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# ASIAN COOP NEWS

ASCON 1990

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INTERNATIONAL CO-OPERATIVE ALLIANCE



Signing letter of intent on Asia Pacific Centre...Seated Left to right: Lars Mathews, Race Mathews & G.K.Sharma; Standing: Richard Crosbie (AFCUL) and Geoff Ayers (AAC) Please see story on page 9

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ON has completed its two years. During this period it has earned appreciation and recognition as valuable instrument of disseminating information relating to cooperatives in the global perspective, particularly focusing on Asia and Pacific Region.

Along with its serial issues, a Supplement was also brought out on the occasion of Ministers of Cooperatives and Cooperative Leaders from Asia and Pacific countries. This has a brief, complete record of the Conference and a few contributions which could not be accommodated for want

of space. These are given in this issue itself. We are, however, not complacent on any account.

The objective and visualisation is to make ASCON a truly reflecting mirror of cooperative development in the region and if possible outside the region. All our efforts are towards this goal. This object can be achieved only with the active and purposive cooperation of the members of I.C.A. and readers of ASCON. We solicit their valued partnership and support in this object.

Editor

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-Editor

## ICA/ROAP covers 67% of the World Cooperative membership

As at the end of 1989, the ICA Regional Office for Asia and the Pacific (ICA/ROAP), covered almost 67% of the world cooperative population in the membership of the International Cooperative Alliance (ICA). The total individual membership of the Alliance is 648 million while the membership of the cooperative institutions under the coverage of the Asian-Pacific Region of the ICA is 440 million. There are 192 national cooperative organisations from 76 countries and 10 international cooperative organisations in the membership of the Geneva-based Alliance. The ICA/ROAP covers 57 national cooperative organisations from 19 countries.

India has the largest cooperative movement in Asia with an individual membership of nearly 142 million. The smallest and the newest under the coverage of the ICA/ROAP is that of Fiji with a membership of 30,000 individual cooperators. China has a membership of 132 million, USSR - 60 million, Japan - 43.69 million and Vietnam 20

million. The largest number of national level cooperative organisation in the membership of the ICA are from India (12) followed by Japan (10). A large number of national cooperative organisations representing a variety of sectors have shown a keen interest to become members of the ICA.

The participation of cooperative organisations in the activities of the Alliance is reflected in the programme of the ICA/ROAP (for which special funds and consideration has been accorded by the ICA headquarters and other donor movements). During the last 30 years, the ICA has been able to bring together the cooperative organisations and leaders in the Asian region thus developing a number of horizontal programmes of technical and mutual assistance and collaboration.

A break-up of countries, cooperative organisations and the cooperative membership is given in the following table:

ICA Member-Organisations and Cooperative Membership Coverage in the Asian and Pacific Region, 1989		
Country	No. of ICA Member Organisations	Individual Membership (million)
01 Afghanistan	1	0.22
02 Australia	1	4.02
03 Bangladesh	2	9.00
04 China	1	132.00
05 Fiji	1	0.03
06 India	12	142.00
07 Indonesia	1	8.49
08 Iran	1	4.16
09 Japan	10	43.69
10 Korea, DPR	1	1.57
11 Korea, ROK	3	2.13
12 Malaysia	8	1.73
13 Pakistan	2	2.96
14 Philippines	3	0.73
15 Singapore	2	0.32
16 Sri Lanka	5	4.21
17 Thailand	1	2.63
18 U S S R	1	60.10
19 Vietnam	1	20.00
TOTAL	57	439.99

# 32nd Meeting of the ICA Regional Council for Asia and the Pacific

The 32nd meeting of the ICA Regional Council for Asia and the Pacific was held at the Convention Centre, Darling Harbour, Sydney, Australia on 7-8 February, 1990 under the chairmanship of Gen. A.S. Lozada.

Mr. Lars Marcus, President, ICA, addressing the meeting said, "the membership of the ICA in this part of the world has increased considerably during the last two years and I see some cooperatives represented here are new members of the ICA and they witnessed the fact of the vast coopera-

tive expansion. I can see also considerable opportunities for cooperation between cooperatives. Also in the commercial sense, I think ICA as such represents more moral, the ideological heritage, but it will not survive if there is no commercial and economic links between the members. I hope that your meeting here will be fruitful for the movements."

Earlier Mr. Ray Everingham, Chairman, Australian Association of Cooperatives, welcomed the members on behalf of the Australian Cooperatives.

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## Trade development pact

The Committee on Trade & Industry recommended a Cooperative Trade Development Pact between Network of cooperatives in the Region. The Regional Council supported the proposed 'Pact', and requested the member institutions to consider joining the proposed agreement.

## Report on IDACA activities

Mr. Shiro Futagami, Managing Director, IDACA, informed the Regional Council about the IDACA programmes since the last Meeting. He mentioned that the following training programmes have been planned for the F.Y. June 1990 - May 1991 :

1. General Course in Agricultural Cooperatives, May 21-July 14, 1990.
2. ICA/CUAC/IDACA Regional Seminar, July 22-August 11, 1990
3. 16th RECA Seminar, August 26-September 12, 1990
4. Training Course for Cooperators from Selected Countries  
September 24-October 25, 1990
5. Training Course for Counterparts of Agricultural Cooperative Promotion Project in Thailand,  
September 25 - October 23, 1990
6. Training Programme for staff of NACF, Korea, November 1990 for two weeks

7. Fifth ICA Training Course for Strengthening Management of Agricultural Cooperatives in Asia, February-April 1991.

8. Training Course for Cooperativa Agricola De Cotia Cooperative Central Agricola Sul Brasil, April 1991 for one month.

## ICA/TCDC/UNDP Programme in Cooperatives in Asia

The Regional Director informed the Regional Council meeting that under the TCDC project a Regional Compendium on the "Needs and Capacities of Cooperative Organisations in the Developing

Countries of the Asian Region" has been prepared. This is fairly exhaustive information, based on which, a Workshop will be held in May 1990 in New Delhi.

## The next meeting of the Regional Council

On the invitation of Bangladesh, the next meeting of the Regional Council will be held in Dhaka, Bangladesh, during the second fortnight of January 1991.

## **ICA Regional Planning Meeting**

ICA ROAP Regional Planning Meeting was held at the ICA Regional Office in New Delhi, January 8-13, 1990. The meeting reviewed the activities of the Regional Office and discussed the work programme to be carried out in the Asian Pacific Region in the coming two years. The meeting was attended by all the technical officers of the Regional Office besides the representatives of the donor organisations, e.g., the Swedish Cooperative Centre, the Canadian Cooperation Association and the Japanese Consumer Cooperative Union. The Senior Development Advisor and the Finance Officer of the ICA headquarters also attended the meeting.

## **Japanese consumer cooperative leaders visit ICA Regional Office**

A delegation consisting of 22 prominent leaders in the Japanese Consumer Cooperative Movement from the Hokkaido prefecture visited the ICA Regional Office on 2nd February 1990. The delegation was led by Mr. Kazuo Kunii, Managing Director of the Hokkaido Consumer Cooperatives Prefectural Union. During their five-day stay in India the delegation visited several other consumer cooperatives, super bazars and women cooperatives in Delhi and Agra. They also exchanged views with some of the prominent cooperative leaders of India.

The main purpose of their visit to India was to familiarise themselves with the activities of the Consumer Cooperatives and the participation of women in the development of consumer cooperatives.

Their visit to the ICA Regional Office was significant because the Japanese Consumer Cooperative Movement has been very active in the development of various activities of the ICA in the field of consumer cooperatives in the Region. It may be recalled that the JCCU (Japanese Consumer Cooperative Union) is funding the activities of the Consumer Cooperatives Development Project of the ICA in the Region and the ICA Committee on Consumer Cooperatives in Asia is headed by Mr. M. Ohya of Japan.

Mr. Kazuo Kunii assured the ICA of the continued support of the Japanese Consumer Cooperative Movement to the activities of the ICA and he expressed the thanks of his delegation for the information provided and the hospitality extended by the Regional Office to the delegation.

Dr. Daman Prakash, ICA/TCDC Regional Consultant, briefed the delegation on the organisation, functioning and activities of the ICA in the Asia Pacific Region.

## **Singapore Consultation recommendations**

The Regional Council formally endorsed the recommendations of the Regional Consultation on "Role of Government in Promoting Cooperative Development in Asia" held in Singapore in June 1988.

The Regional Council endorsed the initiative of Mr. Geoff Ayres, Member for Australia, to recommend to the ICA Executive Committee in Madrid to : (i) organise and convene an International Conference on Cooperative Trade to discuss the establishment of an International Cooperative Trade Pact among commercial Cooperatives; and (ii) incorporate in its structure of specialised committees, a Cooperative Trade Forum representing the global trading interests of Cooperatives.

## **CMPP national seminar in the Philippines**

The Human Resources Development Project of the ICA Regional Office for Asia and the Pacific had helped National Confederation of Co-operatives (NATCCO) in conducting a national seminar on Co-operative Member Participation Programme (CMPP) from 14-21 February, 1990 at Manila. About 40 participants from various co-operative organisations of the Philippines participated at the Seminar. Mr. W.U. Herath, Advisor on Human Resources Development was the resource person for the seminar.

## **ICA provides study scholarship to Vietnamese Coop Official**

By the invitation ICA ROAP, Mr. NguYen Quoc Tuy, Deputy Head of International Department of the Central Council of Vietnam Supply and Marketing Cooperatives had arrived in New Delhi on 28th March for 3-months (April-June 1990) attachment assignment in India.

Mr. NguYen Quoc Tuy, 38 years old, had graduated the Soviet University and has been working in the Central Council of Vietnam Supply and Marketing Cooperatives since 1980, up to now. He also finished the short-term raising qualification course of cooperative management in Moscow Cooperative Institute.

While he is in India, his programme includes assignments on different cooperative institutions of India, meeting with cooperative officials, attachments with ICA officers, study visits in the different localities of India, study in ICA ROAP Library, etc.

This is practical aid of ICA/ROAP for personnel training to Vietnamese Cooperative Movement.

## STAFF NEWS

### Mr. Rajiv I.D. Mehta joins ICA

Mr. Rajiv I.D. Mehta, an ex-participant of 2nd ICA Training Course on "Strengthening the Agricultural Co-operatives in Asia" has been appointed as Technical Officer for a period of one year w.e.f. 1st March, 1990, to assist the Regional Director in the implementation of the COOPTRADE Project. Mr. Mehta is a management graduate and has an experience of almost ten years of working with long-term co-operative agricultural credit in Rajasthan Province of India. Mr. Mehta is 32 years of age.

## ICA HQ NEWS

### The Rainbow Flag

The Rainbow flag is the emblem of co-operatives everywhere. It was adopted by the world co-op leaders at the International Cooperative Congress held at Basil, Switzerland in 1921.

It symbolizes the fading of political divisions and the union of peoples. Composed of the primary shades of the rainbow, the Rainbow flag contains all the colors of the flags of the world. All peoples merged under this colorful pennant are united into one international brotherhood.

Each of the seven colors in the flag has a special meaning:

**Red** stands for courage.

**Orange** offers the vision of possibilities.

**Yellow** represents the challenge that green had kindled.

**Green** represents growth, a challenge to co-operators to strive for growth of membership and of understanding of the aims and values of co-operation.

**Sky Blue** suggests for horizons, the need to provide education and help to unfortunate people and to unite in good with all peoples of the world.

**Dark Blue** suggests pessimism. It reminds us of the unfortunate peoples of the world who need to be shown how to help themselves through co-operation.

**Violet** a colour of warmth and beauty, and friendship.

### ICA President's message to the Tenth National Convention on studies in Co-operation in Aligarh (India)

In his message to the Indian Society for Studies in Cooperation, the President of the International Cooperative Alliance, Mr. Lars Marcus said:

I thank you for your invitation to the Tenth National Convention on Studies in Co-operation which I am unfortunately unable to attend due to heavy commitments at this time of year.

The International Co-operative Alliance counts more than half a billion individual co-operators in its membership, more than half of them from Asia and 120 million from India alone. The world's economic centre of gravity has gradually moved towards Asia and co-operative growth is faster in this region than anywhere else at the present time.

The 1989 Central Committee of our organization was held in New Delhi. It was the first time that we have held a meeting of this size in Asia. The experience was an unprecedented success and delegates from around the world also had a unique chance to become better acquainted with your country and culture. On a personal level, it was a wonderful experience and I very much regret that I am unable to take up your invitation and once more visit your beautiful country.

The International Co-operative Alliance recognizes the critical importance of co-operative research study and teaching in the development of co-operation, not only in Asia but throughout the world. We, at ICA, are aware of the contribution which the Indian Society for Studies in Co-operation is making in this area. I would like to wish the Society success in the deliberations of its Tenth National Convention on behalf of ICA and its almost 600,000,000 members.

