

MEGHALAYA STATE COOPERATIVE POLICY, 2026

1. Introduction

A cooperative is a voluntary, democratic and member-owned institution formed by individuals who come together to meet their common economic, social and cultural needs through jointly owned and democratically controlled enterprises. Cooperatives operate on the principles of self-help, mutual aid, shared responsibility and equitable participation.

The cooperative movement in Meghalaya has historically played an important role in livelihood enhancement, financial inclusion, and community empowerment. However, the sector faces challenges such as weak governance, human resource issue, provisional management, inactive membership, limited capital, fragmented structures, low adoption of technology, and inadequate training and capacity building. This policy envisions revitalizing the cooperative sector so that it becomes a self-sustaining, transparent, and member-driven system contributing to the state's economic and social goals. The vision is to position Meghalaya as a leader in cooperative innovation, inclusivity, and sustainability, while upholding the principles of voluntary membership, democratic control, autonomy, and equitable benefit sharing.

As such, to empower and ensure a conducive environment for the growth and prosperity of the cooperative sector in the state, the Government of Meghalaya hereby formulates this policy with the vision of ushering inclusive growth, socio-economic security, self reliance and overall equitable development.

2. Background and rational

In Meghalaya, the Cooperative Movement predates the independence of our country. The origin of Cooperative Movement in Meghalaya can be traced from 1904 during the British Rule in the composite Assam state when the first Cooperative Urban Bank of the North East was set up in Shillong on 3rd September, 1904 in the name of 'The Shillong Cooperative Town Bank Ltd'. The Bank was organized by the Government employees and it served the causes of salaried class only. It is worth mentioning that the first Consumers Cooperative Society of the N.E. Region was set up in Shillong in 1918, namely, the Police Bazaar Consumers' Cooperative Society Ltd. In addition to this, the North-Eastern Range Postal & Telecommunication Cooperative Society Ltd was established on 13th August, 1920 was the first thrift and credit cooperative society in the region now known as Meghalaya. This marks the beginning of the cooperative movement in the region, laying the foundation for later credit, consumers' and other cooperative societies. Subsequently, Assam Civil Accounts Association MBF Cooperative Society Ltd (1927), Survey Department Employees Cooperative MBF Society Ltd, Rilbong Consumer Cooperative Store Ltd (1928), etc were formed. These early cooperatives functioned within the traditional community systems of participatory, consensus-based, and community-owned rather than state driven.

With the changing times, cooperatives face new threats and challenges. In addition to this, the cooperative sector has diversified into agriculture, dairy, handloom, handicrafts, consumer cooperatives, transport, tourism, thrift and credit, housing cooperatives, organic farming, agro-processing, digital operations, etc. As per the NCD data there are 3400 plus cooperative societies in the state with 2 lakhs plus members.

The policy will serve as a guiding framework for cooperative development across sectors — agriculture, tribal crafts, eco-tourism, dairy, women-led enterprises, credit and savings, and digital integration — with an emphasis on community ownership, transparency, professionalism, and socio economic inclusion.

3. POLICY ALIGNMENT

This Policy is aligned with:

- The National Cooperative Policy
- National cooperative reforms under “Sahakar Se Samridhhi”
- Sustainable Development Goals (SDGs), priorities and sectoral programmes
- Principles of transparency, accountability and good governance
- To position cooperatives as engines of inclusive and sustainable economic growth in Meghalaya by empowering communities, strengthening local enterprises, and fostering collective entrepreneurship, thereby contributing significantly to the State’s aspiration of achieving a \$10 billion economy by 2028.

4. Vision

To build a vibrant, inclusive, people-centric cooperative ecosystem in Meghalaya that empowers communities, strengthens rural economies, enhances incomes, and contributes significantly to the state’s sustainable development and prosperity.

5. Mission

- To instil professionalism, transparency, and digital competencies in cooperative governance and operations through statutory, institutional and technological reforms.
 - To expand cooperative outreach to every village in Meghalaya.
 - To ensure cooperatives become vehicles for rural employment, tribal empowerment, and value-chain integration.
 - To enhance market access, credit availability, and resource mobilisation for cooperative members
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6. Strategic policy objectives

The objectives of the Policy are to:

1. **Universal Cooperative Presence:** Establish at least one well-functioning cooperative unit in every village by 2030.
2. **Inclusive Growth:** Enhance participation of women, tribal communities, youth, and marginalized groups.

