

Instructions No. (1) of 2024 for the Cooperative Societies System

Issued pursuant to the provisions of Article No. (35) of the

Cooperative Societies System No. 36 of 2016

Article (1)

These instructions are called (Cooperative Societies System Instructions No. (1) of 2024) and shall be effective from the date of their approval by the Board of Directors of the Jordan Cooperative Corporation.

Article (2)

A. The following words and phrases, wherever they appear in these instructions, shall have the meanings assigned to them below unless the context indicates otherwise:

A. Law: Cooperative Law.

B. System: Cooperative Societies System No. 36 of 2016

C. Corporation: Jordan Cooperative Corporation.

D. Board: Board of Directors.

E. Director General: Director General.

F. Director of Cooperation: Director of Cooperation Directorate in the Governorate.

G. Directorate of Cooperation: Directorate of Cooperation in the relevant Governorate.

H. Society: Any cooperative society registered under the provisions of this system.

I. Bylaws: The bylaws of a society.

J. Committee: The management committee of a society.

K. Member: The natural or legal person who founded the society or joined it after its establishment.

L. General Assembly: The general assembly of a society composed of its founding members and its affiliates.

M. Region: The geographical area covered by a society work according to the articles of incorporation which are determined in accordance with the administrative divisions system in force in the Kingdom.

N. Preparatory Committee: The preparatory committee formed by the founding members in the preparatory meeting before establishment.

Article (3)

Taking into account what is stated in Article (3) of the system and the bylaws, the founding members of the society must submit the following documents:

- A copy of a valid ID.
- A valid no criminal record.

Article (4)

The following documents must be submitted to the relevant cooperative directorate for the purposes of registering the society:

- A. Marital status statement including the names of the founders, national numbers, full addresses and phone numbers.
- B. Receipt for the registration fees issued by the financial department.
- C. Minutes of the founding body meeting including the identification of the bank to be dealt with and attached a bank deposit for the value of the paid shares and the membership fee after deducting the registration fees in addition to a statement of names of the founding members who attended the meeting duly signed.
- D. Contract and establishment request according to the forms approved by the institution.

E. Submission of documents related to the profession or place of work of the founders in the event that the society is specific to the category of employees of departments and ministries or official institutions or municipalities or unions or companies or owners of a specific profession.

Article (5)

A member shall be charged an amount equal to (500) shares as subscribed shares upon joining, and the value of the share shall be one Jordanian Dinar. The society may charge (20%) of the value of the subscribed shares upon joining as a first payment, provided that the installment period for the value of the remaining subscribed shares upon joining for each member shall not exceed (24) months.

Article (6)

In no case shall the membership fee exceed (10%) of the value of the subscribed shares.

Article (7)

Society registration fees shall be charged according to the type of society, including the seal and registration certificate, as follows:

A- An amount of (45) forty-five dinars from cooperative societies (agricultural, women's, youth), specifying the age of youth (18-35) males and females.

B- An amount of (255) two hundred and fifty-five dinars from housing cooperative societies.

C- An amount of (180) one hundred and eighty dinars from cooperative societies with other economic activities.

Article (8)

An amount of twenty dinars shall be collected from the society in exchange for issuing a damaged or lost certificate.

Article (9)

An amount of ten dinars shall be collected from the society in exchange for issuing a damaged or lost stamp.

Article (10)

The auditing services fee shall be collected from cooperative societies as follows:

A. An amount of (75) seventy-five dinars for societies that did not engage in any activities during the year.

B. An amount of (150) one hundred and fifty dinars for societies whose sales or revenues exceed one dinar and are less than (50,000) fifty k dinars during the year.

C. An amount of (250) two hundred and fifty dinars for societies whose sales or revenues exceed (50,000) fifty thousand and are less than (100,000) one hundred thousand dinars during the year.

D. An amount of (40) forty dinars for each society whose sales or revenues exceed (100,000) one hundred thousand dinars during the year and which has issued its budgets through legal auditing offices accredited to practice the auditing profession and registered with the Jordanian Association of Certified Public Accountants.

E. (110) one hundred and ten dinars shall be collected as a service fee for each cooperative society, paid annually to the Jordan Cooperative Corporation, provided that it is duly recorded in the society's accounts.

