any worker probation period shall be for 60 days to see if he or she is qualified for the job based on the worker contact agreement.
- 2) A worker's Probation period includes training, induction into the working environment, and familiarizing with operational manuals, directives, regulations, proclamations, and policies.
- 3) Unless otherwise specified in operational directives and regulations, a worker on probation has the same rights and obligations as a worker who has completed their probation period process.
- 4) The job evaluation of a worker on probation shall be evaluated and approved on time.
- 5) A worker on probation can terminate his contract agreement without notice as well.
- 6) A worker who completed their probation period with a satisfactory or higher rating can immediately obtain a letter indicating that they are a permanent worker.
- 7) If a worker on probation scores less than satisfactory or he is not competent, the contract termination letter should be given to him after the probation period has ended.
- 8) If a worker on probation proves to be unfit for the job, the cooperative shall terminate its contract without notice, without being obliged to make a severance payment or compensation.
- 9) If a worker continues to work after the expiry of the probation period, a contract of employment for the extended period or type of work shall be deemed to have been concluded from the beginning of the probation period.

#### 15) Permanent appointment

Worker who complete their probation period satisfactorily or above shall receive a written letter assuring of a permanent position

# 16) Hiring of temporary worker

- 1) When a cooperative manager or representative assures that; temporarily hiring a worker for a specific time and specific work is important, applying and getting approval from the cooperative management committee and board by including the importance, number of workers, and duration of contract, and detailing activities and skills needed.
- 2) The approved contract work shall be implemented as per the employment hiring and selection process.
- 3) The cooperative worker hired for temporary work has the right to request benefits in accordance with the contract agreement.
- 4) A cooperative temporary worker's contract should be for no more than 60 days and only one term.

# 17) Salary

#### 1) Determination of salary scale

- a) Any cooperative should identify the salary gaps through detailed research by using professionals, and the identified gaps should be approved by the general assembly through the cooperative management committee or board,
- b) The amount of salary indicated in this article sub-article 1(a) level of structure, duration of work, education level that the structure requires, experience, skill, and knowledge, structure responsibility, work load, complexity, and risks, cooperative capacity to pay, market demand for workers, amount of salary paid within locality, work areas, inflation, and other important issues should be considered,
- c) The cooperative can pay salary based on its importance, which must be proven through assessment and if the management committee and board accept and approve by the general assembly; increment for manager and worker based on the cooperative's profitability for two consecutive years, approved by the auditor, and ensures that the salary increment is not affecting the cooperative and that it responds to all workers' questions,
- d) Salary increments for each structure must be implemented in accordance with the criteria outlined in the cooperative internal bylaws.

#### 2) Salary payment

- a) Salary payment shall be implemented based on thes directive when approved by the cooperative management committee, board, or manager based on their duties,
- b) Salaries should be paid for activities done. Salary cannot be paid for any worker who doesn't work without permission and legal evidence,
- c) The cooperative shall pay salaries for its workers at the end of each month from the 26th to the 30th day,
- d) Salary payment shall be implemented based on the financial directives of the cooperative,
- e) If the salary payment is determined by law or agreement, the salary should be paid directly to the worker or representative of the worker,
- f) When cooperatives pay salaries to workers, they deduct income tax, pension, and any discipline action that may have happened by introducing the worker.

# 3) Eligibility criteria's for Salary incremental

Any cooperative manager or worker eligible for salary incremental should fulfill the following criteria's:

- a) Permanent worker of the cooperative and has served for more than one year in the job structure,
- b) If the worker's salary amount should not be greater than the previous salary,
- c) The average of the last two job evaluation results should be greater than 75%.
- d) The amount of salary increment is determined by the general assembly and should take into account the payment capacity of cooperative and benefiting workers.
- 4) Conditionality for cooperative managers and workers is not included in the salary incremental:
  - a) If the cooperative worker is hired temporarily,
  - b) If the cooperative worker is hired permanently for the job but serves less than one year,
  - c) If he is on the last warring during the salary increment,
  - d) If he is under high discipline action and the time is not finished,

- e) If he may cause damage to cooperative money or property, an audit report will be issued,
- f) If the average of the last two job evaluation results is less than 75%,

# 5) Deduction from salary

- a) Except where otherwise provided by law, collective agreement, or work rules, or in accordance with a court order or a written agreement of the worker concerned, the employer shall not deduct from the worker's salary.
- b) Unless the worker expresses his consent in writing, the amount that may be deducted at any one time from the worker's salary shall in no case exceed one-third of his monthly salary.

#### 18) Keeping record of cooperative managers and workers

- 1) Individual record containing important documents must exist in each cooperative.
- 2) The record of a cooperative manager should be kept in the cooperative management or board office.
- 3) Individual separate record which fulfill the worker's documents shall be opened for as indicated in this article sub-article 1.
- 4) An worker has the right to see his document and obtain a copy of it in front of a human resource manager or another worker.
- 5) Anybody without cooperative human resource workers can't see individual workers document without the permission of a cooperative manager.
- 6) Attaching any documents that the cooperative worker is unaware of in his record is strictly prohibited.
- 7) Cooperatives shall have the responsibility of having cooperative workers record for a specific time based on directives issued by property authorities.

# 19) Procedures of issuing work experience

- 1) When any worker is on the job or resigning from work for any reason, he may request his working experience in writing:
  - a) Name of worker,
  - b) His job and departments,
  - c) Work experience and monthly salary,
  - d) If he resigns, the reasons for resigning,

- e) Comments given for workers,
- f) Tax payment issues,
- g) Issuing work experience, if necessary, contains a photo of the worker signed by the cooperative head of management committee or board or managers and stamped.

# part five

# Performance, promotion, transfer and job representation

#### 20) performance assessment

- 1) to enable management to make administrative decisions based on factual information, the cooperative must evaluate the performance of its employees,
- 2) The cooperative shall determine the size, quality and timeliness of the work to be evaluated by the cooperative to determine the performance of the employees. The evaluation criteria to be developed should include the following,
  - a) work knowledge and skill,
  - b) planning skill,
  - c) Work plan implementation,
  - d) Job motivation,
  - e) quality of work and effectiveness,
  - f) time management/ time effectiveness,
  - g) monitoring and evaluation skill,
  - h) team sprat and collaboration with other employees, and
  - i) includes other related tasks according to the size and type of the work
- 3) In accordance with the requirements set out in sub-article 2 of this article, the performance of the plan shall be 70% and the characteristic 30%. The implementation of the plan will be completed by the head of the department and approved by the manager and the immediate supervisor will receive 15% of the 30 % character evaluation, while his or her coworkers will receive 15%.

- 4) In accordance with the criteria set out in sub-article 2 above, the manager of the cooperative shall be given a review of the plans to be implemented during the year and be given weight to his subordinates. And evaluates the performance accordingly.
  - a) Department heads, and employees sign a six-month plan with their immediate supervisors, planning their own weighty plan based on the plan submitted by the cooperative. They also evaluate the implementation of the plan,
  - b) The General manager of the Cooperative shall sign with the Chairman of the Board of Directors, outlining the details of its activities every six months. And the performance of the plans shall be evaluated,
- 5) If there is a complaint employee at the time of filing of performance evaluation result, he may take the complaint separately and submit it to the relevant/ immediate supervisor. The superintendent, who received the complaint, takes the complainant to the supervisor and resolves the complaint.
- 6) Filling out of a performance evaluation report is as follows.
  - a) The six-month evaluation is based on the sum of the activities performed daily, weekly, 15 days, monthly, quarterly,
  - b) The performance evaluation result must be approved by the employee. If the employee does not agree with the evaluation results, he or she must state the reasons for the disagreement and then sign the results,
  - c)There will be a joint discussion and agreement on the ideas and actions that the employee should take in the future,
  - d) finally, it are approved by the head of the organization and will be registered,
- 7) The plan achievement evaluation report must be reviewed and approved by the responsible/authorized person and the employee. One copy is given to the employee, and one copy must be kept in the employee file.
- 8) There are five levels of employee performance evaluation result
  - a) Over 90% of the achievements are considered to be the greatest performers,
  - b) 75–89% of achievement is considered to be high performance,
  - c) 65–74% is average achievement,
  - d) 50–64% is considered to be lower,

e) Less than 49% are very low.