3. **Financial Inclusion & Credit Access:** Strengthen cooperative banking, PACS, and credit unions to ensure affordable credit and risk-sharing for members.
 4. **Technology & Digital Integration:** Promote digital record-keeping, e-services, and online market linkages.
 5. **Capacity Building:** Institute continuous training programs and leadership development for cooperative members and managers.
 6. **Enterprise & Value Chain Development:** Boost cooperatives in agriculture, dairy, handloom, handicrafts, eco-tourism, and allied sectors.
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7. Priority Areas & Sectoral Strategies

7.1 Agriculture & Allied Cooperatives

- Promote multi-purpose PACS with integrated services: credit, inputs, produce aggregation, and advisory services.
- Support hill farming and organic agricultural practices with technical assistance and collective marketing.

7.2 Dairy & Livestock Cooperatives

- Establish and strengthen dairy cooperatives focusing on hill breed management, milk collection, processing, and value addition.
- Facilitate linkages with national dairy clusters and common facility centers.

7.3 Handloom, Handicraft & Artisan Cooperatives

- Institutionalize cooperative clusters for local crafts, providing design, marketing, and export support.
- Leverage tourism circuits to brand and promote Meghalaya artisanal products.

7.4 Tribal & Community Cooperatives

Agriculture & Allied Activities

- Promote cooperatives to improve **access to quality inputs, extension services, collective marketing**, and reduction of intermediary costs.
- Support **climate-resilient agriculture**, organic farming clusters, and cooperative-led irrigation support

Livestock & Dairy

- Strengthen cooperatives engaged in **animal husbandry (dairy, poultry, piggery)** through training, credit, and enterprise support.

Fisheries & Aquaculture

- Mobilise community fishery cooperatives to expand **fish cultivation, seed production, and market linkages**.

Allied Rural Industries

- Support cooperatives in **handicrafts, sericulture, agro-processing, and tourism services**, which are pivotal for tribal community livelihood diversification.

Digital & Financial Services

- Promote cooperatives as entry points for **Common Service Centres (CSCs)** and digital financial inclusion services.

Capacity & Institutional Leadership

- Formalise **leadership development, training programmes, and inclusion of tribal women and youth in governance roles**.
- Strengthen community-based cooperatives that manage forestry products, spice clusters, and traditional food processing.
- Encourage cooperatives to protect intellectual property and traditional knowledge.

7.5 Women & Youth Cooperatives

a. Economic & Financial Empowerment

- Promote **women-led cooperatives** as engines of income generation and livelihood diversification (e.g., handicrafts, agro-processing, dairy, consumer services).
- Improve access to **finance, credit, microloans, and working capital** through cooperative banks, state funds, and linked schemes (e.g., Swayam Shakti Shahakar Yojna, Nandini Sahakar).

b. Inclusive Participation & Leadership

- Ensure **representation of women** in governance, boards, and leadership roles within cooperatives — with gender-inclusive provisions in model bye-laws and society constitutions.
- Facilitate dedicated quotas, mentorship, and succession pathways that enable women to lead and manage cooperatives.

c. Capacity Building & Skill Development

- Build women's entrepreneurial skills through **training, digital literacy, business development, and financial management programmes**.
- Integrate cooperative training with state and national skill missions, including sector-specific certifications.

d. Market Access & Value Chain Integration

- Strengthen market linkages — local, regional, and national — for products and services produced by women's cooperatives.
- Support branding, quality standards, and cooperative marketing collectives to enhance competitiveness.

e. Service Inclusion & Social Development

- Use cooperatives as platforms for **access to essential services** (credit, banking, insurance, and healthcare) and social safety nets that benefit women and families.
- Encourage cooperatives to support childcare, maternal health, and community wellbeing initiatives, making them hubs of socio-economic empowerment.

f. Digital Inclusion & Innovation

- Encourage digital adoption — from record-keeping to digital payments — and support women in accessing technology and online marketplaces.

g. Youth Engagement & Leadership Development

- Actively involve youth in cooperative governance structures, executive roles, and decision-making.
- Encourage mechanisms for **youth representation** on boards and committees at primary and secondary tiers.

h. Skill Building & Cooperative Career Pathways

- Expand vocational and cooperative-management training, internships, and certifications (including integration with higher education and cooperative training institutes).
- Foster programmes that enhance **entrepreneurship, innovation, and management skills** tailored for young cooperative leaders.