We hope that the meeting brings the desired results and would appreciate it if you could send a copy of the documentation and minutes to the ICA Secretariat in Geneva. I look forward to hearing further from you about the results of your meeting.

### ICA ROAP FILM LIBRARY

Films (16mm) on Co-operatives, Management and other development issues are available from the ICA Regional Office for Asia and the Pacific, New Delhi, on temporary loan basis. A detailed catalogue is available free on request. Films are loaned to users in India for short durations. Those interested are requested to write to the ICA-ROAP, New Delhi for details and availability.

# Co-operative Ministers Conference, Sydney, Australia

The Conference of Cooperative Ministers of Asia & the Pacific countries was organised by the International Cooperative Alliance, Regional Office for Asia and the Pacific, from 8th to 11th February 1990 at Sydney, Australia, with the active support of the Australian Association of Cooperatives (AAC) and the Federal Government of Australia.

A special supplement has been published separately. The supplement contains speeches delivered by the participating ministers. A booklet containing conclusions of Ministers Conference held at Sydney, in February 1990, has also been issued separately.

## Contributions at Sydney Ministers' Conference

*(Because of shortage of space in the Special supplement of ASCON a few contributions could not be accommodated. These are published here.- Editor)*

### CHINA

He Jihai\*

This Conference of government ministers and cooperative leaders held by the ICA ROAP is of great importance. It contributes a lot to the improvement of mutual understandings and cooperation among the countries in the Asian and Pacific Region and to the development of their national economy and the cooperative course.

China, is a big agricultural country, with 80% of its population living in the rural areas. The situation of our agricultural production determines the development of our national economy. Since the founding of the new China in 1949, the Chinese government has been taking it as the fundamental national strategy to develop agricultural production and rebuild new rural areas. It encouraged the forming of cooperatives of various types to increase agro-productivity, resume and develop production and improve people's living standard. Through 40 years of efforts, our countryside has seen significant developments. The output of grain, cotton meat, aquatic product and some other major agricultural and sideline products rank the 1st or 2nd in the world. On only 7% of the world's cultivated land, a quarter of the world's population is fed.

*\*Vice Minister of Commerce, In-charge of Coop Affairs*

In China, the cooperatives play a great role in developing agricultural production and improving the rural areas. The Chinese government also have been actively supporting the cooperatives. In the early days of the new China, the state gave cooperatives such a lot of preferences and help in terms of state loans, prices, commodity supply and personnel training that the cooperatives got to grow healthy and rapidly. So far, all across the country, there are 320,000 primary cooperatives, 140 million member-households, 740,000 supply and marketing outlets, 30,000 industrial enterprises in Chinese cooperatives which have between them an asset of over RMB 45 billion yuan and an annual supply and marketing turnover as high as RMB 220 billion yuan. The Cooperative Movement is undoubtedly considered as an important part of our national economy. Cooperatives are characterized by having plenty of outlets covering a large business scope, flexibility in business operation and having blood-and-fresh ties with members. The Chinese government's basic policy towards cooperatives at the present time, is just to bring all these cooperative characteristics into full play, to encourage cooperatives to be actively involved in market competition, to develop all types of horizontal economic collaboration, to satisfy to the maximum member's increasing needs and to promote the development and prosperity of a planned commodity economy.

The experience of the past years has proved that whilst cooperatives cannot develop without government's support, the government should not take all the cooperative things into its own hands but ought to let cooperatives operate freely under the state law.

According to the present economic situation of our country, the government put forward the following requirements to the cooperatives :

- i. Cooperative workers should adopt the idea of being loyal to members. This is the strength source to guarantee a strong position of the Cooperative Movement. Now, the Chinese Supply and Marketing Cooperatives have widely adopted the systems of member congress, election of leaders and advertising for managers for the purpose of respecting members' choices and satisfying members' reasonable requirements to the maximum. Cooperatives are required to be open to members in terms of the financial affairs

and business activities and are subject to the necessary supervision of the government. In general, all these are aimed at strengthening mass participation in cooperative organisations, improving democracy in cooperative management and increasing flexibility in cooperative operation so as to make members more active and voluntary in cooperative management and more attracted to cooperatives.

- ii. Cooperative workers must acquire the idea of serving the agricultural production. The Chinese Supply and Marketing Cooperatives lay their work stress mainly on serving the farmers in the rural areas and they are responsible largely for coordinating, guiding and supporting production to steadily raise rural productivity and farm yield, and lessen the farmer's blindness and risks in their production. Now, the Chinese government strongly promotes and encourages cooperatives to establish various systems to serve the rural commercialized production development, to secure material supply, provide technical guidance and produce processing and marketing services. This has been proved in practice to be a very important way, under the present circumstances in China to promote maximal farm operation, improve commercialized production, ensure better income for the farmers and steadily develop productivity.
- iii. Cooperatives are encouraged to develop agricultural products processing business. The Chinese Supply and Marketing Cooperatives have established 30,000 different kinds of processing enterprises, with an annual turnover totalling RMB 17 billion yuan.
- iv. Our practice indicates whether a cooperative is successful or not depends to a great extent upon the managerial ability of the cooperative leaders. Therefore, it is very important to strengthen education and training and to raise personnel quality. Through 40 years efforts, the Chinese Supply and Marketing Cooperatives have set up 1,500 different education institutions, among which, there are 12 colleges with 4 year schooling period, students totalling 3,200; 84 technical schools with 2 year schooling period, students totalling 25,000; and 1,488 short-term training courses, trainees totalling 120,000. A complete education system has been generally set up in the cooperatives.

Measures are being taken which aimed at providing a more favourable social and economic environment for the reform of economic system and more effective implementation of the policy of reform and opening to the outside world. In this regard, the Chinese government will continue supporting cooperatives to develop economic, technological and trade cooperations and good-

will exchanges with cooperative abroad on the basis of equality and mutual-benefit. Our government very much appreciates the ICA's efforts for strengthening the cooperation among cooperatives.

## THAILAND

Udorn Tantisunthorn\*\*

I am honored to have this opportunity to speak to this gathering of distinguished delegates on the development and evolution of the cooperative system in Thailand. But first of all I feel compelled to thank the organizers of this ICA Conference for organising such a significant meeting enabling us to exchange information and strengthen our cooperative efforts as well as (to thank) the Government of Australia and New South Wales for the hospitality and warmth extended to us all.

The cooperative was just introduced in Thailand in 1916 some 74 years ago in the form of a small village cooperative when the Government became concerned with increasingly deteriorating economic and social conditions of farmers who consisted the majority of the population. The Government decided to use the cooperative as a means to improve the standard of living of small farmers who were indebted due to unstable and insufficient income from paddy production and hence losing their land ownership.

Unfortunately, the development of the cooperative cannot be claimed to have been a complete success. Progress was continuous but somewhat slow due to the lack of sufficient understanding amongst the people. However, certain types of cooperatives have prospered and grown in numbers, such as the thrift, credit and savings cooperative numbering 771 with over one million member families and more than 1,370 million US dollars in operating funds. Unlike some other types of cooperatives, the thrift, credit and savings cooperative arose through the felt needs of the people (themselves) which included government officials and teachers.

Today there are 6 major types of cooperatives, namely, agricultural cooperatives, land settlement cooperatives, fisheries cooperatives, consumer cooperatives, service cooperatives and thrift and credit cooperatives numbering almost 3,000 with 2.8 million family members and total business transactions amounting to a little over 2 billion US dollars.

The cooperatives in Thailand are vertically organised in a three tier system, namely, the primary cooperative, the provincial federation and the national federation.

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\*\* Dy. Minister of Agriculture and Cooperatives, Ministry of Agriculture & Cooperatives

Earlier I mentioned that insufficient understanding amongst the people retarded the growth of the cooperative movement. I should now also add that bureaucratic requirements and controls, though with good intentions, was another factor. Hence, the emergence of farmer groupings which were formed by those wishing to avoid the stringent bureaucratic requirements and those wishing (more) management flexibility. Often these farmer groupings later evolved into proper cooperatives after more experience and know-how had been acquired.

The Government of Thailand believes that cooperatives will enable farmers to help each other in increasing production and quality as well as reduce their marketing problems. Hence, the cooperative has been adopted as a strategic tool in our national economic and social development plan to reduce poverty and uplift the standard of living of the poor.

We must admit that the objectives of the cooperative are noble, but the establishment of a successful cooperative system is a difficult task. Much depends upon the socio-economic conditions of the country. The "production, credit and marketing linkage programme for rice" for example has the objective to link production and marketing activities into one integrated system as well as to improve the loan repayment performance of cooperatives by closely linking paddy collection with repayment.

Under this programme, we are asking our farmers to be not only producers but also to acquire a degree of management capability. And one must admit that real expertise in both areas would be out of reach in this present world of highly specialised and inter-dependent economy and society. Somehow, a proper balance must be struck.

We have recognised that low education levels of cooperative members and inadequate training of cooperative officers are factors contributing to the slow progress of the cooperative movement in Thailand and have included subjects on cooperation in the school curricula starting from elementary schools upto university some of which have a department of cooperatives. Practical activities such as cooperative stores and thrift and credit cooperatives have also been established in schools and universities.

Again, in order to improve the efficiency and strength of the cooperative, the government also assists in providing credit and disseminates information on commodity prices and market conditions.

I would like to note that the cooperative system is consistent with the principle of assisting people to assist themselves, an important principle in the science of development and to foster "esprit de corps". One might add,

moreover, that the cooperative system is consistent with the strengthening and promotion of joint participation and democracy.

I hasten to add that we also recognize that sometimes the cooperative grouping has been utilised by certain members as their political base. It is important that cooperatives not become political bases and tools if their efficiency and original objectives are to be retained. However, I personally believe that the people are clever enough not to be utilised and fooled.

In order to impress upon you the significance of cooperatives even further, I would like to mention our dairy cooperatives which have contributed to the changing of consumption habits of the Thai population. As a result, we who formerly consumed very little milk and dairy products, have increased our intake to the extent that we now have to import milk.

I fully endorse the proposal to encourage and support cooperatives to enter into direct import and export activities. For besides enabling farmers to increase their earning capacities, the integration of production and marketing activities will greatly enhance efficiency and reduce oversupply or shortage problems, promoting not only a more stable and secure domestic economy but also a more stable and secure international economy to the benefit of mankind.

## VIETNAM

Vu Luu\*

It is the great honour for the delegation of Central Council of Vietnam Supply and Marketing Cooperatives to take part in the Ministerial Conference. On behalf of our delegation I would like to inform you about some actual problems of Vietnamese Cooperative Movement.

The Central Council of Vietnam Supply and Marketing Cooperatives is the mass social economic organisation of working people in our country. Its activities are based on the principles of democracy, voluntary and encouraged, supported, protected by the State.

The Central Council was founded in 1955. Now a days it has 20 million individual membership, that means one third of the whole population in the country. Almost 35 years on its way of developing and construction Supply and Marketing Cooperatives have passed through many difficulties and hardships of 30 years prolonged war with almost destroyed technical - material basis. However, in the war period Supply and Marketing Cooperatives played a very important role in supply of consumer goods for the

*\* Vice President, Central Council of Vietnam Supply and Marketing Cooperatives.*



peasants, in development of agriculture and had great merit in improving of the life standards of working people.

Vietnamese Government highly appreciates the role of Supply and Marketing Cooperatives in its national economy and in solving of many social problems, especially the problem of unemployment.

During the last years many decisions and instructions had been given by the Government to all local authorities regarding the activities of cooperatives. The Government always tries to create favourable conditions for expanding and strengthening the main Cooperative Principles, such as democracy and self-determination, voluntary and non-interference into their own affairs.

Now a days the new political thinking is bringing new changes in social-economic life of Vietnam. The open policy of Vietnam now is drawing a great attention of foreign investors. The Central Council of Vietnam Supply and Marketing Cooperatives would like to establish its international relations with all cooperative organisations -members of ICA in trade, joint venture with foreign investment on the mutual benefit basis. We consider that ICA and its ROAP have to play the most important role of linking tie in development of bilateral and multilateral relations among its members.

Dear colleagues, you are welcome to Vietnam. We will do our best for the future collaboration between our cooperative organizations.

## REGIONAL NEWS

### AUSTRALIA

#### L. Marcus launches Asia-Pacific Centre

The Australian cooperatives, with the support of Government, CCA and Credit Coop Association have setup a Centre at Malbourne to develop cooperatives in the Asia-Pacific Region.