# 21) Determination of career promotion

An employee can have the opportunity to move from a low position to a high position as a result of his or her work. However, this can only be done if it has been as part of the cooperative's annual plan and approved by the executive committee or board.

#### **22)** Promotion Committee

- 1) Structure of the Promotion Committee,
  - a) Cooperatives need to be transparent and balanced in their promotion of employment. To do this, a three-member promotion committee should be set up; of them one is accountable to manager and represented by the manager himself and, two elected by staff. The staff member represented by the manager will be the chair of the committee; One of the most qualified women should be a member of the committee,
  - b) According to the evidence presented by the candidates, the head of the department who will assign the employee will be involved in the selection and examination of the candidates,
  - c) If the number of members of the committee to be filled at the time of the establishment of the committee cannot be met due to lack of staff, it may be done by a decision made by the executive committee or board
- 2) The duties and responsibilities of the Promotion Committee:
  - a) Competitors are being vetted to see if they meet the competition criteria,
  - b) Ensure that the registration of candidates is done properly,
  - c) Examining candidates' education, specialization, and work experience; checking the performance appraisal results and the accuracy of other evidence; and verifying any suspicious evidence that was provided by the relevant body,
  - d) Identify the winner of the competition and submit the decision and related information to the executive committee or board or manager of the cooperative,
  - e) If all the candidates do not qualify for the promotion and do not meet the requirements, the committee should submit a recommendation to the cooperative to find other solutions,
  - f) It is the responsibility of the committee to present the minutes to the cooperative, to organize the copy itself, which describes the details of the promotion process and the joint approval of all the committee members.

#### 3) promotion notice process

- a) The internal promotion notice will be posted on the bulletin boards that are easily accessible to the employees of the Cooperative Head Office and Branch Offices;
- b) If a qualified employee is interested in a vacancy that was announced during the absence of the cooperative's employee and if it was accreditated by the cooperative, he or she may be contacted by the Cooperative Human Resource Management via telephone on behalf of the cooperative.
- c) Internal notice stays open for 5 working days.

#### 4) pre-conditions for promotion

Here are the qualifying criteria for eligibility

- a) Ensure that the cooperative achieves its mission and objectives if competent employees are competing for a vacant position in the cooperative,
- b) he must have at least one year of work experience in the cooperative,
- c) an employee who got permanency,
- d) He or she should be academically and technically qualified for the job title,
- e) The last two consecutive years' performance evaluation results should be more than 70%,
- f) person who served for one year or more after receiving career advancement/promotion,
- g) During his time in the cooperative, due to him or she, there was no financial or material defect.
- h) He should completed the disciplinary action in the cooperative during the competition, communicated with his co-workers, and has good work discipline,
- i) An employee who has less than 3 months to reach the legal age limit for retirement

# The following are the requirements for qualifying for the vacancy in the position of manager:

- a) has worked for the cooperative for at least three years,
- **b)** Excellent performance, better able to manage work and better able to interact with others, averaging 80 or more points in the last two consecutive seasons of performance evaluation,
- c) Meets the minimum requirements for the position,

- **d**) Previously received has a promotion and worked in a promotional position for at least one year,
- e) Has not been subjected to any disciplinary actions/penalties while working for cooperatives,

# 5) implementation of promotion

a) Promotion is implemented based on competitors' competency, knowledge and skills, hence the performance indicators or performance standards are listed in this table.

sn	Requirements		Remarkes
		Weight %	
1	efficiency	50	By lowering the most recent two average scores
			to 50%
2	Written, verbal, or	25	By considering the work position, one or two
			options from committee decisions will be taken
	practical tests as		
	needed		
3	educational back	5	If educational background is directly related to
	ground		job title, the competitor will score 100. However,
			if it is not related to job title, the committee shall
			make an optional decision.
4	Relevant Work	10	The committee will assess it using their
			evaluation criteria. to ensure that competitors'
	Experience (Related)		work experience corresponds to the job title
5	Archive quality/track	5	If the competitor has been penalized before the
			competition, based on each disciplinary action
	record		status, the committee shall set cretiory/indicators
			to score 5.
6	immediate supervisor /boss/	5	Scoring by evaluating the competitiveness of the
			candidate, the service provided to the members,
			•
			and the ability to interact and collaborate with
			other employees.

# 6) Approval of promotion

The Board of Directors or Board of Directors of the Cooperative shall evaluate the results as soon as the promotion decision is made and decide on the job titlelevel, starting salary and

when the salary will be paid. It will be delivered to the winning employee and the parties will be notified in writing.

# 7) Modes that force the cancellation of promotion

Promotion, which was obtained through false pretenses or in any other form of violation of the law, shall be revoked at any time, subject to criminal liability

#### 23) Internal staff transfers

- 1) The Cooperative may, when it deems it necessary for the work, follow a clear procedure and transfer to the same position or from one place of work with the same level and salary in the Cooperative,
- 2) If the cooperative employee who has completed the probationary period is unable to work in his or her previous position due to a medical condition:
  - a) If there is a vacancy/job title that can be filled at the same level, at the current level or,
  - b) If there is no vacancy at the same level and the employee is willing to work at a lower level, the position will be reduced to a suitable position or job title.
- 3) If the job position/job title is canceled, he / she will be transferred to the same position in the co-operative.

# 24) An acting appointment

- 1) When circumstances require, a Cooperative employee may be offered a high-level position for a period of not more than one year,
- 2) However, a cooperative employee who has been attending an education or training course for more than one year may be replaced by **an acting appointment** until the end of the training period,
- 3) When the employee is placed on acting; he or she will receive any expected benefits for the position,

#### 25) About external transfer

- 1) External transfers of cooperatives take place only when the cooperative deems it necessary,
  - a) External transfers of cooperatives take place only when the members of the Cooperatives Union and Federation if they have the same position, level and salary,

- b) The transfer notice will be posted for 7 consecutive working days,
- c) The date of post of the notice shall be counted as one of the date of announcement,
- d) Registration will take place on consecutive working days from the date of the announcement.
- 2) The following are the qualifying criteria for filling vacancies foe external transfer.
  - a) For positions that do not require a practical test, the written test will be 90% and the oral test 10%,
  - b) for positions requiring a practical test, the practical test will be 65%, the written test 25% and the oral test 10%,
  - c) If the candidate does not pass at least 50% of the required number for the written examination, he / she will not be eligible for the next examination,
- 3) in exceptional positions, the committee may invite an institution or individual to take the test,
- 4) If two cooperatives are in the same position and the employers' cooperative has agreed, they can voluntarily transfer to each other without notice. However, prior to the transfer, the cooperative that requested the transfer must verify their minimum qualifications.