Article (11)

For the purposes of classifying cooperative societies according to the provisions of the law (to carry out all activities and works in accordance with what is stipulated in the internal regulations issued pursuant to the provisions of the law and the regulations issued

pursuant thereto, the societies are distributed according to their activities as follows:

A. Multi-purpose cooperative societies, which are entitled to practice any economic activity in addition to the social activities according to what is stipulated in the internal regulations.

B. Consumer cooperative societies, which work in retail sales of consumer goods that they purchase or that they may produce themselves or in cooperation with other cooperative societies.

C. Agricultural cooperative societies, whether multi-purpose agricultural, which are established to produce, store, transform and market agricultural goods, as well as provide members through sale or rent with the tools needed from the manufacture of the society or from others, or agricultural, specialized in agricultural production activity and an accompanying commercial activity such as marketing or sale, etc.

D. Professional cooperative societies: which consist of people working in the same profession with the aim of improving the conditions for selling their products and reducing their costs.

E. Housing cooperatives: are those that provide the service of owning housing or suitable lands for housing construction for their members.

F. Mutual benefit cooperatives whose members consist of one community or one family.

G. Craft cooperatives: which consist of people working in the same craft.

H. Cooperatives whose members work in one service such as transportation, tourism, savings and credits, or other services.

I. Women's cooperatives: whose members are all women.

J. Cooperatives with different activities according to the reality of the situation. Provided that these types are reviewed when necessary.

Article (12)

For the purposes of continuing and developing the work of the societies, they are classified according to their business conditions as follows:

A. Active societies.

Cooperative societies that operate within the laws, regulations, cooperative instructions and decisions of the General Assembly in their work on an ongoing basis. The points shown below are considered reference points for classification:

- Commitment of the management and monitoring committees to their meetings periodically and submitting their reports to the General Assembly at the specified time.
- Regularity in holding General Assembly meetings within the specified time period.
- Commitment of members to pay the value of their shares due according to the internal regulations and decisions of the General Assembly of the society.
- The existence of an effective control system that prevents fraud and material errors.
- Has the ability to fulfill its financial obligations on an ongoing basis.
- Issuing annual budgets at the specified time on regular basis.
- Has a project "the society has a project" that achieves its purpose and goal.
- Contribution to serving the local community.
- Growth of the society's assets over years.
- Relies, in most cases, on its own resources to implement its projects.

B. Struggling Societies:

Existing cooperative societies were unable to achieve the purpose of their existence or complete their work, and the points built below are considered a reference for classification.

- The elected committees are unable to carry out their tasks according to the cooperative laws, regulations and instructions.
- The members of the General Assembly do not effectively practice their work.
- It does not have the ability to fulfill its financial obligations on an ongoing basis.
- The members do not commit to paying the value of their shares due according to the internal regulations and decisions of the General Assembly on a regular basis.
- There is no regular growth in the society assets.
- Weak contribution to serving the local community.
- It does not rely on its own resources to implement its projects.
- It has a project "the society has a project" that does not achieve its financial and non-financial goals or is unable to establish a project that achieves its goals.

- Issuing irregular annual budgets within the appropriate time.

C. Frozen Societies:

They are cooperative societies that were established and have not carried out any significant activity since their establishment / or societies that were established and carried out activities but have stopped performing their work permanently. The points below are considered reference points as follows:

- The elected committees stopped performing their duties and there is no administrative reference to communicate with them.
- The absence of members of the General Assembly from performing their duties.
- Inability to fulfill their obligations.
- Members stopped paying the value of shares according to the internal regulations and decisions of the General Assembly.
- The absence of projects to be implemented and profits achieved.
- The society activities stopped implementing its projects permanently.
- Stop issuing its annual budgets.

Article (13)

The provisions of these instructions shall be implemented from the date of their approval by the Board of Directors of the Jordan Cooperative Corporation, provided that they are published in the Official Gazette. All previous instructions mentioned below shall be cancelled:

1. Instructions No. (1) of the Cooperative Societies System No. (36) of 2016.
2. Instructions No. (1) of 2018 necessary to implement the provisions of the Cooperative Societies System No. (36) of 2016.
3. Agricultural Societies Instructions No. (1) of 2022.