The centre was launched by Mr. L. Marcus, President, ICA, on the 12th February 1990, following the Cooperative Ministers Conference held at Sydney from 8-11 February 1990. A document was signed between ICA and the Australian Association of Cooperatives and Australian Credit Unions for collaboration. Mr. Marcus described this document as "an Australian Solution of how to take care of future cooperatives in Australia as well as in the Pacific Region".

Mr. Marcus emphasised the need to help the poor nations for some basic reasons. First "we must make the poor nations move to better living conditions". Secondly, "there should be some decency among us who live in the nations with fairly good welfare" to take care of those who are not so well of.

In this context Mr. Marcus pleaded more for development of the poor rather than aid to them. He distinguished between aid and development. Aid contains element of sympathy towards people suffering from a catastrophe. "That is just temporary" he said. He added "development is something else. It is starting a process that will

bring better conditions to people. There is need for aid and there is also need for development. Development is a procedure where you bring know-how to people to help them to become stronger to take care of their own interest".

Referring to the Swedish aid he said "the development aid from Sweden is supported by total opinion of all the people and we have 1% of gross national product used for development". He narrated how the Swedish Cooperators and cooperatives have built an organisation to provide the development aid to the third world countries.

Mr. Marcus cautioned that "bossing cooperatives and people in the third world is bad. That does not bring self-reliance. They have to make some mistakes but you have to be there; you have to be supportive and just not kind; supportive but not bossing". He emphasized that a lot of experience in providing development aid and specialists is to be built. Mr. Marcus described how Swedish Cooperatives have built the expertise. Now, Swedish Government also looks to cooperatives as their base of expertise and experience for cooperative development. He said, "we are the partners of the Government in this field and we are proving that we can do the job better than the Government office in many ways." He expressed that "movement to movement support is much

easier to understand and it is much more efficient." Mr. Marcus outlined how the ICA RO can be serviceable to assist the development of cooperatives in this Region. It could be instrumental in harmonising relations e.g. between the countries like two Koreas, China and Vietnam, etc.

Earlier in his welcome address Mr. G.K. Sharma, Regional Director, ICA ROAP stated, "I stand here today with a distinct feeling of cooperative brotherhood with my fellow cooperators in Australia and Victoria in particular to be a part of the ceremony that opens a new chapter in the ICA's development programme with Australia playing the lead role.

It is indeed a beginning that follows a successful historic conference in Sydney in which Australian Cooperatives and Australian Government had played a lead role in conjunction with ICA.

You are aware that in Ministerial Conference and the International Trade Exhibition for Asia and Pacific held in Sydney is just over yesterday. The organization was perfect and results were very encouraging and I have no hesitation to say that AAC had done an excellent job as host and as a co-organizer.

In the conference one very important subject of discus-

sion was the Asia Pacific Centre for Cooperative Research, Training and Development and whose launching is the cause of this gathering.

I am not going to explain the Centre and its functions. However, I would like you to know that the International Cooperative Alliance, of which I am a part, do consider this as a major developmental instrument in its programme of promoting and enhancing cooperative growth and activities in the Asia Pacific region.

The centre has been endorsed by the cooperative leaders of 19 countries of the region in ICA's Regional Council on 8th of this month as also by the ministers conference of the Asia and Pacific region. Support has also been declared by the Australian Federal Ministers and we believe that the Federal Government of Australia will do the same with tangible commitment to make it worthy of its name and expectations.

The ICA along with AAC, the Australian Federation of Credit Union Ltd., and the Ministerial Advisory Committee on Cooperatives has initiated the establishment of the centre to meet major needs of cooperatives in Australia and in the Asia Pacific region and to foster the healthy growth of the cooperative in building a equitable and just society based on democratic values.

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## **CO-OPERATION FOR THE 90'S :**

### **Recommendation of the Australian National Conference held at Sydney, 8-11 February 1990.**

01. That a Ministerial Council on Co-operatives be formed, with membership from the Commonwealth Government and each State and Territory Government. The Ministerial Council would co-ordinate and initiate government policies in relation to the development of the co-operative sector.
02. That the Commonwealth, State and Territory Governments each appoint a Minister to have portfolio responsibility for the Co-operative sector.
03. That the Co-operative Movement in conjunction with the Ministerial Council on Co-operatives develop a comprehensive Co-operative Development Strategy encompassing short, medium and long term objectives.
04. That all governments be encouraged to take steps to achieve compatibility in legislation applicable to co-operatives.
05. That legislation on co-operatives be in terms common to all forms of co-operative organization while referring to any necessary extent to special needs of particular types of cooperative.
06. That every Australian should have the right to a knowledge about the principles and operation of the co-operative sector. This conference recommends increased educational efforts to inform the community on the co-operative principles and on the operations of co-operatives. This should include education of co-operative members, professional people involved with co-operatives [such as accountants, solicitors, bankers and government advisory officers], tertiary students, and the inclusion of co-operative content in the curriculum of secondary schools.
07. That AAC develop a strategy and initiate a program that will:

*Continued on page 11*

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| <p>7.1 identify youth who are interested in co-operation, and then</p> <p>7.2 foster, develop and sustain that interest.</p> <p>08. That fresh initiatives be taken which will enhance marketing skills and management for the Co-operative sector.</p> <p>09. This national conference welcomes proposals for the establishment of an Asia Pacific Centre for Co-operatives Research, Training and Development, and recommends support for the project from governments and the co-operative and credit union movements.</p> <p>10. That a review be conducted of the relationships between the members of the co-operative sector in the context of its relationship to the private and public sector.</p> <p>11. That a review be conducted of the taxation issues</p> | <p>inhibiting the development of the co-operative sector.</p> <p>12. That a resource directory be compiled of the people organisations and institutions with expertise and experience in the co-operative sector. This directory should also include other resources such as libraries, audio visual materials and other services which may be of use to people interested in forming co-operatives or those facing issues in managing co-operatives.</p> <p>13. That a seminar be convened [by AAC in conjunction with the ICA] to discuss the question of a co-operative bank for Australia.</p> <p>14. That this Conference recommends that there be convened in 1991, a conference to review progress made in implementing these recommendations and to determine any further measures which may be necessary in putting them into effect.</p> |
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## BANGLADESH

### GOB/ILO National Workshop on Cooperatives

A national workshop on 'Cooperative Development through Effective Training Personnel and Organisational Policies' was organised by the Cooperative Department and ILO (Dhaka) from 20th to 22nd November 1989 at Comilla. The workshop was attended by high officials of the cooperative department, eminent cooperative leaders including representatives of BJSU and other apex cooperative organisations, ILO and ICA.

The workshop recommended different important measures mainly on 3 aspects such as, organisational structure of the Cooperative Movement in Bangladesh, Personnel policies and Developing appropriate Training and Educational Policies and creating mechanism for ensuring their implementation.

The workshop among other things, emphasised on the following which includes involvement of BJSU:

- Government fund support to BJSU for strengthening its management capability.
- Government support for establishing manpower information system through BJSU to strengthen professional skill and leadership in cooperatives.
- Establishment of investment advisory cell for Coop sector.

- Formulation of model personnel policies for Cooperatives.
- Formation of a National Committee for Cooperative Education and Training.
- Formulation of a master plan and action plan for cooperative education and training.
- Establishment of Research and Evaluation Cell in BJSU.
- Production of training materials.
- Trainers training, etc.

### National award for co-operative performances

The government honoured and awarded 139 prizes to 69 cooperative societies and 69 cooperators for their performances in the cooperative movement of the country for the year 1988. Similar prizes were given for the year 1987.

Gold, silver and bronze medals along with prize-bonds of different valuations were ceremonially handed over to the recipients on 13th February 1990 at a function at a local auditorium at Dhaka.

## Dialogue on action plan for activating cooperatives

An informal meeting was held at BJSU (28th February 1990) at the initiative of BJSU, to discuss the probable ways and means of strengthening the cooperative movement of the country in the light of the newly declared National Cooperative Policies. It was attended among others in the additional secretary in charge of the rural development and cooperative division of the Ministry of L G R D & Cooperatives, Mr. Serajuddin, Registrar of Cooperative Societies, Bangladesh, Dr. Sa'adat Hus-sain, Director-General BRDB Dr. Farid Uddin, Chairman BJSU Alhaj Liaquat Ali, General Secretary of BJSU, Mr. Mohd. Shahidullah and Chairman Bangladesh Jatiya Palli Unnayan Samabaya Federation Mr. Fazlul Haque.

The meeting discussed different issues including re-structuring of cooperatives, unification of cooperatives at different levels and probable factors to be considered for preparation of a national action plan towards activating and strengthening cooperatives to play its due role in the national economy.

The BJSU & BGPSUF Leaders were of opinion that two streams of the cooperatives need to be unified and strengthened.

The meeting emphasised on the importance of holding such discussions and dialogue between the officials of the government and cooperative leaders to have a better result in coop movement.

### Grameen Bank: An innovation in rural credit system in Bangladesh

Rural poverty in Bangladesh is exacerbated by the concentration of wealth in the hands of a small elite. Some 60 per cent of the population owns little or no land, thus lacking the most crucial asset for social and economic advancement in this agrarian society. For most villagers, survival depends on patching together a meager livelihood from the seasonal sale of their labour and the pursuit of low-skilled non-agricultural activities. Despite the cultural assumption that paid work is a male domain, studies show that a large percentage of households depend on the labour of women and children for survival.

The three non-governmental organisations (NGOs) in particular - the Grameen Bank, Proshika, and the Bangladesh Rural Advancement Committee - have pioneered new approaches to rural development. Founded by leaders who were inspired by the ideals of Bangladesh's

struggle for independence, these organisations were the first to focus on the landless - the most disadvantaged segment of the rural population. It was very well understood by them that a systematic delivery of credit was the key to the solution of some of the problems in rural Bangladesh. The Grameen Bank which emerged after a long spell of experimentation developed a system of rural credit which is known everywhere in the developing world.

The bank's innovative credit system relies on peer support and close supervision of borrowers. Before qualifying for a loan, applicants must organise into groups of five and learn the Grameen Bank's philosophy and rules - the dynamics of taking and repaying loans and account keeping - and how to sign their names. The two poorest borrowers are then given their first loans. Only when these loans are repaid, through weekly instalments, do the other three become eligible for loans.

With 500 branches around the country, the Grameen Bank currently makes small loans (the average is 2,300 taka, or about US \$ 70) to some 475,000 rural borrowers per month, 84 per cent of whom are women. These funds have helped finance a variety of small-scale agricultural, commercial, and manufacturing ventures such as rice husking, rickshaw operations, carpentry, and crafts undertaken by individuals or groups. The Grameen Bank has an extremely high loan recovery rate of 98% (conventional lenders in Bangladesh average between 30 to 40 per cent). Over the next four years the Bank expects to double its number of branches.

## CHINA

### Open invitation for cooperation

The Chinese cooperative movement through the All-China Federation of Supply & Marketing Cooperatives has extended an open invitation to cooperative organisations everywhere to develop consultation and trading relations with them. The open invitation reads as follows:

"The People's Republic of China is well-known as home of silk, tea, porcelains and many other essential food and non-food items. The Supply and Marketing Cooperatives network has been specialized in producing and processing of these and many other traditional crafts.

Are you interested in working together with Chinese Cooperatives?

If so, please let us know to inform you in detail on the items you are interested in."

#### Contacts Organisation:

All-China Federation of Supply and Marketing Cooperatives,  
45 Fu Xing Men Nei Street,  
Beijing, China  
Tel : 668581-2501  
Tlx : 222212 CFSMC CN  
Fax : (01)866329

## INDIA

### Top changes in Indian Cooperatives

The following have taken over as Chairman/President

1. Mr. Satbir Singh Kadiyan, Indian Farmers Fertiliser Cooperative Ltd (IFFCO)
2. Choudhary Udai Bhan, Krishak Bharati Cooperative Limited (KRIBHCO)
3. Mr. J.V. Shah, National Agricultural Co-operative Marketing Federation of India Limited (NAFED).
4. Mr. B.S. Vishwanathan, National Co-operative Union of India (NCUI)

#### NEW MD OF NABARD

Mr. P. Kotaiah, Chief General Manager of the National Bank for Agriculture and Rural Development (NABARD), has been appointed its Managing Director for five years. Mr. Kotaiah had been associated with agriculture, rural credit, project financing and development banking in various capacities and had also worked on a number of consultancy assignments with the World Bank. Mr. G.R. Sharma has taken over as General Manager of NABARD in the H.Q. Bombay.

#### Change of national government

The National Front Government has replaced the Congress (I) at national level as a result of Parliamentary Elections held in India. The new government would attach priority to the co-operative sector in its move to provide licenses for new sugar mills. This was announced by the Minister for Food & Civil Supplies. It is expected that the new government will further strengthen the cooperative sector in the country.