#### 26) About work delegation

- 1) if the employee has been absent from work due to illness, leave of absence, etc., to prevent misconduct, the cooperative may delegate / assign another employee in order to run the work properly,
- 2) When the Cooperative Executive Committee or Board deems it necessary to make the work more efficient and effective, it may provide the manager and the subordinate with a written list of the delegations,
- 3) The delegation must be notified in writing and different departments in the cooperative and other concerned parties should get a copy of the notice that has been offered to the delegated employee,
- 4) A delegated employee may not have the right to delegate another employee on his or her own authority when he or she resigns,
- 5) In any case, a job delegation may not exceed one year. Delegation can be removed/canceled at any time if necessary.

#### 27) Employee education and Training

# 1) reasons for education and training

- a) The staff should strive to achieve the vision and mission of the cooperative with sufficient knowledge, skills, abilities, and attitudes to be competent and effective and to produce competent, timely, quality, and efficient workmanship,
- b) To correct inappropriate, time-consuming, labor-intensive practices and; trends,
- c) Acquire, applies, and keeps up with scientific and technological knowledge and new practices;
- d) to make the employee copetent for his or her new job and responsibilities when assuming additional duties and responsibilities as a result of a promotion or transfer;
- e) To improve his work ethic in order to achieve better performance in his assigned work or to prepare him for more responsibilities based on his career step.

# 2) Conditions to arranging education and training for employees

#### 1) The obligation of cooperatives to train employees

It is the responsibility of the cooperative to provide training, planning, and budgeting training to the staff through the development of short-, medium-, and long-term human resource development plans related to the manpower plan to address the shortage of skilled manpower

#### 2) Selection criteria

- a) Participants in short-term training will be selected by the Cooperative Manager and Human Resource Management, while long-term training and education opportunities beneficiaries will be selected by the Manager and Human Resource Management and approved by the Cooperative Executive Committee or Board,
- b) Short-term training should be tailored to the staff's position and performance, and it should enhance their knowledge, skills, and attitudes,
- c) In the context of long-term training and education opportunities, it must be ensured that the training or education field is beneficial to the cooperative,
- d) a competition will be set for competent and relevant staff to compete for both the training and the educational opportunities available. To this end, the competition will be advertised and contested so that employees can take advantage of it.
- e) Comparison points for training and higher education opportunities lasting more than three months are as follows:

sn	Requirements	%/weight	remark
1	performance evaluation results	70	lowering the most recent two average scores to 70%
2	benefits from training or education to improve performance at work	20	The committee prepares and evaluates its own criteria, taking into account how much the training will help the candidate to perform his task efficiently, in time and quantity.
3	relevant work experience	5	The experience of the candidate should be related to the training topic he wants to train.
4	track record status	5	If the competitor has been penalized before the competition, based on each disciplinary action status, the committee shall set cretiory/indicators to score 5.

**f**) As long as women and employee with disabilities meet the minimum requirements during the education and training selection, their overall score will be given priority,

# 3) obligations of short, and long term training

- a) Short-term training trained staff should report the change in their skills and attitudes to their immediate supervisor. Received training manuals will be kept by the cooperative,
- b) Employees who benefit from long-term training and education opportunities must first provide a guarantee and enter into a contract with the cooperative to double the amount of time they spend in training or education,
- c) If the employee refuses to comply with the above-mentioned service obligations, he/she is obligated to pay the cooperative's tuition in full at the same time,
- d) when the employee intends to quit his or her job before the end of the required service period, the amount of time spent is reduced, and the balance shall be paid by the employee,
- e) If the employee attends the course during the regular working hours of the cooperative, in addition to the tuition fee, he or she is also obliged to pay in advance for absences due to education.

#### part six

# employee working hour, leaves and incentives

# 28) working hour

#### 1) Regular working days and hours

- a) The average working hours of the cooperative shall not exceed forty-eight hours per week, on average eight hours a day, in accordance with the provisions of Proclamation No. 1156/11,
- b) depending on the agreement between the cooperative and the employee, regular checkin , check-out times, and working days are decided based on the weather around the cooperative, and work days are Monday through Saturday,
- c) When the nature of the work is enforced, it is possible to shorten working hours on any working day of the week and adjust the difference for the rest of the day by agreement between the union and the employee,
- d) The cooperative prepares an attendance sheet for each employee. Every worker must sign the form twice a day before starting work,
- e) If any employee signs in during absences, the management committee or board, or the manager or immediate supervisor, may take the necessary action.

#### 2) overtime work

Cooperative overtime implantation shall be implemented according to labor law proclamation number 1156/2019.

# 29) public holydays and weekly rests

Cooperative public holidays and weekly rest implantation shall be implemented according to labor law proclamation number 1156/2019.

# 30) conditions of leave/ granting of leave

1) annual lave

Cooperatives provide annual leave to any employee, and the annual leave may be as follows:

- a) An employee who has served for one year is entitled to sixteen working days annual leave.
- b) Employees who have served more than one year will be given one additional working day for each additional two years of service. However, the one-year leave must not exceed 26 working days,
- c) Annual leave do not change in cash. However, if there is agreement between the two parties, he shall be paid in the event of urgent work due to termination of the employee's service,
- d) In order to determine the length of service eligible for annual leave, an employee who has worked for the cooperative for twenty-six days is deemed to have worked for one month,
- e) If an employee has been in service for less than a year, he or she will be given a reasonable amount of rest during that working experience,
- f) The salary of an employee on annual leave would be equal to what he or she would have been paid if they had worked.

#### 2) granting of annual leave procedures will be as follows

- g) An employee receives their first annual leave after one year of service and then a series of annual leaves each year,
- h) Annual leave is based on the cooperative plan and takes into account the needs of the workers as much as possible. However, leave will be implemented according to the time schedule of the cooperative,
- i) At the time of the leave of absence, the employee may receive a monthly salary in advance,

# 3) annual leave division/division of annual leave and postponement

- a) The annual leave can be divided or broken down if the employee requests it and the employer agrees,
- b) When the working conditions of the cooperative are enforced, or if an employee requests a transfer and the cooperative agree, the employee's annual leave may be extended. However, the annual leave may not be extended for the next two years,

c) If an employee falls ill while on annual leave and is admitted to a medical facility, medication leave shall be given according to labor law proclamation number 1156/2019.

# 4) recalling of employee/worker on leave

- a) an employee who is on leave may be called in the event of an unforeseen circumstances that require the presence of the employee,
- b) A worker who is recalled from leave shall be entitled to a payment covering the reminder by excluding the time lost for the trip,
- c) The cooperative will pay the employee's transportation and per diem expenses as a direct result of his recall.

#### 31) special leave

# 1) Maternity leaves

- a) A pregnant cooperative employee is given a paid salary as prescribed by a doctor for a pregnancy test. However, she must provide medical evidence after treatment,
- b) If a pregnant worker is ordered by a doctor to rest before giving birth, the employer will provide paid leave,
- c) A pregnant worker is given 30 consecutive working days of maternity leave and 90 consecutive days of paid maternity leave before the day she is expected to give birth,
- d) If the worker's 30-day pre-natal leave expires, she may be entitled to leave until the day she gives birth, in accordance with sub-article 1 (c) of this article. If she gives birth before the expiration of the 30 working-day pre-natal leave, her maternity leave will continue.
- e) As a result, any pregnant worker will not receive a pay deduction on abortion days.