i. Employment & Enterprise Creation

- Support formation and scaling of **youth-led cooperatives** in sectors such as digital services, tourism, transport, logistics, renewable energy, and creative industries.
- Provide incubation support, seed funding, and business development resources for youth enterprises.

j. Technology & Digital Cooperatives

- Promote cooperatives that leverage **digital platforms and tech-enabled solutions** to expand services and reach new markets.
- Encourage youth participation in cooperatives that develop and manage digital tools for governance, finance, and market access.

k. Youth Mobilization & Awareness

- Drive awareness campaigns in communities and educational institutions to highlight cooperatives as a **viable career and enterprise option** for youth.
- Link cooperative engagement with national youth employment missions and skill development initiatives.
- Create gender-inclusive cooperatives focusing on skills, finance, and entrepreneurship.
- Link youth cooperatives with digital platforms and market access.

7.6 Tourism, Eco-Services & MSME Cooperatives

- Promote eco-tourism cooperatives linked with local guides, home stays, and cultural enterprises.
- Integrate MSMEs into cooperative value chains with shared services.

7.7 Financial, Credit & PACS Reforms

- Modernize PACS as multi-service centres with digital banking, insurance, and linkages with state cooperative banks.
- Facilitate cooperative access to state risk funds and guarantees.

7.8 Digital & Technology Integration

- Digitize cooperative governance (member records, accounting, e-compliance, and marketing).
 - Enable cooperative members to access digital payment systems.
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8. Institutional Framework and Governance Reforms

- Constitute a **State Cooperative Council** to oversee policy implementation and alignment with national mechanisms.
 - Set up a dedicated **State Cooperative Development Board** with representatives from government, cooperatives, financial institutions, and civil society.
 - Strengthen democratic governance and accountability within cooperative societies through training, audits, and member education.
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9. Legal & Regulatory Reforms

- Review and update Meghalaya Cooperative Societies Act & Rules to enhance ease of doing business in the cooperative sector, while ensuring member safeguards.
- The Office of the Registrar of Cooperative Societies shall be fully digitized.
- A centralized digital database of all cooperatives shall be created and maintained.
- Establish an **Independent Cooperative Tribunal** for dispute resolution and compliance adjudication

10. Financing & Incentive Framework

- State Cooperative Fund for grants, risk sharing, and infrastructure support.
 - Matching grants for cooperative digitization and capacity building.
 - Incentives for women and eco cooperatives.
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11. Capacity Building, Education & Training

- Upgrade and strengthen the Meghalaya Cooperative Training Institute into a Centre of Excellence (CoE).
- Regular leadership, governance, and technology training.

- Exposure visits and partnerships with established national cooperatives.
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12. Diversification

a. **Forestry, Non-Timber Forest Produce (NTFP) and Bio-Resources:** Community and tribal cooperatives shall be supported in sustainable harvesting, processing, value addition, and marketing of NTFPs, medicinal plants, spices, bamboo, and other bio-resources.

b. **Waste management:**

□ **Solid Waste Collection and Segregation**

Community-based cooperatives shall be supported to undertake door-to-door waste collection, source segregation, and primary processing in urban, semi-urban, and rural areas, in partnership with Urban Local Bodies and traditional institutions.

□ **Recycling, Resource Recovery and Value Addition**

Cooperatives shall be promoted for recycling of plastic, paper, metal, glass, and electronic waste, as well as composting of biodegradable waste, thereby converting waste into economically valuable resources.

□ **Organic Waste and Composting Cooperatives**

Special emphasis shall be placed on cooperatives managing organic waste through composting and bio-processing, with linkages to agriculture, horticulture, and organic farming initiatives.

□ **Waste Management in Tourist and Ecologically Sensitive Areas**

Waste management cooperatives shall be developed in tourist hubs, pilgrimage sites, and ecologically sensitive zones to ensure environmentally responsible waste handling and sustainable tourism practices.