#### Co-operative sugar industry develop by-products

Out of the 80 countries of the world producing sugar from sugarcane, India's position has been prominent, being the world's largest producer of sugarcane till 1984.

Thereafter, Brazil emerged as the largest producer as it attained a production of about 250 million tonnes per annum of sugarcane, to be used as raw material for the production of not only sugar but also alcohol. India also has the largest number of sugar factories. The cooperative sector of the Indian sugar industry is the largest in the world, with as many as 216 cooperative sugar factories having many significant achievements to its credit. During 1987-88 cooperatives accounted for 5.2 million tonnes or 58 per cent of the national production.

Besides meeting the needs of the domestic and international needs of crystal sugar, the sugar industry is now concentrating on developing by-products to bring higher returns to the producers. The main by-products of the sugar industry are bagasse and molasses. There are at present as many as 50 distilleries, seven bagasse based paper plants and six alcohol chemical units attached to cooperative sugar factories. Most of them happen to be located in the state of Maharashtra. Besides these by-products, there are several others although of less commercial value e.g., sugarcane trash, sugarcane tops, boiler ash and effluent. Due to several problems in handling and storing bagasse, all the sugar factories in the world were lavishly burning it without taking any measures to save it. However, due to several technological developments this trend is being reversed in India.

Bagasse is now increasingly used in generating steam and electric power, and putting this power to an efficient use in the industry.

The Tamil Nadu News Prints Ltd. is obtaining about 420,000 tonnes of mill wet bagasse per annum from the five neighbouring sugar factories in the state of Tamil Nadu by entering into a novel agreement with each sugar factory, for a period of 17 years. This plant is producing 50,000 tonnes of newsprint and 40,000 tonnes of writing and printing paper per year. Two similar plants - one in the State of Punjab and another in Uttar Pradesh are being established. The Governments of Maharashtra and Gujarat are also planning to establish similar plants.

There are as many as 200 distilleries in India producing Ethyl Alcohol by fermentation of molasses. The six alcohol based chemical industries attached to cooperative sugar factories produce acetic acid, acetic anhydride, acetone, ethyl acetate, ethyl oxalate, etc. The molasses is also being used in the manufacture of cattle feeds. The NDDDB (National Dairy Development Board of India) is trying to use more and more molasses in the cattle feed by making different compositions with other ingredients.

## **FAO assistance for Operation Flood-III**

The Food and Agriculture Organisation (FAO) will provide technical assistance to the National Dairy Development Board (NDDB) for the implementation of Operation Flood III. An agreement was signed recently to this effect.

Under the agreement, the co-operation will be directed towards the improved use of product and process engineering innovations, energy efficient techniques, and human resource development to improve operational standards within NDDB.

The programme will be implemented through NDDB's seven staff groupings - plant technology, plant management and engineering, biotechnology, manpower development, co-operative development and human resource development and planning.

## **Politicisation of Coops must end**

The report of the Agricultural Credit Review Committee, appointed by the Reserve Bank of India has called for urgent action to put the house in order. Otherwise commercial banks would not be able to meet the emerging challenges in financing the rural sector, it said.

The report pointed out that if commercial banks were to emerge as a strong system to be able to purvey credit effectively and efficiently in rural areas, they should tackle several issues such as reduced staff productivity, increase in overdues and lower staff motivation.

The banks should be accorded greater autonomy in their functioning. Their rural branches needed to be strengthened. They should be allowed to have a higher margin and their equity base should be fortified. The targets for financing weaker sections and the rural poor should be reasonable such as the system could bear. They should also be in a position to protect the interest of depositors giving them adequate cover.

The report in its review of the co-operative banking system pointed out that progressive officialisation and politicisation had caused damaged to the cooperative system. This phenomenon had now reached such immense proportions that unless this trend was reversed, the agricultural credit system in general, and the cooperative system in particular, would get seriously jeopardised.

"All-pervasive powers": The report observed "the powers which vest in the Government under the cooperative law and rules are all-pervasive." Due to the cooperatives' lack of self-reliance and their dependence on higher tiers

and the Government, the State has come to gain almost total financial and administrative control over them, in the process stifling their growth. "This trend must be reversed."

"Some of the unhealthy results of politicisation are interference in recovery of cooperative dues or promise to write off the dues if elected to power, and determination of interest rates on considerations other than financial returns i.e. with an eye on populist appeal. Such actions generate a general psychology of non-repayment, vitiating the recovery climate and jeopardising the financial interest of credit agencies. Besides, mass supersessions are resorted to on political consideration."

"Another lever for greater politicisation has been the incorporation of certain undesirable provisions in the Cooperative Societies Act and Rules of various States. Paradoxically, State partnership which was conceived as an effective measure for strengthening the cooperative credit institutions has paved the way for ever increasing State control over cooperatives, culminating in virtually depriving the cooperatives of their democratic and autonomous character. The time has come to reverse this process."

"The NCBI will be a national body, functioning as a bank owned and operated by the cooperative credit system. It will be a bank for the cooperatives and does not in any way, as already stated, overlap with the role of the NABARD. On the other hand, it will be of great assistance to NABARD in its vital role of institution building in the cooperative sector."

## **RBI recommends apex co-op banks for farm sector**

The Reserve Bank of India (RBI) has ruled out the need for 'major structural reorganisation' of the agricultural credit system.

A report of its Agricultural Credit Review Committee, noted that the foundations of the existing credit systems have been found "sound and well-suited to Indian conditions". However, it strongly advocated greater autonomy to credit institutions, and recommended the merger of Rural Regional Banks (RRB) with their sponsor banks and the creation of a national apex co-operative bank.

The report projected the demand for agricultural credit at Rs. 1,10,873 crores by the year 2000 and resources from the banking system of Rs. 89,447 crores, which it felt, could be met by aggressive deposit mobilisation and refinance facilities of NABARD. The direct demand for agricultural credit would rise from Rs. 27,551 crores in 1989-90 to Rs. 57,316 crores in 1975-95, it said. Refer-

ring to the high incidence of overdues, the bank observed that bulk of overdues were recovered in time, a small proportion of it ultimately becoming irrecoverable.

Bad debts as on June 30, 1986, of the credit agencies was about Rs. 846 crores, forming 5.1 per cent of total agricultural loans outstanding on that date.

## **Registrar's powers to be trimmed: Co-operative laws in for a sea change**

A major change in co-operative laws is in the offing. The Planning Commission has prepared a draft of a model State Co-operative Societies Act which seeks a radical change in the shape and functioning of the co-operatives.

The model act has transferred major powers from the Registrar of Co-operatives to the general body and the Board of Co-operatives. The role of the registrar has been reduced to a mere regulator of operational and business matters. The model Act has taken away from the Registrar the power to rescind or annual resolutions of co-operative boards.

On the basis of the provisions of the present laws, the cooperatives have been superseded, run and managed by the Registrar. The model act deletes the power of supersession of the board of management by the registrar. The draft does not provide for any government nominees on the board of co-operatives. The present laws give the government nominee the power to even veto the board's decisions. This will also bar the government nominee from a stake in the share capital of co-operatives. The main principle behind the new draft is to put the control of co-operatives in the hands of its members or shareholders. The proposed changes are based on the recommendations of a committee on "Co-operative Law for Democratisation and Professionalisation of Management in Co-operatives". The committee describes the present law as a "Registrar's law", and not a co-operative law.

## **Plan to set up slum co-operatives**

A proposal to set up co-operative societies in slums in order to prevent their unchecked expansion has been approved by the Delhi Administration. A co-operative cell has been set up in the slum wing of the DDA (Delhi Development Authority) to implement the scheme. As part of the slum wing's effort to involve non-governmental organisations in the upgradation of jhuggi-jhonpri cluster, the entire co-operation scheme will be co-ordinated by such organisations. An NGO cell has also been set up in the slum wing for the first time.

Under the scheme, people living in jhuggi-jhonpri clusters will be required to become members of co-operatives. A membership fee will be fixed. The slum wing will chip in with Rs. 10 per member to cover overhead costs of setting up the co-operative. This would ensure that no new jhuggi is built in an existing cluster. Members of the co-operative would also become alert about encroachers on their land. This would, in the long run, prevent the growth of slums, he said.

Each co-operative will have a membership of 200 households. Wherever slum bastis have more than this number, they will be divided into sectors of 200 households, each sector forming a co-operative. "We want a fast reduplication of Ekta Vihar in slums all over Delhi," he said.

The co-operatives will have multi-purpose functions. They will be income-generating co-operatives, that is, will organise vocational courses for slum dwellers and provide sale outlets for any enterprise undertaken by them. They will also function as thrift and credit societies, and will eventually organise shelter upgradation programmes. In fact, the slum wing's grants for shelter upgradation will be given only to those bastis which have co-operatives. For shelter-up-gradation, the slum wing has chalked out a plan whereby every jhuggi is given 15 sq. yards of land and Rs.5,000 to build a pucca structure.

## **Change of address**

The new address of the National Federation of Urban Cooperative Banks & Credit Societies Ltd., "3346, South Patel Nagar, Near Pusa Gate, New Delhi - 110 008, India".

### **CO-OPERATIVE FILMS**

In order to create a greater awareness among the masses about the process of development in co-operative and other sectors, a number of 16 mm films and video cassettes are now available. The CENDIT (Centre for Development of Instructional Technology) has produced a number of audio-visual programmes on development issues for use at the grassroots level and for broadcast. A 13-programme series focuses on people's participation in development and attempts to document non-governmental and innovative efforts at managing resources in both human and material terms, while questioning the dominant development paradigm. This programme is available on U-Matic (low band)/VHS (PAL) system, colour and of 26 minutes each in English.

The CENDIT also makes available 16 mm film on co-operatives and other allied subjects, e.g., agriculture, health, environment, development, women and social movements.

Information on the films and video cassettes has been included in the publication "The Other Picture : A Research Guide to Audio-visual Material", which is priced at Rs.25/- in India and US\$ 8.00 for outside India, inclusive of airmail postage. Further detailed information can be obtained from 'The CENDIT, D-1, Soami Nagar, New Delhi 110 017, India'.

## **JAPAN**

### **ZENCHU and EC agricultural organizations make joint communique public**

On Nov. 22, 1989, ZENCHU, the Committee of Professional Agricultural Organizations in the European Community (C.O.P.A.) and the General Committee for Agricultural Cooperation in the European Community (C.O.G.E.C.A.) made public in Tokyo a joint communique vehemently opposing the "approach to the full liberalization of world farm trade."

The joint communique stressed that agriculture, which performs an important role in food security and in environmental protection, should be given due consideration at the Uruguay Round of multilateral trade talks and that the objective of such GATT negotiations lies in the creation of more orderly considerations for international trade.

### **ZENCHU president visits Czechoslovakia**

Mitsugu Horiuchi, President of ZENCHU, visited Prague, the capital of Czechoslovakia, for four days from November 29, 1989, at the invitation of the Central Cooperative Council of Czechoslovakia. At his meeting in Prague, it was agreed that human and economic exchanges should be promoted further between Japan and Czechoslovakia. At the meeting, the Czechoslovak side exhibited due understanding towards the "need for full domestic self-sufficiency in basic foodstuffs."

### **Consumer's rice price decided**

On Dec. 20, 1989, the Rice Price Council, acting upon a proposal submitted by the government concerning the revision of the prices at which the government buys rice and wheat from producers, recommended that it was unavoidable to determine the consumer's rice price as proposed by the government. Subject to this recommendation, the government decided to peg the prices of newly harvested rice, to reduce the standard price rice for processing produced in 1988 by Yen 1,000 per 60 kg, effective in February 1990, and also to cut back the price of wheat by 4.6 percent on an average.

### **Agricultural cooperative balance of saving top Yen 50 trillion**

On Jan. 4, 1990, Norinchukin Bank (The Central Bank for Agriculture, Forestry and Fisheries) announced the agricultural cooperative outstanding savings nationwide as

of the end of December 1989. According to the announcement, they stood at Y51,430,700 million, exceeding Y50 trillion for the first time, and the annual growth rate of savings also registered 8.8 percent, the highest since 1982. Over the past several years, the growth rate leveled off at about 6 percent, but it was the third highest in the past decade after those recorded in 1981 and 1980.

### **National congress of agricultural cooperative women's associations held**

For two days from Jan. 24, 1990, the National Congress of Agricultural Cooperative Women's Associations was held in Tokyo. At the congress, Mrs. Kiyoka Takebe, Chairman of the National Council of Agricultural Cooperative Women's Associations, appealed for the need to "amass spiritual affluence toward the 21st century instead of material affluence." The congress also agreed to promote the participation of young farm housewives in their movement and the production of safe and good-quality agricultural products.