# 2) sick leave

- a) If an employee is unable to work due to illness after the probationary period, he or she
  will be granted sick leave. Sick leave is when an employee is hospitalized or discharged
  on a doctor's orders,
- b) Pursuant to sub-article 2 (a) of this article, the leave may be taken continuously or at different times for a period of twelve months from the first day of receipt of the sick leave, in any case not exceeding six months,

- c) Any cooperative employee who resigns due to illness should report it to his or her immediate supervisor or to the relevant cooperative leadership on the next day,
- d) any employee's sick leave can only be obtained when a legal health organization provides a valid medical leave certificate,
- e) Sick leave for a worker who completes the probationary period will be free for the first months with payment of 100% of his salary, for the next two months payment with 50% of his salary and for the next three months with out pay.

### 3) leave for family events

- a) At the death of a spouse, parent, child, sister, brother, grandmother, aunt, uncle, husband, wife, he or she shall be entitled to three days' leave without deduction,
- b) when an employee's spouse gives birth, he/she shall be entitled to three days' leave without deduction,
- c) The worker is entitled to up to five consecutive days of unpaid leave in the event of special circumstances. However, permits may not be granted more than twice during the fiscal year

### 4) leave for special purpose

- a) A worker who appears at hearings before bodies competent to hear labor dispute or to enforce labor law shall be granted leave with pay only for the time utilized for the said purpose,
- b) When a worker is legally married, he or she is given seven days' leave only once,
- c) According to the test schedule issued by the appropriate body for the national examinations during the regular working hours of an employee attending education or training, the employee may be given a paid leave only for the duration of the examination,

#### 5) Special leave without payment

- a) An employee who completes the probationary period may request a special unpaid leave of absence that does not harm the interests of the co-operative and may be granted a decision by the executive committee or board for up to one and a half months,
- b) However, an unpaid employee will pay the entire pension contribution in full.

#### 32) Working conditions of female staff

Cooperative working conditions for female staff implantation shall be implemented according to labor law proclamation number 1156/2019.

# 33) Working conditions for young workers

Cooperative Working conditions for young workers implantation shall be implemented according to labor law proclamation number 1156/2019.

### 34) Per diem and transportation payment

- 1) There are considerable issues with per diem and transportation costs
  - a) If an employee is ordered to work outside of his or her usual place and if he/she is unable to return to their usual work place for a day, he or she will be paid a 24-hour daily perdiem for food and accommodation expenses. If he goes to another place of work for work and returns on the same day, he will also receive a perdiem based on his stay time,
  - b) The amount of the daily per-diem paid to the cooperative shall be determined by the study and the general assembly and shall be implemented in accordance with the rules of the cooperative. Indefinite payment of per-diem is considered an illegal payment by the general assembly of the cooperative,
  - c) The cooperative does not pay a per-diem to a cooperative employee if she or he is located in his or her usual place of employment,
  - d) The per-diem rate is 10% of the total one-day per-diem rate for breakfast, 25% for lunch, 25% for dinner, and 40% for bed.
- 2) If the employee of the cooperative and other persons leave the cooperative's place of work and return on the same day, the payment of the per-diem shall be carried out according to the following schedule.
  - a) If an employee who goes to work before 7:00 a.m. returns to work after 12 a.m., he or she will be paid 10% of the cost of breakfast. If she/he returns to work after 8 pm, she/he will be paid 35% for breakfast and lunch. If she/he returns to work after 8 pm, she/he will be paid 60% for breakfast, lunch, and dinner expenses,
  - b) An employee who goes to work after 7 a.m. will not be paid if he/she returns before 12 a.m. A 25% refund will be paid for lunch returned between 12 noon and 8 pm. If he/she returns after 8pm, he/she will be charged 50% for lunch and dinner,

- c) If he leaves after 12 noon and returns after 8 p.m., he/she will be charged 25% for the cost of dinner. If he/she returns before 8pm, he/she will not be charged,
- d) The employee must submit a fieldwork report to the immediate supervisor. The supervisor must also verify that the work was completed within the specified time and place,
- e) If the cooperative provides food or accommodation; the service charge will be deducted from the per-diem at the rate described above.

### 3) perdiem and transport cost payment

Transportation costs will be reimbursed by a legal receipt provided by the Road Transport Authority.

### 4) Payment of perdiem for travling abroad and transportation costs

When traveling abroad for business purposes, transportation and per-diem payments shall be made in accordance with the government's foreign travel payment system for cooperatives.

### 5) A phone bill payment

- a) The telephone and internet services required by the cooperatives, both outside the office and outside the office, must have separate office telephone and mobile lines,
- b) The importance and amount of the monthly payment of telephone money should be considered and approved by the General Assembly, reviewed and approved by the Executive Committee or Board,
- c) Cooperatives do not pay for personal telephone calls.

### 35) The Employee Pension Service Fund

- 1) About Social Security Registration and Identification Numbers
  - a) Cooperative workers should have a retirement plan in accordance with "Private Organization Employees' Pension Proclamation No. 715/2003",
  - **b**) The Proclamation on the Establishment of the Cooperative, the Biographies of Employees, Letters of Employment, and other private organizations' employees' Social Security Agency should be organized by registering the information required,

- c) The newly formed cooperative must also submit registration documents to the private organization Employees' Social Security Agency within 60 days of its establishment,
- **d)** Cooperatives must provide proof of registration of a new employee to the private organization's employee social security agency within 60 days of the employee's appointment,
- **e**) When a cooperative or employee submits a registration certificate, he or she will be given a Social Security number,
- f) Any cooperative union must notify the Social Security Agency of its employees and employees within 60 days of any change in the registration information,
- g) Within 60 days of the dissolution, payment, or nonexistence of a Social Security registration number, the manager or inspector must notify the private organization's Social Security Agency,
- **h)** The head or manager of a cooperative that organizes and maintains employee information and does not pass it on to the Social Security Agency at the time shall be liable in accordance with Article 9 of the Labor Proclamation.

## 2) Employee Service Pension fund contribution

- a) Cooperative pension contributions based on the salaries of cooperatives are 11% of the cooperatives and 7% of the workers,
- b) Each cooperative is obliged to contribute to the pension fund by the end of the following month, including the deduction of workers' pensions from their salaries and their share,
- c) At the end of each month, the co-operative member who fails to reduce the share of the workers' pension contributions will be required to pay the contribution himself,
- d) Any private company covered by the Private Employees' Retirement Performance Guidelines is obliged to notify the person authorized to collect the bank account and the name of the bank where the account is located.
- e) Cooperatives cannot use workers' pensions to pay for services, transfers, debts or any other service,
- f) A pension that does not transfer more than three months' pension contributions to a private organization, employee, Social Security Agency, or agent on a monthly basis is

deducted from the bank account, sold, or the property is appropriated to the pension fund.

### 36) Retirement age

- 1) The retirement age is sixty years old, depending on the date of birth of the first employee.
- 2) Subject to the age limit set forth in sub-article (1) of this article, the retirement age may be higher than the age limit set only in professions where the employee cannot be easily replaced. On the other hand, for employees who work in heavy or life-threatening occupations, the retirement age may be lower than the age limit.

### 37) retirement pension and gratuity

- 1) When an employee of a cooperative retires due to retirement age and the service is terminated for various reasons, the calculation is made in accordance with Article 8 of the Private Employees' Pension Proclamation No. 715/2003,
- 2) The amount of service pension to be paid to any cooperative employee shall be determined in accordance with Article 9 of the Private Employees' Pension Proclamation No. 715/2003.