□ **Integration of Informal Waste Workers**

The policy shall encourage the formalisation and social security inclusion of informal waste pickers and sanitation workers through cooperative membership, ensuring dignified livelihoods, safety, and skill development.

c. **Renewable Energy and Green Cooperatives:** The State shall promote cooperatives in renewable energy generation, micro-hydel, solar installations, bio-energy, and waste management, particularly in remote and off-grid areas.

d. **Service Sector and MSME-Linked Cooperatives:** New cooperatives shall be supported in logistics, transport, warehousing, digital services, repair and maintenance, construction support services, and MSME supply chains.

e. **Handloom, Handicraft, Design and Creative Industries:** Cooperatives shall be encouraged to expand into design development, branding, e-commerce, export facilitation, and cultural entrepreneurship to enhance income opportunities for artisans.

f. **Youth-Led and Technology-Enabled Cooperatives:** The State shall promote youth-driven cooperatives in digital services, platform-based enterprises, agri-tech, and innovation-led activities to align with emerging employment trends.

13. Conclusion

The Meghalaya Cooperation Policy 2026 represents a decisive step towards re-energizing and repositioning the cooperative movement as a cornerstone of inclusive, sustainable, and community-led development in the State. Anchored in the principles and strategic direction of the National Cooperation Policy 2025, this policy recognizes cooperatives not merely as economic institutions, but as instruments of social cohesion, tribal empowerment, and participatory governance—values that are deeply rooted in Meghalaya’s cultural and traditional systems.

By addressing the generic challenges confronting the cooperative sector—such as governance deficits, limited access to finance, market constraints, and low technology adoption—while simultaneously responding to the State’s unique geographic, socio-economic, and institutional realities, the policy lays down a pragmatic and forward-looking framework. It leverages Meghalaya’s inherent strengths, including strong community institutions, rich natural resources, vibrant artisanal traditions, and growing youth and women entrepreneurship, to build resilient and competitive cooperative enterprises across sectors.

The policy envisions a future where cooperatives function as professionally managed, financially viable, and digitally enabled institutions, capable of integrating local producers with regional, national, and global value chains. Through focused interventions in capacity building, legal and institutional reforms, financial support mechanisms, and technology integration, the State aims to ensure that cooperatives become self-sustaining engines of income generation, employment creation, and equitable growth.

14. Glossary & Definitions

Cooperative

A voluntary, autonomous, and democratically controlled association formed to meet common economic, social, or cultural needs through collective enterprise.

Cooperative Society

A society registered under the **Meghalaya Cooperative Societies Act, 2015** including primary, secondary, and apex cooperatives.

Primary Cooperative

A village or community-level cooperative whose members are individuals.

Secondary / Apex Cooperative

A cooperative formed by primary cooperatives to provide support, coordination, services, or representation at district or state level.

Community Cooperative

A cooperative formed by members of a defined local community or village to address shared livelihood or service needs.

Tribal Cooperative

A cooperative in which a majority of members belong to Scheduled Tribes and which functions in harmony with customary practices and constitutional safeguards.

Women’s Cooperative

A cooperative in which women constitute the majority of members and leadership.

Youth Cooperative

A cooperative in which the majority of members are youth, generally aged **18–35 years**.

Multi-Purpose Cooperative

A cooperative undertaking more than one economic or service activity.

Integrated Village Cooperative Society (IVCS)

A village-level, multi-purpose cooperative integrating livelihood, service, and economic activities.

Member

An individual or institution admitted to a cooperative in accordance with its bye-laws.

General Body

The supreme decision-making authority of a cooperative comprising all members.

Board / Managing Committee

The elected body responsible for management and oversight of the cooperative.

Bye-laws

The registered rules governing the functioning, governance, and operations of a cooperative.

Share Capital

The financial contribution made by members representing ownership in the cooperative.

Surplus

The excess of income over expenditure generated by a cooperative.

Capacity Building

Activities aimed at strengthening skills, leadership, governance, and enterprise management of cooperatives.

Value Chain

The sequence of activities from production to marketing and consumption of goods or services.

Market Linkages

Arrangements enabling cooperatives to access local, regional, national, or digital markets.

Financial Inclusion

Access to credit, savings, insurance, and digital financial services for cooperative members.

Digital Cooperative

A cooperative using digital tools for governance, services, finance, or marketing.

Sustainability

The ability of cooperatives to remain financially viable, socially inclusive, and environmentally responsible.

Inclusivity

Ensuring equitable participation and benefits for women, youth, tribal communities, and marginalized groups.

Line Departments

Relevant state government departments supporting cooperative development.

Monitoring and Evaluation (M&E)

Processes for tracking performance, outcomes, and impact of cooperatives and policy interventions.