### **Seminar on annual reports held at the Central Cooperative College**

For two days from Jan. 26, 1990, a seminar was held at the Central Cooperative College to make public the results of studies made in the past year. The seminar had five themes. At the seminar on studies about the credit business and mutual-insurance business, participants as a whole indicated more favorable reactions of the credit business clerk to members as ever, but they suggested that agricultural cooperatives run themselves in the same way as enterprises, and way to improve the mutual-insurance business, including the supply of nursing items to elderly people.

## **SINGAPORE**

### **Withdrawal from ICA membership**

The Singapore Amalgamated Services Co-operative Organisation Limited has withdrawn from the membership of the ICA. Singapore National Co-operative Federation Ltd. (SNCF) will now represent the entire Singapore co-operative movement in ICA.

## **U S S R**

### **CO-OP Banks planned in U.S.S.R.**

A recent edition of the *Centrosoyus Review*, the official publication of cooperatives in the Soviet Union, announced



that the first cooperative, Soyuz-Bank, has been registered at the USSR State Bank

This is the first financial cooperative for the Soviet Union since 1930, when financial cooperatives were abolished. Cooperative banks are planned for Moscow, Leningrad, Riga, Tartu, Tambov, Vladivostok and other cities. Centrosoyus reports: "An extensive network of cooperative banks will be helpful in neutralizing monopolism in baking and will promote commodity and money relations in the country."

## VIETNAM

# Marcus visits Vietnam

On the invitation of the Vietnamese Marketing and Supply Cooperatives, Mr. L. Marcus, President, I.C.A. paid a visit to Vietnam after Cooperative Ministers Conference in Sydney. He made the following statement there.

"I was happy to accept the invitation to come and visit Vietnamese Marketing and Supply Cooperatives, as they were new Member in the ICA and an important member."

I would like to say a few words about the I.C.A. and what can be viewed as a Member of its organisation. As long as there have been people living on this earth, they have some time been able to achieve things alone but often they have found they have to do things together. The idea for self-help, self-reliance is as old as mankind but the cooperatives forum, as we know it, as it is identified by the I.C.A. takes back to the middle of the last century.

Cooperatives are liberation movement to liberate its members from their worst for the economic situation.

Almost 150 years ago, a little group of weavers in United Kingdom in England found the formula that later became the principles behind the ICA structure.

It is a formula based on democratic principles, on the idea that man is equal to his neighbor; that man shall not exploit man and as a consequence of that cooperatives are peace movements because nobody suffer more than an ordinary man when there is a war.

The same idea spread among consumers as well as among producers, especially farmers because at that time in the 19th century, the population were dominated by the agriculture production.

About 50 years later after the foundation of this little, small society of 9 weavers in the Midlands of U.K., the

I.C.A. was formed. During this period, cooperatives have been formed by progressive people, by trade unionists, by intellectuals all over Western Europe and they had found also to be practicable in countries like Argentina, in Russia at that time and in many other parts of the world. And when the ICA was formed, it was in 1895, in order to help cooperatives to identify the principle of cooperatives and also to serve in trade. It can now take a long step forward and arrive into 1990, we look upon I.C.A. - it is a product of almost 100 years of cooperative development.

The Members of I.C.A. comprised today more than 600 million individual cooperators. You belong to this family. You have brothers and sisters all over the world. In all socio-economic systems, in socialist countries, in capitalist countries, in mixed economies, in developing countries, in rich countries - almost every where, you will find cooperators and in different fields.

I mentioned the consumer cooperatives and the farming cooperatives; but through these activities, you find banking cooperatives - cooperative banks, cooperative insurance, Cooperative fisheries, workers cooperatives, housing cooperatives, credit unions, service cooperatives of very different kinds and they are through their national apex organisation to center organisations, like your Marketing Supply Cooperatives affiliated to this world cooperative family - and they adhered to the same principles. Being a member of the I.C.A., you have to respect the cooperative principles as were laid down almost 150 years ago by small group of weavers in England. One man Member, one vote; democratic elections of leaders what profit achieved should be divided among the members as a dividend. Now this organisation - what can it offer you, what does it mean to you to be a member? I think you can describe the main tasks of the I.C.A. work in 4 points.

We arrange contacts between members world-wide for you. Once a year, all members of the I.C.A. Central Committee meet and then you are represented. But the world is so big and it is expensive with all these contacts, so we also have a Regional level, to which you belong, with an office in New Delhi, in India. We just had a Conference in Sydney with Cooperative Ministers and Cooperative Leaders from this Region; there were 25 countries represented. I don't think I can recall all of them but to give you a picture, I name a few - USSR, North Korea, South Korea, Japan, China, Philippines and then down to Australia, Fiji, Tonga, Pakistan, India, Sri Lanka, Thailand - all were there. We have similar structures in other parts of the world. We have offices in Eastern Africa, Western Africa, Central America and we will open one in South America later this year.

Now, why is it important that cooperators meet? Because you got to have friends and cooperatives work in an environment where they have to compete, where they have to be the best to serve the members and they cannot discuss their problems with private enterprises or capitalist enterprises; they cannot go to the Government and discuss problems in the same way as they can when they meet cooperators.

That was the first task to make cooperatives meet. The second task is to support development of cooperatives, young cooperatives and cooperatives in difficult situations and growing in developing countries.

My visit here now, and Mr. Sharma's visit earlier and also this time, has the purpose to find out in what way we can help your movement. I.C.A. works together with movement in the industrialised countries, in the rich countries to raise resources for cooperative development and through these movement also with their Governments. More and more members in the residing industrialised countries have found it suitable to create special aid agencies for the cooperatives.

You know that you have had, through the years, quite a lot of help from the Soviet Union; but others who are now ready to come in and see if they can bring some support to you.

Here in Asia, we would mention the Japanese Cooperatives and now also the Australian Cooperatives have decided to create an institute training research and development of cooperatives in Asia. In Europe, you have such bodies in Scandinavian countries. like Norway, Denmark and Sweden. The Italian, the Canadians also offered collaboration through the I.C.A. So, our visit has served the purpose to see what are your needs and we have discussed it with your leaders and now we will see what we can do to attract the necessary financing for these needs. But such aid is just to help you a little to achieve things faster than you would do if you were left alone; because you must rely upon yourself - you know that, Vietnamese people know that.

Now, the third task of the I.C.A. is that at some occasions cooperatives - how big they are or too small to fulfil a task for the members, that is in front of the global society, United Nations Organisations and I.C.A. represent you and all its other members in this U.N. family.

Then there is I shall say the 4th task of the I.C.A. and that is to defend and represent and develop the basic principles of cooperatives. We advise members and Governments on cooperatives legislation. We also discuss the risks for cooperatives to lose their identity because in many countries the capitalist system is prevailing very strong and it might some times influence cooperatives to

accept short-sighted solutions, destroying the true cooperative character of being organisations for members of democratic nature.

I mentioned before that when you have an organisation like I.C.A. that is so large - 600 million individuals and they live and work in their cooperatives in different situations and there are many kinds of cooperatives who have to find a structure - one part of the structure is the REgional structure, where countries are closed to each other, collaborate and have contacts but there is another kind of problem also. We have some closely 200 members and they are working also in a structure of specialised organisation. So the cooperative bankers, the cooperative insurance people, the consumers, the farmers, the fisheries, the workers - they meet in their specialised organisations.

Now you would believe that the I.C.A. with all these organisational structure will be a very big organisation and they have coterie in Geneva, should be a big building - it is not. We, as you fighting bureaucracy, we are running the world with 15 people. It is a very efficient office - computers, telefax, telex, very modern equipment, very intelligent people. We work with a very decentralised principles. Members have to do it by themselves. If the bankers want to meet, they should take the responsibility. It should not be steered from above. It should be the members being active.

I will say a few words about the I.C.A. problems. Until now, I have described it is a beautiful organisation but I think cooperators should be very problem-oriented and problem-minded. Success is nice that some times it forgets, it make you forget to think about how to become better.

We have old and new cooperatives. We have strong and weak cooperatives. We have rich and poor cooperatives. We have well-managed and bad-managed cooperatives. We have progressing and regressing cooperatives and they are very much subject to the situation in their countries to the economic conditions in their countries. At points at some problems characterising a groups of cooperatives. Agricultural Cooperatives. Farmers need cooperatives, to strengthen them and to progress in the chain of production into industries to make the result of their work on their land better for them. The general problem for farmers discussed in the I.C.A. is how to sell their products on the international market when there is a production that tends to become bigger than the demand. This is an increasing global problem that just have been started to be discussed in the ICA.

It is necessary to clarify to the Parliament and to the government that in order to serve the country and the interest of the country, they must respect the character of

the cooperative, otherwise they will never have or expect from the cooperative; they will not produce the result.

The other problem is about the character of the cooperatives. Now when our cooperatives once were formed, many things were very easy to understand for people and they did not have to put them on paper. Say self-reliance that is built on participation, it is built on honesty, to speak the truth not to lie to members and on caring for others. These are basic values behind political movement, they are behind many popular movements also behind cooperatives. They came so natural that they would never put into the principles of the I.C.A.

Now it is true that there are some elements in private enterprise that are very-very good. It helps the people to make efforts but now we have a present tendency to adopt some of the values of private enterprise also, to the socialist economies and then we have in cooperatives working inside the capitalist system a tendency to feel the temptation of making changes in the rules that make them closer to the capitalist enterprise. That is a big risk,

introduced some cooperatives on the stock market for speculations. So, in the I.C.A., we have started discussion about the basic values to identify more clear how shall we function in the future? You know, we work in the capitalist system, we work in economies like the Swedish - that could be called mixed economy, we are working in socialist system like in Vietnam and in free market economy countries.

Some of our members are very political reactionary you would feel and they would feel that you are too much communist that cooperatives are neither socialist nor capitalist. Cooperatives are away for people to collaborate and that is why I.C.A. is represented in so many countries and why I.C.A. has been able to play a role to create peace because peace is what all people long for actually.

Earlier Mr. G.K. Sharma, Regional Director, ICA Regional Office for Asia and the Pacific gave the background of Mr. Marcus's visit and its importance.

## NEWS FROM OUTSIDE THE REGION

### OECD policy recognizes co-operatives

OECD members adopted a policy statement on Development of Cooperation in the 1990s at their two-day Development Assistance Committee Meeting last December. The statement defines the development tasks of OECD as "contributing to environmentally sound and sustainable development and slowing population growth". The strategy emphasizes investing in "people and participatory development for stimulating productive energies of people".

### World Bank explores co-op options

ICA joined with multilateral, bilateral and co-operative development agencies from Europe and North America in a January 16-17 seminar organized by the World Bank to discuss donor support for rural co-operatives in developing countries. The participants analyzed both successes and failures with the aim of helping the World Bank develop a better understanding of the prerequisites for successful co-operative development.

### USAID awards \$3 million to CHF

The United States Agency for International Development (USAID) has awarded CHF a \$3 million grant under the agency's Cooperative program Support Project. The

five-year grant will support CHF's efforts to improve housing and community services for low-income families and promote the application of the democratic model of cooperative housing in developing countries. In the early 1960s, USAID recognized that housing solutions in the developing world could benefit from the beneficiary involvement found in CHF's American Cooperative housing programs and requested that CHF provide technical assistance to housing institutions in Latin America. The new grant continues USAID's long-term utilization of the cooperative community's experience in international development world, now on a worldwide scale.

Activities funded under the grant will enable CHF to : promote its cooperative development system, which links technical service organizations, housing cooperatives, building material production centers, neighborhood improvement cooperatives, and credit mechanisms; conduct shelter assessments and design innovative, country-specific development projects; provides short-term technical assistance to develop, implement, or strengthen community-based development efforts; develop information resources and implement training and educational programs; produce publications on shelter-related development issues; and engage in collaborative programs with other cooperative development organizations.