### 38) Various benefits

### 1) **Description and remuneration of per diem** in remote areas

- a) It is a percentage of the salary or perdiem paid to cover the cost of living in the area where the worker is assigned to live and the impact on his or her life and work,
- b) In addition to the monthly salary or per diem, a cooperative worker who is permanently employed in government-designated desert areas will receive a 30% desert allowance. The organization will also determine where and how much desert allowance will be paid as needed,
- c) The employee receives a desert allowance only when he or she has been assigned to a work desert area,
- **d**) When an employee is hired and an employment contract is signed, the allowance will not be paid if the wages are determined by the conditions of the place.
- 2) The calculation of cooperative benefits medical costs for work-related injuries will be implemented in accordance with labor law proclamation number 1156/2019.

## 3) Insurance determination

a) Cooperatives can insure workers during work hours in hazardous workplaces,

- b) Vulnerable parts of work that require insurance will be determined by the cooperative's bylaws,
- c) According to the insurance policy, in the event of death or partial or permanent disability as a result of an accident while working for a cooperative, the risk is covered by insurance based on the insurance policy,
- d) In the event of unforeseen circumstances in which an employee engaged in direct production is insured, without the transfer of his name to the insurance company, without payment of the required premium, or without renewing the insurance contract on time, the insurance company pays the injured employee or his legal heirs.

### 4) uniforms and safety equipment to employees

- a) Cooperatives are required to provide uniforms and safety equipment to employees in positions that require work uniforms and safety equipment,
- b) The union must provide the uniforms for workers in need of uniforms. However, a cooperative established by the processing industry may decide on the type, size, and delivery time of uniforms required for factory workers based on a study,
- c) Work uniforms and safety goggles are worn only during working hours and places, and employees are required to wear the provided workwear and safety equipment,
- d) If the uniforms and other safety equipment provided to the employee are damaged by acid and other contaminants while in operation, it will be replaced by a replacement,
- e) An employee who is assigned a uniform may not ask the union to pay for the uniform in cash, and the union may not pay the employee in cash,

### 5) The provision of credit services to cooperative employee

- a) In the event of an emergency, a cooperative worker may be given an interest-free loan for a one-month salary, which will be repaid in one year, or a two-month salary, which will be repaid in two years. To receive this loan, the employee must,
- b) An employee who wants to borrow from a cooperative must apply for a loan, stating the amount of the loan and how often he or she will repay the loan. Accordingly, the

- manager or representative of the cooperative approves the loan request when he or she deems it necessary,
- c) A loan application form is filled out and signed by the creditor and the head of the accounting department or representative of the department and sent to the manager or representative, confirming that the parties are properly signed and a reasonable guarantee is provided,
- d) An employee who is the guarantor of the borrower must have served the probationary period for at least 6 months and the salary must be equal to or greater than the borrower's salary,
- e) An employee who is a guarantor cannot be a guarantor to another person without completing the collateral,
- f) The borrower will start repaying the loan next month. The payments are made equally on the basis of the loan months. An employee cannot pay less than the monthly loan amount. He cannot pay beyond the specified monthly payment period,
- g) The employee's loan must not be more than one-third of the employee's net salary plus other payments and court-ordered pensions,
- h) If an employee ceases to repay the loan for various reasons and is not available for regular work, the loan will be repaid if there is an unpaid salary, which will be deducted directly from the employee who is the guarantor of the above debt.

#### 6) Access to club entertainment and sports services

Cooperatives can set up recreational and sports facilities with staff as much as possible to enhance the morale and social mobility of employees. Therefore, the money needed for this service will be donated by the Social Services and the staff, which will be decided by the General Assembly.

## 39) Incentive system and implementation

- 1) Incentives The cooperative may provide incentives to managers and employees at the end of its term to motivate employees to work more efficiently,
- 2) The cooperative may allocate an incentive to the members' net profit for the year,
- 3) Cooperatives that implement workers' incentives must implement them according to cooperative bylaw and they should be approved by the general assembly,
- 4) Notwithstanding the provisions of sub-article 3 of this article, incentives shall not be enforceable but shall be enforced only when the Executive Committee or Board deems it necessary and approved by the General Assembly,
- 5) Incentives for managers and employees are allowed only if the cooperative's profitability is audited and the profit margin is at least 15%.
- 6) The manager and employee must be eligible for incentives only if they meet the following conditions:
  - a) If the manager's average two-times performance is 92 percent or above and the annual performance of the cooperative plan is 95 percent or above,
  - b) If the average twice-term performance of an employee is 90 percent and above and 95 percent and above of the target for the year, if he is a manager and an employee who has worked for the cooperative throughout the fiscal year,
  - c) Employees who have been subjected to severe disciplinary action by the Cooperative Disciplinary Committee will not receive any incentive payments during the fiscal year,
  - d) An employee who is deficient in audit results may not be eligible for incentive payments until the defect is investigated,
  - e) Incentives for eligible employees who receive qualifications once a year should not exceed three months' salary.
- 7) The incentive system will be implemented in accordance with the program developed by the cooperative and will be implemented as follows:
  - a) One-time cash or in kind in the form of a gift,
  - b) To visit the historical sites of our country,
  - c) By prioritizing cooperatives' benefits, visiting overseas opportunities shall be arranged for employees,

- d) Making their names known in the media,
- e) Encourage cooperatives to cover the cost of various educational opportunities,
- f) They may give a certificate of thanks in the event of a general assembly of the cooperative,
- 8) The type and amount of incentives given to employees will vary according to their performance and will be implemented in accordance with the criteria set by the cooperative:
  - a) The employee who promotes the name of the cooperative by doing creative work other than that provided for in sub-article 7 of this article will be awarded two months' salary as an incentive or scholarship. The cost will be covered by the cooperative, which may be certified by the executive committee and approved by the general assembly,
  - b) The amount of incentive depends on the specifications of the cooperative, and there is only one type of incentive given to one person at a time. However, certificates can be issued to everyone if the cooperative so desires,
  - c) The incentive will be based on a program developed by the cooperative, preferably at the annual general meeting.

#### Part seven

## Extension of agreement, Termination, Deciplinary measures and grivances handling

### 40) Extension of employee service

- 1) A cooperative employee may extend his service after his retirement period for up to five years at a time, for a total of ten years in total.
- 2) Conditions for the extension of employee service
  - a) When the employee's education, special knowledge, and skills are found to be important for the copperative
  - b) When the cooperative can't do promotion, transfer, or get a replaceable employee,
  - c) When the employee's health status is found to be healthy by medical evidence,
  - d) When the employee demonstrated his willingness to extend his service,
  - e) A service extension will be done when it's presented and approved by the executive committee or board.

#### 41) Reduction of employees

- 1) Any employee of the cooperative:
  - a) When a job is terminated
  - b) When the cooperative declares bankruptcy
  - c) When there is extra manpower and
  - d) The employee may be let go when he is not willing to work in lower level positions.
- 2) If the cooperative has similar competent and skilled employees, the implantation shall be implemented according to labor law proclamation number 1156/2019.

#### 42) Termination of managers and other employees

#### 1) Termination with one's own volition (resignation)

- a) A cooperative manager may terminate his job with a one-month early warning notice and a three-month early warning for other employees, keeping all other rules and regulations intact.
- b) A manager or other employee is responsible for the damage that happened because he has not given a one-month or three-month early warning notice.
- c) The executive committee or board may extend the manager's request for release not for more than three months onwards from the date he applied if the manager is indispensable and not easily replaceable.
- 2) Beyond this article's subarticle 1, the following reasons may be considered for the termination of employees without notice:
  - a) If the cooperative commits any immoral or humane act against the employee,
  - b) If the cooperative commits a crime against the employee that has been mentioned in the criminal law,
  - c) When the cooperative can't fulfill the situations for the employees' wellbeing and health protection that it was supposed to be prepared for,
  - d) Termination of the agreement may happen if the cooperative fails to meet its legal, contractual, or regulatory obligations.

#### 3) Termination of service due to ineffeicency

a) The employee of the cooperative may be given training for two rounds if his performance is lower and below the lower level in order to improve his achievement.

- If he doesn't show improvement after training, he will be assigned to the lower level where he fits. If he doesn't accept the assignment, dismissal of recruitment may occur.
- b) A letter of warning will be given to the employee when it is checked that he is doing his job carelessly and not using his full effort in order to achieve a result. He will be assigned to a lower position when there is no improvement. If he doesn't accept the placement, dismissal of recruitment may occur.
- c) An employee of a cooperative with a high performance record for the previous five years may not be fired unless he scored less than satisfactory on three performance results.

### 4) Resignation due to force majeure situations

- d) If an employee is absent from his work for ten consecutive days for an unknown reason, the cooperative may terminate his service after calling him to report for two consecutive notices of ten days each.
- e) According to this article, sub-article 4 (A), if the executive committee or board of the cooperative investigates the reason for the employee's capacity, the position should be left open for three months. But the committee can fire the employee if he doesn't return to his job within three months.
- f) The service of cooperative employee who has not completed his probation period shall be terminated without an additional formality if he has not found on his job without sufficient eveidence.

#### 5) Termination due to decilpine

- a)The service of a cooperative employee shall be terminated if he is in discipline measure and has not gotten mercy.
- b) The executive committee, with board or supervisory committee, shall ban fire the manager of a cooperative if he commits damage.
- c) The decision on the dismissal of other employees shall be given by the manager or the delegates.

#### 43) Termination of service

#### 1) Termination of service due to illness

- a) If the employee of the cooperative is unable to resume his work within the time specified under article 45, subarticle 4 (B) due to illness, his service shall be terminated.
- b) Without prejudice to the provisions of this Article, subarticle 1(A), if a cooperative employee who has suffered an employment injury is medically determined to be permanently disabled, his service will be terminated immediately.

#### 2) Termination due to age (retirement)

- a. A COOPERATIVE EMPLOYEE WHOSE SERVICE IS NOT EXTENDED BEYOND RETIREMENT AGE SHALL HAVE HIS SERVICE TERMINATED ON THE LAST DAY OF THE MONTH IN WHICH HE HAS REACHED THE RETIREMENT AGE DETERMINED BY LAW.
- b. The employee of the cooperative must be notified in writing three months prior to his retirement.

#### 3) Termination of service due to death

- a) ANY COOPERATIVE EMPLOYEE'S SERVICE WILL BE TERMINATED ON THE DAY OF HIS DEATH.
- **b**) Any cooperative employee who has finished his trial period with a minimum of five years of service but is not eligible for pension payment and leaves due to death or disease, the deceased wife will be paid 50 percent of her husband's salary, his children below 18 years of age will be paid 10 percent each, and his parents who were under his supervision will be paid 10 percent each.

#### 4) About the warning letter before the cancellation of the service agreement

- a) The cooperative should give a warning letter on behalf of the manager and the warning should address the reason for service cancellation and when.
- b) The warning letter should be given in person. But if there is a difficulty in finding him in person or if he is not willing to accept the letter, the letter should be posted for ten consecutive days in public.
- c) Warrining given for worker should be attached on his document.

## 44) Payment for legally released workers

### 1) Payment when service is stopped

- a) For one year of service, the payment should be the average daily salary of the worker multiplied by 30. The payment for worker service of less than one year must be calculated in this manner.
- b) The payment for worker service of more than one year shall be one-third added for each year indicated in this article's sub-article 1(a). Whereas, the total payment does not exceed the worker's salary for a period of 12 months.
- c) If a cooperative declares bankruptcy or shuts down for any reason, or if a worker reduction occurs, the payment shall be the average daily last weak salary multiplied by 30.
- 2) When a worker completes a probation period and is legally discharged or stopped his agreement, his payment is entitled to the following remuneration:
  - a) Stope his agreement due to bankruptcy or the cooperative's closing for other reasons,
  - b) When agreement Stoped forced by cooperative out of the rule,
  - ሐ) የኅብረት ሥራ ማሀበሩ በሠራተኛው ላይ ሰብዓዊ ክብሩንና ሞራሉን የሚነካ ወይም በወንጀለኛ ሞቅጫ ሕፃ ሞሰረት የሚያስቀጣ አድራጎት በመፈጸሙ የተነሳ ሠራተኛው የሥራ ውሉን ሲያቋርጥ፣
  - ሞ) የኅብረት ሥራ ማህበሩ ለሠራተኛው ደኅንነት ወይም ጤንነት የሚያሰ*ጋ* አደ*ጋ* እንዳይደርስ ማስጠንቀቂያ ተሰጥቶት እርምጃ ባለሞውሰዱ የተነሳ ሠራተኛው የሥራ ውሉን ሲያቋርጥ፣ ወይም
  - ሠ) ሙሉ ወይም ዘላቂ የአካል ንዳት በሙድረሱ ሠራተኛው ሥራ ለሞሥራት አለሞቻሉ በሕክምና ተረ*ጋግ*ጦ የሥራ ውሉን ሲያቋረጥ፣
- 3) የሥራ ውል ሲቋረጥ ደመወዝና ከደመወዝ *ጋ*ር የተያያዙ ክፍያዎች በሰባት (7) የሥራ ቀናት ውስጥ ይከፈላል። ሆኖም ግን ሠራተኛው ያላስረከበው ንብረት ወይም ያልተወራረደ ሂሳብ ካለበት ይህ የጊዜ *ገ*ደብ ተግባራዊ አይሆንም።
- 4) የሥራ ስንብት ክፍያ ተጠቃሚው ሳይወስድ ከዚህ አለም በሞት ቢለይ የሚከፈለው ክፍያ ሀ) ለሟች ህ*ጋ*ዊ ባል ወይም ሚስት፣

- ለ) ዕድሜያቸው ከ18 ዓመት በታች ለሆኑ የሚች ልጆች፣
- ሐ) በሟች ድ*ጋ*ፍ ይረዱ ለነበሩ የሟች ወላጆች ነው።

### 45) Guilt discipline and action taken

## 1) Importance of discipline action

- a) To make workers vibrant and disciplined by regret and learning from their previous actions.
- b) protect cooperative objectives from implementation and save cooperative property, and finally, if the workers don't learn from their problems, to faire them.

### 2) Discipline committee

The discipline committee shall be organized into the following sub-articles:

- a) The discipline committee, which has 3 members, shall be organized by the cooperative management committee or board to check any discipline acts that happen in the cooperative,
- b) The head of the committee shall be appointed by the cooperative management committee or board,
- c) Two committee members shall selected by workers,
- d) A member of a committee cannot be the cooperative's head, manager, or any other leader with the authority to approve a disciplinary action,
- e) Any discipline committee should be strong and disciplined, any action don't taken on him within last two years and served more than two years in the cooperative,
- f) If any member of the cooperative discipline committee releases his work or leaves the committee members for any reason, the head of the committee shall request to be represented by someone from their appointed areas,
- g) Any relative, close friends or conflict relation with persons who are requested for discipline action should not attend the discipline committee and any representative should assigned,
- h) The working time of any discipline committee should be two years. Whereas a committee member who has finished their working time can be re-elected.