□

## Some Selected and Recent ICA/ROAP Publications

1. *Curriculum Development for Adult Learning*, by W.U. Herath, Rs. 20/- or US \$ 3.00
2. *Field Experience for Cooperative Trainers*, by W.U. Herath, Rs. 20/- or US 5.00
3. *Evaluation of Cooperative Education Programmes*, by S. Maghimbi, Rs. 30/- or US \$ 3.00
4. *Indian Co-operative Laws vis-a-vis Co-operative Principles*, by P.E. Weeraman, R.C. Dwivedi, and P. Sheshadri, 2nd Revised and updated Edition, by P.E. Weeraman, Rs. 180/- or US \$ 30.00
5. *Manpower Management and Co-operative Development - Report*, Rs. 30/- or US \$ 5.00
6. *Role of Government in Promoting Co-operative Development*, Paper Back Indian Rs. 400/- or US \$ 60.00, Hard Bound Indian Rs. 500/- or US \$ 75.00
7. *Enhancing Women's Participation in Co-operative Activities - Report Papers*, Indian Rs. 150/- US \$ 25.00
8. *ICA/SCC/NCC Project for Women's Consumer Education and Information through Co-operatives in Sri Lanka*, by Jayantha C.T. Bulumulla, Rs. 30/- or US \$ 5.00
9. *How to improve the effectiveness of National Co-operative Organisations - Report & Papers*, Rs. 100/- or US \$ 15.00
10. *Programme for Effective NCO Action - Report of Regional Seminar*, Rs. 100/- or US \$ 15.00
11. *Enhancing Co-operative Capability - Report of the Top-Level Conference*, Rs. 100/- or US \$ 15.00
12. *Asia in ICA*, Paper back Indian Rs. 300/- or US \$ 45.00, Hard bound Indian Rs. 400/- or US \$ 60.00
13. *Fishing Industry and Fishery Cooperatives in Selected Asian Countries - A Regional Review Paper*, April 1989, by Daman Prakash, Price Indian Rs. 50/- or US \$ 8.00
14. *Development Consumer Co-operative Movement in Bangladesh - Workshop Report - Report of the ICA/ BJSU National Workshop held at Dhaka, Bangladesh 28-30 March 1989*, compiled by W.U. Herath, price Indian Rs. 50/- or US \$ 8.00
15. *Facilitation of Effective Cooperative Legislation in Selected Countries of Asia : A Study Report*, by V.P. Singh, price Indian Rs. 100/- or US \$ 15.00
16. *Strategies for the Development of Consumer Cooperative Movement in Asia - Report - 1988* of the Workshop held at Kuala Lumpur, Malaysia, December 05-09, 1988, price Indian Rs. 150/0 or US \$ 25.00
17. *Housewives in Consumer Coops - The Report of the ICA Regional Follow-up Workshop on Housewives' Involvement in Consumer Cooperatives*, Osaka - Japan, 12-18 April 1989, by W.U. Herath, price Indian Rs. 100/- or US \$ 15.00
18. *An Overview of Consumer Cooperation in Asia 1989*, by W.U. Herath, price India Rs. 100/- or US \$ 15.00
19. *Agricultural Coop in Japan - The Dynamics of their Development - 1989*, price Paperback Indian Rs. 150/- US \$ 25.00, Hard bound Indian Rs. 200/- or US \$ 30.00
20. *Development of Consumer Cooperative Movement in Sri Lanka - Workshop Report - Report of the NCC/ ICA National Workshop held at Colombo, Sri Lanka, 26-29 April 1989*, price Indian Rs. 50/- or US \$ 8.00
21. *Cooperative Ministers Conference - Sydney, Australia, 8-11 Feb. 1990 - Conclusions*, price Indian Rs. 20/- or US \$ 3.00

**Note :** Price is inclusive of postage charges by Air Mail.

1. Please send your order to ICA DOMUS Trust, c/o. ICA/ROAP.
2. Payment should be made through Demand Draft/ Cheque payable to **ICA DOMUS Trust, New Delhi**.
3. Publications are also sent by V.P.P. in India.

### OBITUARY

#### **Mr.Fujita passes away:**

Asian Coop News learnt with deep grief the sudden and untimely death of Mr. Saburo Fujita, former president of the Central Union of Agricultural Co-operatives (CUAC-ZENCHU), Tokyo, Japan. It conveys the heart-felt condolences and pray the God to give eternal peace to departed soul and enough courage to his family to bear this unbearable loss.

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INTERNATIONAL COOPERATIVE ALLIANCE

# ASIAN COOP NEWS

Special Supplement

FEBRUARY 1990



On the occasion of opening ceremony. Sitting (L to R) : Messrs. Bruce Thordarson, Director, ICA; John Kerin, Minister for Primary Industries and Energy, Australia; Devi Lal, Dy. Prime Minister of India; G.K. Sharma, Regional Director, ICA ROAP; John Button, Leader of the Government in the Senate and Minister for Industry, Technology and Commerce, Australia; Lars Marcus, President, ICA; A.S. Lozada, Chairman, ICA Regional Council; J Bingham, Mayor of Sydney; R. Everingham, Chairman, AAC and Geoff Ayres, General Manager, AAC.

## Cooperative Ministers Conference, Sydney, Australia

The Conference of Cooperative Ministers of Asia & the Pacific countries was organised by the International Cooperative Alliance, Regional Office for Asia and the Pacific, from 8th to 11th February 1990 at Sydney, Australia, with the active support of the Australian Association of Cooperatives (AAC) and the Federal Government of Australia. It has its own importance in the process of

cooperative development.

The conference had commanded encouraging response, as nearly one hundred participants, including ministers, national cooperators, international organisations, senior government officers, President and Director of ICA, Geneva, Regional Director and his team of experts in the Regional Office took part in the four days deliberations.

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The agenda of the conference included, inter-alia, cooperative-government collaborative strategies for cooperative development, cooperatives during 1990s, recommendations of the Regional Consultation of the permanent secretaries of cooperatives held at Singapore in 1988, development of inter-cooperative trade etc.

The conference was in a series of measures initiated by the ICA to implement its policy of cooperative development, which has one of its objects to promote mutual understanding between the cooperatives and the governments, so that a proper and conducive environment would be created for the growth of genuine

cooperatives.

It was the unanimous view of the conference that cooperatives have a great role and commitment in the economic development of various countries. It was also accepted that the cooperatives should be governed democratically in accordance with ICA Cooperative principles. The conference was a historical event.

This special issue of the ASCON contains the *conclusions* of the conference and very briefly describes what the participants contributed. The full report of the conference will be available shortly.

## Declaration of the Conference

The conference adopted the following declaration:

*Noting* : the constructive development role played by the cooperatives and their healthy and wholesome impact on the communities as a whole in the Asian and the Pacific countries;

*Recognizing* : the vast potential of cooperation as a self-help and mutual-aid movement in transforming economic and social condition of the people for a better and happier society based on democratic and moral values, social justice and peace;

*Accepting* : the suitability and essentiality of cooperatives as one of the most appropriate agencies for accelerating economic development and social advancement, and in meeting the aspirations of the peoples;

*Taking into account* : government assistance as an important factor in the development of cooperatives;

*Affirms* : governments' continuing support:

- i. to cooperatives to grow as a vital instrument of socio-economic change through developmental plans and programmes based on self-help and mutual-aid;
- ii. to facilitate the development and functioning of cooperatives in accordance with the ICA Cooperative Principles,

**and further**

*Requests* : the national governments to take necessary steps for the implementation of recommendations of the conference;

and

*Appreciating* : the activities and contribution of the ICA in assisting the governments and cooperatives;

*Solicits* : further continuance of the ICA assistance in all possible ways in the growth of genuine and strong cooperatives;

to be known as "**Sydney Cooperative Ministers Conference Declaration 1990**".

## Welcome address

*Mr. Arcadio S. Lozada*, Chairman of the ICA Regional Council for Asia and the Pacific, welcomed the Conference. In his address, he made the following observations.

This occasion provides the world community of cooperatives with the rare opportunity of sitting down with representatives of governments and international organisations to discuss possibilities for social and economic development through cooperatives under desirable working relationship; and work along common lines of action.

The world today faces major economic, social and political changes and challenges as the transformation events in Eastern Europe begin to influence individual nations in Western Europe, the Americas, Africa, Asia and the Pacific. The net effect boils down to the *opening up of opportunities of the national and international cooperative movements to assume a more active role in the development process.* We feel that this would be best achieved through a series of initiatives in the fields of legislation, policy and development programmes. The current transformation events mentioned above serve to focus the high significance of this occasion upon us, the leaders of the national and international cooperative movements and govern-

ment agencies tasked with cooperative developments in their respective countries.

Cooperatives in any country have always needed a law that would be appropriate to their nature and character, in the light of their economic philosophy and objectives; and suitable for their operating efficiency and requirements.

A survey of such laws done within the ICA produced a wealth of information regarding the legislation on cooperatives in the countries surveyed.

It is the intention of the Asian community of cooperatives to develop a model cooperative law. Such a law, where adopted would go a long way in fostering closer collaboration between and among cooperatives in Asia.

In several Asian countries, governments are playing important and positive role in cooperative development through healthy partnership and mutual respect. The government role in cooperative development is primarily through financial, technical, fiscal privileges and other types of assistance. Examples of such positive roles are seen in some countries especially in the Far East where government assistance has not impaired the autonomy and democratic character of cooperatives. This trend needs to be strengthened.

## Fraternal greetings

Representatives of several international organisations gave their fraternal greetings.

*Mr. Stephen Birt*, representing the **World Credit Unions**, said it is an honour and a privilege to convey fraternal greetings of fellow cooperators in the credit union movement who are united through the 80 national associations which make up the world council of credit unions.

Savings and credit co-operatives, credit unions, owe their very existence to the same intrepid pioneers of Rochdale as you and your own cooperative.

There are more than 71 million credit union members being served by nearly 42,000 of our affiliated primary societies in 80 nations. Together these individual

members have savings deposits that total US\$212 billion and these mobilized resources have enabled members to have access to credit totalling US\$160 billion in loans.

Our members are investing their capital in the improvement of the quality of their lives and those of their families. At the same time, these unique, single-purpose financial cooperatives are contributing to the improved economies of thousands of villages, towns and cities in many countries. These are, in most developing economies, grassroots levels of capital involvement that would not find their way into the financial mainstream of most banking systems.

Although our credit unions are individual, autonomous, self-governed institutions, each has a membership

brought together by a common bond, a shared and specific need. They may be farmers, teachers, citizens of a community, or workers in a factory. They are nonetheless joined by a philosophy of sharing and caring and that philosophy extends beyond national boundaries through the foundation's work. We are democratic institutions whose primary regulation comes from within.

One of the operating principles we share is cooperation among cooperators and cooperatives, and we welcome you to this conference on behalf of the World Council, its members, and particularly on behalf of the two point seven million credit union members of Australia. We hope you have a successful and enjoyable conference.

*Mr. B. C. Gangopadhyay*, Secretary General of Afro-Asian Rural Reconstruction Organization (**AARRO**) said "I, in my capacity as the Secretary General of the Afro-Asian Rural Reconstruction Organization, have great pleasure in attending this important Conference of Cooperative Ministers, organized by the ICA. Set up in 1963, AARRO is an inter-government organization of the countries of Africa and Asia with the objective of providing a forum for mutual consultations, exchange of experiences, collective cooperation, in the task of economic and social development of the rural areas and rural masses. Cooperative development has been one of the features of its activities for a long time, and the Central Union of Agricultural Cooperatives (CUAC), Japan has been one of its members from the beginning. Since the year 1968, AARRO in collaboration with the CUAC and the Institute for Development of Agricultural Cooperation in Asia (IDACA), Japan, has been arranging on regular basis, a training-cum-seminar which has come to be known as RECA (Research and Education Centre of AARRO) Seminar, on cooperatives and community development. Recently, AARRO, in collaboration with CUAC, has also initiated field studies of the various aspects of cooperative movement in some of the AARRO member countries. Almost from its inception, AARRO has been maintaining collaborative arrangements with the ICA. Two projects, one in Nepal and the other in Sri Lanka, were jointly organized by AARRO and the ICA in the year 1969 and subsequently. Later, in 1973, a Conference of top-level cooperative leaders of South East Asia Region was organized in Japan, jointly by AARRO, ICA Regional Office and Education Centre for South East Asia and the CUAC. Considering the useful purpose served by the first Conference, a second top-level cooperative leaders' conference was jointly organised in Japan in 1983 by AARRO, ICA ROEC, CUAC and IDACA. AARRO has been in touch with the ICA subsequently also,

through personal contacts and exchange of publications. I, along with the Director, AARRO, had the pleasure of participation in the Consultation of Permanent Secretaries of Cooperation of Asian countries held at Singapore in June, 1988, which had provided the basic input for this conference. The interest shown by our organization in this conference and its long association with ICA are borne out of the deep faith in the important role which cooperatives can play in the socio-economic development of the countries of Asia and Africa, particularly for the rural areas and rural people. Though the theme of this conference relates to Asia, it is nevertheless of great relevance to the continent of Africa also, so much so that our organization has encouraged and promoted the participation of one of our member countries from Africa. I am glad that the Hon'ble Minister from Ghana along with the Registrar of Cooperative Societies, Ghana, has made it convenient to attend this conference. I must congratulate the ICA in particular, its Regional Office for Asia and the Pacific and the Cooperative Organization in Australia as also the Government of Australia for organizing and hosting this conference and for the excellent arrangements made.