### 3) Duties and responsibility of discipline committee

- a) The committee can examine any worker discipline cases coming from the cooperative head representative or human resource management department,
- b) Organizing any written documents or hiring human witnesses related to discipline issues,
- c) Receiving debates from responsible individuals for a disciplinary action; investigating and making a decision,
- d) If possible, talk to the worker and go over his individual documents,
- e) The committee should be in charge of maintaining disciplined security, still officially known,
- f) Within 30 days of receiving the issues, a discipline committee should examine and give decision aids on whether they are accountable or not for discipline actions and submit the aides to the cooperative management committee or board.

## 4) Discipline committee voting power

- a) The committee shall conduct its meeting if more than two participants can attend the meeting, including the committee head. At least one of the present members should be a worker representative,
- b) If the head of the committee is unable to attend for some reason, the committee can assign a temporary head internally,
- c) Any decision should be passed by vote, and if there are any debatable issues, and an equal vote occurs, ideas from the committee head's side can win.

# 5) Power of discipline action approval body

Discipline committee decision ideas approval body cooperative management committee, or board and manager:

- a) Accepted decision ideas as it is or,
- b) Improve and approve or
- c) Pass another decision or
- d) Back to the committee, if an issue needs further verification, examined and returned for approval.

### 6) Types and ranks of discipline action

- a) A discipline action passed on a worker shall be an oral warning, a written warning, deducting one to three months' salary, reducing for up to two years from job structure and salary, and dismissal from work can be taken based on the weight of damages,
- b) Simple discipline actions should be categorized as oral warring, written warring, and deduct one month's salary,
- c) High discipline actions should be categorized as deducting more than one month's salary, reducing workers' staracture and salary, and dismissal from work,
- d) When he has completed its discipline action time, he should return to a similar previous structure or, if one cannot be found, move to another similar structure with no additional structural growth,
- e) Any discipline action should be rescored or used as a reference; two years for simple discipline actions and two years for high discipline actions must elapse from the date of the discipline action.

# 7) Damages causes high discipline actions

- Any action causes damage due to violating legal order, negligence, less fairness, or knowingly violating operational systems,
- b) Knowingly disturbing or collaborating with others to obstruct the operation,
- c) Not correcting himself by simple discipline action and being absent from work without enough reason and not respecting working time,
- d) Implement socially immoral acts in a working area,
- e) Misuse of power,
- f) Implementing sexual harassment or violation on working area,
- g) Thief cooperative property and money, change, give to other third parties or to help others, or attempt to give,
- False signatures, submitting false documents and reports, supporting or attempting embezzlement, or distraction of cooperative property by violating the cooperative's bylaws and operational manuals,

- i) Illegally using or deleting cooperative documents or illegally using or stealing cooperative stamps to benefit third parties,
- j) Giving a cooperative document, property, or security to another body, or using it for his own or to assure the third party's benefit,
- k) Knowingly or lese fairly try to cause damage on cooperative worker life or property,
- I) Taking or Giving or try to give a brave,
- m) Insulting or worshiping the operation's leader or other workers,
- n) Drunk on works place or use drags or store or use,
- Any worker who loses, harry, bonds, fails to provide complimentary information, violates cooperative directives, or refuses to accept a legal letter from the cooperative,
- p) Who supplies forged education, work experience, and medical documents,
- q) Motivating cooperative workers to commit illegal acts, implementing any un-fear acts, dividing or striking workers based on ethnicity, gender, religion, political ideology,
- r) Implementing similar high-guilt discipline acts discussed in these directives,
- s) If any worker violating a guilt discipline acts discussed above, the discipline committee shall evaluates its weight and take fully or partially a discipline action

### 8) Procedures of Discipline action

- a) An administrative discipline action may be issued without adhering to or following the procedures of a court discipline action,
- b) When cooperatives pass administrative action on workers, they should give a written letter that indicates the action taken to him and should sign and receive it,
- c) Due to the action passed without cooperative, the discipline committee is not accountable. The discipline action should not be passed on to them,
- d) If a worker causes damage in another department before transferring to another department and then causes additional damage in the new department, the discipline committee can jointly examine the damage and pass the discipline action ideas to cooperative management and the board for their final decision.

# 9) Oral and written warring

- a) When giving a written warning is an important lesson to teach a worker; the warning should be written in a note book and signed by the head who gives the warning and the worker who receives the warning,
- b) Except for oral warnings, any discipline action passed on to a worker should be in written form and the worker should understand and sign it when received,
- c) Any worker who is on discipline action who suffers any additional damage, the cooperative can pass additional action based on the simplicity and difficulty of the damage.

### 10) Implementation of guilty discipline action

- a) The department head is responsible for enforcing the guilty discipline actions taken orally and in writing,
- b) The implantation of guilty discipline action, one to three month salary redaction, and other high discipline actions shall be implemented by the decision of the cooperative management committee or board head; cooperatives run by the head of the management committee by application of the head; cooperatives run by different departments by application of the manager; cooperatives without a department head by application of the manager,
- c) The guilty discipline actions of one to three months salary redaction and other high discipline actions passed on to the cooperative manager or vice manager must be implemented by the cooperative management committee or board head.

#### 46) Suspended workers from operation and salary

- 1) Any cooperatives suspending worker from operation and salary can be:
  - The worker may destroy, conceal, or discard the documents related to the verification,
     or,
  - b) may cause additional damage to cooperative property or,
  - c) The issues he sues may have an impact on the morals of others or undermine the commitment of cooperative members or the community.

- 2) When guessing that the criminal acts caused by the worker were dismissed without warning,
  - a) Based on this, if the worker by itself is a reason for the dalliance of the decision, his problems shall be applied to the discipline committee and get a decision within a month,
  - b) A worker who has been restricted from his regular operation in accordance with this article, subarticle 2(a), must have the reasons for his restriction explained to him in writing by a cooperative manager or representative and documented. The restriction may not be for more than 3 months,
  - c) Alternatively, if the worker is fired from work due to discipline action, the salary that wasn't paid to him during restriction time should be paid to him without payment of interest and back to his previous job.