*Mr. D. H. J. Abeyagoonasekera*, from **FAO** said that the Singapore consultation of secretaries on Role of Government in promoting cooperative development in Asia held in 1988 suggested that FAO should build a *network* for cooperative organisations and government for promoting cooperatives. This recommendation has great relevance to FAO.

FAO is the only organisation which is working with emphasis on reducing the cost of production of small farmers. This objective is very close to cooperatives in the developing countries.

The *network* will mutually benefit ICA and FAO. Cooperatives have several success stories in India, e.g. milk, cotton, sugar cooperatives, etc. Many countries are seeking information about them. *Network* can help significantly in the dissemination of such information.

The importance of *network* has been well-recognised by various countries. This is evident from the response FAO has received. Thirteen countries have already responded. *Network* will operationalise from June 1990. FAO has a standing committee on cooperatives. ICA has given a new dimension to cooperatives in this region.

The **ILO** was represented by *Mr. Jurgen Von Muralt*. He remarked in his greetings "it gives him great pleasure to represent the International Labour Office at this important conference. I bring you the cordial greetings



and best wishes of the Director General of the ILO, Mr. Michael Hansenne.

As many of you will know, the ILO has given particular importance to co-operatives right from its inception. As early as 1920, a cooperative unit had been set up in the ILO, which has become the centre point in the United Nations family for the promotion of cooperatives and a supporter of cooperative development all over the world.

In fact, the ILO has been founded on the very principles which stood at the beginning of the co-operative ideals. Also the ILO can claim a man like Robert Owen among its spiritual fathers.

Unlike the United Nations, the ILO is not a purely inter-governmental organisation but made up of governments and employers and workers. It has, therefore, also direct access to those who normally make up cooperative membership.

## Inaugural address

**Senator Hon. John Button**, Leader of the government in the Senate and Minister for Industry, Technology and Commerce, Australia, inaugurated the Conference deputising for the Prime Minister of Australia and said "in many countries represented here co-operatives are a very significant economic force.

In 1987, for example, there were more than 30,000 registered co-operatives in Indonesia, and some 2,500 in Thailand. As a group, co-operatives based in the Asia-Pacific represent 60 per cent of the membership of the International Co-operative Alliance.

In Australia, co-operatives cannot claim to carry a comparable degree of economic clout.

Nevertheless, there are 6,000 co-ops in Australia with 6 million members. They sell products and services worth \$16 billion a year across a wide range of industries and activities.

This conference aims to focus on strategies to promote the development of co-operatives into the next century, and in particular through increasing regional and international trade and co-operation.

Since 1980, trade in goods across the Pacific has surpassed that of the Atlantic. The Asia-Pacific region now provides around 44 per cent of global output. Some 65 per cent of that regional output is traded within the region.

From an Australian perspective, the Asia Pacific region accounted for 67 per cent of our total trade in 1988.

I am looking forward to have with many of you an exchange of views and ideas about the status of cooperatives in your respective countries and discuss ways in which we might be able to help in your endeavour.

I think it is very opportune to convene this conference and the ICA should be congratulated for having taken this initiative. Co-operatives in the 90s are facing great challenges. In order to be able to face those challenges they have to develop into strong and independent business organisations which would decide over their own affairs without undue government interference. This to discuss is certainly one of the important tasks of this conference.

It remains only to thank the Australian Association of Cooperatives for having organised the conference and provided perfect facilities. Many thanks for all who have contributed in this".

The Australian Government was pleased to provide financial support to assist the running of this conference.

Co-operatives of course pride themselves on being special - on having qualities of organisation and purpose that differentiate them from the other economic players in national and regional economies.

The success of the co-operative movement in so many and such varied endeavour is due to a number of fundamental factors. One is the active participation of members in determining the co-operatives' conduct.

In this regard, co-operatives are quite similar to democratic governments - that is, co-operatives are administered by persons elected by members and accountable to them. This feature of co-operative behavior is enshrined as one of the six international co-operative principles.

Another reason for co-operative success - another unique feature in which co-ops are right to take pride - is that they are composed of members who come together to further their individual welfare through the welfare of the group as a whole. That is, they embody a philosophy of self-help that makes a positive contribution to society as a whole.

That is a philosophy that is in a real sense at the heart of the economic reform policies of the Australian Government.

One of the policies that the Government has pursued as a matter of priority, and one of our major achievements, is the transformation of Australia from a closed, protected and introspective economy to one that is efficient, outward looking and internationally competitive.

Our record of microeconomic reform has not been equalled in any other period of our history. The process of reform and change is, however, not yet complete and will need to be ongoing in our rapidly changing world.

And the framework we are putting in place ensures social equity in the impact of consequences from change and sustainable viability for those operating within it. As we move into the last decade of this century, we are undertaking other initiatives that will directly benefit co-operatives.

Co-operatives have an important role to play both for this country and for the region as a whole. But like other business structures, co-operatives need to recognise the stark realities of doing business. That means understanding the importance of such factors as technological change, product development and marketing.

Too often in the past, Australian co-operatives like other Australian businesses have made the same old products, in the same old way and expected the world to beat a path to their door. When this happens, it is not surprising that buyers look elsewhere.

## Keynote address

*Mr. Lars Marcus, President, ICA, who delivered the Keynote address made the following observations:*

"Standing in front of this distinguished audience to deliver a keynote speech, I am honoured and challenged. Your theme- '*Cooperation for the 90s - Collaborative strategies between co-operatives and governments*' - has become an even hotter theme than when it was presented. Some major changes have taken place in the world during the last six months and their final consequences are still to be seen.

Recently the Central Committee of the International Co-operative Alliance met in New Delhi, for the first time in its history, which dates back to 1895, its membership gathered in Asia.

More than half of our 600 million registered co-operators live in this region. Nowhere else is cooperative expansion at present so fast, though I find Latin Amer-

To fully realise their potential, co-operatives have to develop the attitudes and expertise of other successful trading enterprises.

Let me add that I was interested to hear about the proposal being pushed by Race Mathews for the establishment of an Asia-Pacific Centre for Co-operatives Research, Training and Development. This proposal is receiving some consideration. Certainly, if co-operatives are to continue to grow and to serve their members, leaders will need the best possible training and access to management skills.

Success in these objectives will be of direct benefit to all. The opportunity for international trade in many of the goods and services your organisations provide or purchase will be significantly enhanced. Even those few co-operatives who do not participate in trade, directly or indirectly, will still benefit as a result of the resulting increases in the efficiency of the domestic economy.

Our objective is to build on the region's successful development based on free trade and to further mesh our economy into the region. This will benefit our economy but it will also benefit all the other economies of the region. To put it another way, it is the 'win-win' solution that co-operatives are also based on.

My hope is that the Conference will promote the type of outward-looking approach that will ensure growth and prosperity for co-operatives as they reap the opportunities for trade within the region.

ica moving at almost the same pace. The global centre of co-operative seems to move away from Europe.

I am just as proud of your cooperative progress as anybody else and convinced of the important role you can play in the future but a thorough analysis of future weaknesses is necessary.

When changes take place, and I believe they will, existing cooperatives find themselves in a complicated situation. For years they have served inside the system, become part of it, and got used of it. It is true that their performance has been built on decisions by democratic institutions but in a period of change, members seem to forget the past or even worse try to forget it.

A cooperative ministry with the set target to promote cooperation has to be very observing and skilled while

performing its duties. It represents both knowledge and material resources. It has to act like a parent and see to it that the child can make it all alone.

There will always and in all situations remain a risk that the technical elite underestimates common sense also within an illiterate membership. At the same time government officers, are not specialists on business- and cooperatives have to be . Government are spenders- cooperatives have to be earners.

You can organise a society on " togetherness " but never exclude the fact that rights for the individual have to be reserved. One such model is the socialist alternative. You can also organise a society with a higher degree of freedom for the individual. You then speak of liberal and capitalist models. Co-operatives operate in both systems but are not part of any of them. We represent values and principles of our own. Cooperatives are capitalist in the sense that they try to improve the individual economy of their members. They are not capitalist in the sense that they operate on behalf of a collective and on the basis of democratic principles.

I can imagine that a time will come when politicians find that the price to be paid by society for economies too much based on the individual initiative will be too high and this model as outmoded as reformers in Western and Central Europe today look upon the model they have worked inside for more than half a century. I also want to draw your attention to two other problems equally relevant to many other organisations. The first one is the increase of the world population. The second one is the problem of nationalities and peace.

By principle and tradition, cooperatives offer membership to all and do not accept discrimination on the grounds of race, creed, nationality or in any other way that disregards the equal value of human beings. Co-operatives, caring for their membership and creating transnational links between peoples, have proved to be promotion of peace. While other global organisations-both governmental and non-governmental- have failed to survive, the ICA itself has existed uninterruptedly for nearly a century.

Looking upon our world today, you can experience the increase in migration movements. Soon another billion of our kind will share our destiny. Already one billion people are lacking jobs necessary for survival. Many of them live or will start their lives in your region. Here the population is often more dense than elsewhere. The risks are evident. Frictions between nations, racial unrest, protectionism - many things may threaten. Problems will prove extremely difficult to solve. The responsibility is global but you will certainly have your share,

being a melting pot of hitherto unknown dimensions. Cooperatives here as well as in other parts of the world have to respond to this situation and be prepared for it. It is a question of attitude but also of practical work, of information and organisation. Cooperatives have to offer a moral dimension, because it will be in the interest of their members and preserve peace.

Cooperatives have to depend their identity. They are under severe ideological pressure from the dominating competitors in the market economy. They are equally threatened by governments looking at cooperatives both as equals to profit-oriented enterprises and as something from which you can demand more and also can interfere with-especially if the cooperatives once have been given some development advantages or have become indebted to governments, for instance through the planned economy.

The full ICA Congress will then for the first time in its history meet in Asia, on the invitation of Japanese cooperatives. A request to all governments from their national ICA members to bring about a UN year of cooperatives in 1995 has also met with a wide support. It would then coincide not only with the presentation of the modern philosophy behind cooperative but also with the centennial of the ICA itself.

You are for sure as well aware as myself of the diversity of cooperative enterprises. In fact our motto is unity through diversity.

To me, co-operatives have never been the only answer. I believe in pluralism. But certainly also believe in a stronger role for cooperatives. Gradually more and more people will find that they can co-operate and that they will have to engage themselves. You will never get what you want for nothing. Many of your cooperatives will be able to answer to this development but remember that some also will fail and die. Only those which understand their membership and are prepared to work hard, compete by efficiency and never get satisfied with achievements will be allowed to live for ever.

### Next Ministers Conference

Indonesia has extended invitation to host the next Ministerial Conference, proposed to be held during the year 1992.

## John Kerin's response

Mr. John Kerin, Minister for Primary Industries & Energy, Australia, lauded the contribution of cooperators. He stated that the particular strengths of cooperatives as vehicles for economic and social development, are well documented and familiar to this audience. "For me, a major reason for their appeal is their participative ownership, their democratic structure and their use of capital for mutual rather than individual benefit. Also of great importance is the principle adopted by the ICA that cooperatives should interact with each other at local, national and international levels. This conference is a reflection of international cooperation and I am sure that benefits will result from what we can learn from each other.

While Australia's involvement in the ICA is relatively recent, cooperatives have been active in Australia for over one hundred and fifty years.

The Australian cooperative sector has grown to where it is involved in a wide range of business and community activities. Finance cooperatives include the permanent building societies, credit unions and cooperative housing societies. Cooperatives are well represented in entertainment and recreation through cooperative licensed clubs, sporting and social clubs and community radio stations. In the community services sector, cooperatives are active in child care centres, services to migrants and in aboriginal advancement. Trading cooperatives include worker cooperatives, wholesale providers of fuel, fertilisers and machinery to rural communities and cooperatives of taxi owners.

In the primary industry sector, cooperatives account for significant or major market shares in such industries as fisheries, fruit and vegetables, cotton, rice, sugar, dairy and honey. By pooling their resources to form cooperatives, farmers have formed efficient marketing, processing and distribution systems for their products. Ownership and control of these systems by the farmers gives them a much stronger countervailing bargaining power in dealing with buyers of their products than they would have as individuals. Cooperative action also enables farmers to supply the large amounts of uniformly graded products required by today's large buyers.

The Australian Association of Cooperatives, members of Australian cooperatives and government all have an important role in bringing this about.

The AAC has become increasingly involved with trade promotion activities with and on behalf of its members.