### 47) Firing worker without warning

- 1) A worker who implements the following acts shall be guilty of fraud acts:
  - a) knowingly destroying, deleting, changing, or changing to a false document any cooperative or cooperative-related document,
  - b) Deception or fraud acts on cooperative cheeks, stamps, titers, or cooperative logo stamps, formats, or identity cards,
  - c) Obtaining a forged identity card or certificate, as well as a false education or work experience,
  - d) A false signature symbolically seems to be a signature on cooperative documents to assuage himself or a third party,
  - e) Documents, hiding written documents, hiding, tiring, dismissing, or giving to another body, producing forged or similar signatures,
  - f) Giving a document to a third party,
  - g) Baying low quality standards produced by cooperative system violations, which affect cooperatives, and other similar fraud acts
- 2) If a worker who implements the following acts, they are considered to be stealing:
  - a) Cooperative, friends or customers' property or money theft, misusing or trying to misuse, or knowingly reducing and supporting these acts,

- b) Misuse, destroy, or support theft, facilitate, or attempt to steal cooperative property,
- c) misusing cooperative property or money to realize his or others' prosperity, or using cooperative properties for personal issues without permission,
- d) Stealing properties and money, fraud, sealing, changing or trust-losing acts when on duty as a guard for a cooperative.
- 3) Taking informally brave from any person or institution that has stakes in a cooperative or worker by using its power, workers' asking to take or give money can be taken as brave.
- 4) If any workers have abused the secrets of the cooperative, it can be as follows:
  - a) Knowingly giving or introducing cooperative securities that affect its business to other individuals or organizations by violating the regular cooperative system,
  - b) Knowingly giving cooperative securities or business information or documents to any unconcerned body,
  - c) Working freely or for a benefit, or forming joint ventures and partnerships with any cooperative competent individual or organization,
- 5) The workers implementing the following acts are taken as absent from work:
  - a) Without enough reasons for continues 5 day's,
  - b) Total 10 working days within a month,
  - c) Absent from regular working days total 30 days within a year,
- **6)** Any workers implementing the following acts are considered to be misusing guns:
  - a) Kill or attempt to kill individuals or the injured by using guns provided for security purposes,
  - b) A security worker who loses their gun, or leftovers, or gives to others, knowingly or unknowingly,
- 7) Being convicted of a crime and being unable to work as a result of that crime
- 8) Knowingly; failing to serve properly, disrespect, pride, insult, or disrespectful acts toward cooperative members or customers,
- 9) Creating inequity, conflict, expanding locality, and/or forming groups within cooperatives based on ethnicity, gender, religion, and politics.

### 48) Procedures of appeal

## 1) Objective of organizing Complaint Committee

- a) To give an urgent response to cooperative managers and workers' appeal,
- b) To correct issues that are the source of complaints and to establish a system that assures equity to serve all cooperative workers equally, additionally to strengthen the relationships between workers,

## 2) Establishing Complaint Committee

- a) Solving complaints collectively that are caused by administrative issues, the cooperative shall establish a complaint committee according to this directive,
- b) The complaint committee is taking complaints from workers and identifying the caps and giving decision issues to the cooperative management committee, board, or manager,
- c) The number of Complaint committee shall be 3 and accountable to cooperative manager, one is represented by manager and the rest are selected by workers, one from cooperative human resource department can be added as member. Committees are organized by committee head when necessary,
- d) The working years of compliant committee members are only two years.

# 3) Criteria's for selection of compliant committee

- a) Recommended with good conduct and performance,
- b) Any discipline action that has not been taken within the last two years,
- c) They should be permanent cooperative workers and serve for more than two years.

# 4) Duties and responsibility of compliant committee

- a) Examining appeals and related documents coming from the cooperative management committee, board, or manager,
- b) Having a conversation with the person who submitted the request as well as the responsible head or decision makers,

- c) Checking complaints through considering related directives and operational work,
- d) Submite reports containing examination results and decisions within one month starting from the compliance date to the cooperative management committee, board, or manager.

### 5) Issues seen by complaint committee

- a) When rights and duties given by laws, regulations, and directives are violated,
- b) Respects of benefits of rights,
- c) Environmental and safety Issues,
- d) From work starcture and rating,
- e) Job evaluation,
- f) Illegal decisions from head of the cooperative,
- g) Concerning discipline action,
- h) Have a responsibility to examine and give a decision on complaints from cooperative workers and others.

### 6) Complaint committee meeting system

- a) The Complaint Committee may be collected when the job is required,
- b) The committee meeting will be held when all members are in attendance,
- c) The pass decision by vote If the vote were equal, ideas from the head side could win.
  The difference should be noted clearly.

# 7) Deadline of appeal

- a) If the cooperative workers are not satisfied by the decision, they can apply in writing to the near department head or concerned head within 5 days of the decision being passed and to the head of the cooperative order to the cooperative complaint committee,
- b) If the cooperative workers are unable to apply due to a forced reason, they may do so within the next ten days, according to this article's subarticle 7 (a).

## 8) Ratification of Appeal

When making a compliant appeal, the cooperative complaint committee should check the following issues:

- a) Evaluating compliant appeals and related documents,
- b) Having a conversation with the person who submitted the request as well as the responsible head or decision makers,
- c) Checking complaints through considering related laws, rules and operational work,
- d) Submit reports containing examination results and decisions within one month starting from the compliance date to the cooperative management decision-making body.

### 9) Procedure for appeal

- a) If a worker has any discomfort with actions taken by his related department head or with working conditions or with hiring agreement conditions, he can appeal in writing to his immediate department head,
- b) If he is not satisfied with the response of his department heads, he can appeal in writing to the cooperative manager. If he is not comfortable with the response of the cooperative manager, he can appeal in writing to the cooperative management committee or board. The management committee or board should respond to the appeal within 30 days. The cooperative management committee responded, and the board made the final decision,
- c) If a worker who appeals has been on medication leave, annual leave, or other uncontrollable condition and doesn't appeal within deadlines, they cannot be restricted from appeal,
- d) An appeal that has not followed the steps in this article, sub-article 9 (a & b), does not appeal to a legal court,
- e) If a worker has not agreed with decisions or answers given by the cooperative management committee or board, he can appeal to any legal body,
- f) Cooperative management committees or boards or managers can verify the requested appeal result and decisions; approve the decisions or respond and order

the committee to re-verify the issues if they are convinced that the verification was not properly managed, or take another decision out of the proposed one if they have sufficient justification.

g) The decisions taken by the cooperative management committee or board are final.

### 49) Period of limitation

- 1) If any cooperative worker causes damage, which causes a discipline action, and the discipline action is not taken within 6 months of the action's knowledge, he is not accountable for the discipline action. Whereas a responsible department head who doesn't take action should be responsible.
- 2) A cooperative worker who causes damage, which may include criminal acts, can't be held accountable if the cooperative doesn't sue the worker based on criminal and violation of the rule within the limitation period,
- 3) If any cooperative worker doesn't request his right related to money within 6 months, it is blocked by the period of limitation,
- 4) Whereas the application of the discipline action period of limitation specified in this article sub-article 1 and 2 is not applied within one year, the responsible department head responsible for discipline action application is accountable for discipline action.

### 50) Forming workers association

- 1) Any cooperative can organize workers into an association based on labor proclamation 1156/2019 articles 113 and 114. whereas, if the number of workers is less than 10, forming an association is not possible,
- 2) An association organized based on this article, sub-article 1, shall sign a common agreement with a cooperative. The cooperative's management head or board head shall sign the common agreement on behalf of the cooperative,
- 3) The relationship between a cooperative and an association must adhere to the law and the system; both have their own legal personality, but they must create a conducive environment for collaboration.

#### Part 8

## **Miscellaneous provisions**

### 51) Repealed and inapplicable directives

The Directive No. 5 on cooperative human resource organization and management, issued by a federal cooperative agency in 2004, is repealed.

### 52) Obligation to cooperate

Any concerned organ has an obligation to cooperate in the implementation of this directive.

# 53) Amendment of directive

This directive may be amended by the Ethiopian cooperative commission.

## 54) Scope of application of the directive

This cooperative human resource management and development directive is applicable to cooperative organizations throughout the country.

## 55) Effective date of the directive

This cooperative human resource management and development directive comes into force starting from June 20/2022.

**Addis Ababa** 

May/ 2022

Firealem Shibabaw Yeneabat

**Ethiopian cooperative commissioner**