Memorandums of understanding and protocol agreements have been agreed and/or proposed between the AAC and cooperative organisations in China, Fiji, India, the USSR and Vietnam. The Association has also established trade representation offices in Malaysia and the Philippines. Additionally, AAC trade missions have been arranged where trading opportunities have been identified in the USSR and Eastern Europe, Thailand, China and the Philippines. Of further significance is the agreement achieved between the AAC and ICA under which the ICA, with AAC assistance, will maintain an office in Australia.

While Australian cooperatives are free from government control, government has an important role in encouraging and facilitating their development.

Australia has a federal structure of democratic government and the States and Territories are responsible for the registration, administration and supervision of cooperatives.

The Government is assisting the trade related activities of the Australian Association by funding through the Export Market Development Grants Scheme, under which the Association is an approved body. The Government is also providing assistance to the export efforts of cooperatives through the Innovative Agricultural Marketing Program (IAMP) and the Marketing Skills Program.

Funding of some \$300,000 has been provided to establish last year a centre for cooperative studies at the Gold Coast College of Advanced Education. The centre aims to provide a research, consultancy and educational service for agricultural cooperatives in relation to both domestic and export activities.

The centre will publish informative papers on areas of interest for agricultural cooperatives. The centre will also provide advice on investment in new products and facilities and training and strategy development for export marketing. There is a proposal for an *Asia-Pacific Centre for Cooperative Research, Training and Development*. This proposal warrants serious consideration because it has the potential to increase significantly the strength of cooperative sectors in Australia and the region.

A further area in which the Australian Commonwealth Government has had an important role is in moves to achieve more consistent cooperative legislation between the Australian states.

Australian cooperatives have achieved much over the past 150 years but their potential is considerably greater. Achievement of this potential is being assisted by the leadership role which the AAC has provided since its establishment only a few years ago. Government also has an important role in facilitating development of the sector.

One way of focussing on the social and economic contributions of Australian cooperatives would be to set aside a day each year as Australian Coop Day, as occurs in other countries around the world. I see considerable merit in the idea as an initiative of the AAC.

## The Theme

**Mr. Bruce Thordarson**, Director, ICA, elaborated the theme of the Conference. The following are vital observations made by him:

### Co-operatives and Social and Economic Development

In the developing countries the world over, governments regard cooperatives as an important instrument of development. Co-operatives have formed themselves into the truly global movements. The Asia Pacific region accounts for more than fifty per cent of the 600 million individual members represented in the Alliance.

The ICA, in 1982 formulated a "*Policy for Co-operative Development*". The aim of this policy is the establishment and growth of independent democratic and viable cooperative organisations in which men and women can participate on equal terms. The policy calls for enlisting the support of governments and international organisations for the development of co-operative movements. The policy goes on to outline the areas in which co-operatives have great scope for development, and the priorities for action that should be followed for achieving sound co-operative development.

There are some areas in which co-operatives are needed and where they have great potential. Most developing countries in the Asia Pacific region are still predominantly agricultural. A close link between production, processing and marketing needs to be developed in order that the producer gets benefits resulting from all three stages. Further, well co-ordinated/integrated structures need to be established so that the co-operative system can effectively compete in the market place.

Capital is an important requirement for sustaining and accelerating development. During the last twenty to thirty years the important role of savings in development has been increasingly recognized. A satisfactory growth rate can be obtained only through the

mobilization of domestic resources, and that the capacity of poor people to save has often been underestimated. Many of the problems of government-operated credit programmes have resulted from the separation of the savings and credit functions and the over-emphasis on the latter. Thrift savings therefore need to be greatly encouraged.

The development of insurance co-operatives has not received the attention it deserves. Apart from providing low cost insurance facilities, insurance co-operatives alongside co-operative credit institutions, can generate the much needed capital for co-operative development. The Co-operative Insurance Development Bureau, in collaboration with ICA Regional Office and ICA development partners, has formulated a regional project for development of co-operative insurance in the Asia-Pacific region. Governments of the region may give needed legislative and policy support for facilitating growth of co-operative insurance.

The rapid growth of urbanization in all Asian countries and the resultant problems of urbanization call for development of co-operatives in the fields of consumer, housing, industrial and services of various kinds. In all these areas co-operatives have made limited progress.

Another emerging problem is unemployment, especially among youth. The co-operative potential needs to be harnessed not merely to tackle the problem of unemployment but also to ensure social stability.

Co-operatives with the support of well-designed state policies and assistance can play an important role in ameliorating the conditions of disadvantaged groups - women, fishermen, poor people.

### The Co-operative Concept

One hears complaints that government interference does not allow co-operatives to function properly, that excessive government control has led members and the general public to believe that co-operatives are

governmental institutions, that excessive government assistance kills members' initiative and self-reliance, that in several instances government actually manages the co-operatives either, by directly appointing government officers as managers, or through remote control. It is therefore necessary that the co-operative concept is clearly understood and that all development efforts, whether by governments, apex organisations of co-operatives or other development bodies, are so directed that co-operatives are promoted and developed in accordance with the universally accepted co-operative concept.

Problems arose when the state wants to use the co-operative as an instrument for operating government schemes such as those for distribution of agricultural inputs, consumer goods, marketing agricultural produce and in general for promoting economic and social development as part of national development plans. Co-operatives are loaded with responsibilities far beyond their capacities; they are given uneconomic margins; co-operatives are issued orders to do this or to do that as operators of government schemes. Co-operatives may be entrusted with certain tasks/business by the government on mutually agreed terms. Then they should be left free to carry out their part of the contract.

Problems are also caused on account of excessive regulation of, and control by, the State over co-operative managements. The questions of state help, state regulation and state control require close examination in each country from the point of view of fostering co-operatives based on the "co-operative concept" as universally understood and the essential features of

cooperatives. Based on extensive discussions within various ICA forums, and our co-operative development policy, I would suggest the major strategies for promoting and strengthening co-operatives on sound lines, viz. organizing effective programmes of member education and member participation; leadership development programmes; sound personnel policies and professional management; participation of women and youth; development towards self-reliance; promoting co-operative democracy; strengthening co-operative structures, especially at the national level; developing co-operative financial systems; technology; etc.

In the developing countries, where governments play a predominant role in co-operative development, dialogue between co-operative movements and governments is absolutely vital.

There is a fundamental compatibility of interests between co-operative movements and governments since the activities of both are designed to serve broad public interests as opposed to narrow selfish purposes. Hence the need for both parties to devise collaborative strategies and mechanisms to achieve the end objectives of social and economic development for ordinary people. The areas for collaborative work are : creating a favourable environment; co-operative legislation; enunciation of policies promoting co-operative autonomy and democracy in co-operatives; establishing equitable economic policies; human resource development (HRD); finance; partnership in planning and plan implementation; strengthening national co-operative organisations; collaboration at the regional level.

## What the participants said...

### Australia

The paper presented by Mr. Ray Ison, Deputy Chairman, AAC, included the following observations:

The greatest damage a government can do to its national cooperative sector is to ignore it.

In Australia this had been the case during the 1970's and early 1980's but since the latter part of the last decade the cooperative sector has, through a careful campaign, gradually succeeded in opening the eyes of government to mutual benefits of a partnership in the pursuit of common goals.

Outside aid should be accepted by cooperatives: on condition that it does not require subservience; and when it takes second place to the cooperative members' own efforts. This is equally true whether the aid is from government, national or international development agencies or from the national or international cooperative movement.

Cooperatives must be recognised by government as being the individually unique business structures they are but at the same time they should be considered for the same concessions or assistance as its given to any constituent of the private or public sectors by those

governments in pursuing strategies aimed at stimulating commercial activity.

Government must come to understand the comparative safety record of the cooperatives as well as their record of achievement. The difficulties that have arisen between government and the cooperative sector have, to a large extent, been problems of perception and understanding.

Cooperative is the best possible vehicle for use by any government in the delivery of economic and social programmes that are aimed at creating a just and equitable society where self-regulation, self-help and mutual assistance are recognized as the nucleus of individual dignity and commercial harmony.

Governments must be shown evidence of this through models that demonstrate the great abilities and flexibilities of cooperative enterprise.

Government must try to see : the cooperative movement must light the way.

This will be a slow process but as was told by the great Chinese Philosopher, Confucious, "even the longest journey must begin with the first step".

## Bangladesh

*Mr. Liaquat Ali*, Chairman of Bangladesh Jatiya Samabaya Union (BJSU) in his address said that the cooperative movement in Bangladesh is very old as it inherits its beginning from undivided India, where the first Cooperative Societies Act was promulgated in 1904. Bangladesh cooperative movement is basically agricultural. It has made a number of experiments and innovations, which, some of them, are very well known all over the world. One of them, as you know, is the "Comilla Project". I would not like to take much of your time in giving the structural framework of Bangladesh cooperatives and their numerical number. I would rather like to confine myself to the theme of the Conference, namely, **Cooperation in 1990's**.

The Bangladesh Government has formulated a national policy for cooperative development which, inter-alia, promises a fast growth of the cooperatives in my country. A significant step that has been taken is that a national cooperative council has been constituted at the national level which is headed by the President of my country himself.

May I say that after the Secretaries Consultation organised by the ICA Regional Office for Asia and the Pacific at Singapore in June 1988, important changes

have been affected in Bangladesh cooperative movement. This certainly is the impact of the above mentioned consultation which was attended by the representative of the Government of Bangladesh. Earlier, most of the apex cooperatives were managed by nominated boards, which was against the principle of democratic control and management of cooperatives. After Singapore Consultation, elections have been held in all the cooperatives and elected board of managements have replaced the nominated boards. Another significant change is in the nature of functions of government in regard to cooperative development. The government is to function only as a supervisory agency leaving the developmental functions to the cooperative movement itself. This perceptible change in the outlook of the government will, I feel, go a long way in building an environment favourable to the cooperative development.

Very recently we got a new Cooperative Societies Act which is nearly in conformity with the international cooperative principles and the recommendations of the Singapore consultation. I am sure, that the conclusions of this conference will provide further guidelines to the government in my country for independent and self-reliant cooperative movement and making it a powerful instrument of poverty alleviation and socio-economic transformation. I strongly feel that there is no alternative to cooperatives in this part of the world as has been aptly reflected in the background papers circulated to this conference.

## Fiji

*Hon'ble V.S.J. Gonelevu*, Minister for Primary Industries and Cooperatives, Fiji, in his address said that some 30,000 families in Fiji are involved either directly or indirectly in the co-operative movement.

The cooperative development in Fiji began in 1947 when the first Cooperative Act was passed. In the early stages of co-operative development in Fiji, the capabilities of the local persons involved were limited because lack of familiarity with cooperative structure.

In 1955 the Fiji government department of cooperatives was set with the primary function to actively promote the establishment and development of cooperatives in Fiji. This was a reflection of government recognition of the positive role cooperatives are able to play in the economy of the nation not only in harnessing and effective use of the collective resources of the rural population but also as a vehicle for the redistribution of wealth to poorer sector of the economy. During the same period training of the administrative person-

nel began to gain importance. Such training concentrated on the very technical aspects such as the interpretation of the cooperative societies act, supervision of cooperatives, proper and accurate recording of transactions etc.

Over the years the cooperative movement steadily grew in size and functions. There were 110 registered cooperatives in 1958, 1129 in 1974 and 989 in 1990. The cooperative system came to be recognized as an important tool for the involvement of the rural sector in modern commercial activities.

The department of cooperatives is responsible for the formulation of policies pertaining to cooperative development, laying down of strategies for the promotion and establishment of cooperatives and the monitoring of their implementation.

The government has emphasized over the years the importance of developing the cooperative structure and network as an important machinery to facilitate rural development and to involve the rural traditional sector in the mainstream of economic development.

In Fiji Ministry has a training division which concentrates on providing "non-formal education" to the cooperative movement.

Since the Cooperative Act was enacted in 1947, when Fiji was still a colony, it is out of date, and needs to be revised.

We are seriously considering the transfer of some of the development functions from the public administration to the national apex of the cooperative movement. This could include training for the members within the cooperative movement and supervision and control of the operations at the lower level of structure of the cooperative movement. There is a need to deepen regional cooperative collaboration in Asia and Pacific to enhance regional cooperation among cooperatives.

## Ghana

**Mr. Ahwoi Kwamena**, PNDC, Secretary for Local Government, Ghana was a special invitee to the Conference. He briefed the conference in his address about the cooperative movement in his country.

In Ghana official support for the promotion of cooperatives dates back to 1928, when the colonial government mooted the idea of cooperatives to promote rural agriculture especially in the cocoa industry. The Ghana seven-year development plan (1963-70) which was to lay the foundation for a socialist economy was designed 'to promote to the maximum, the development

of the state and the cooperative sectors and to ensure that the growth rate of the public and the cooperative sectors of our economy would exceed the growth in the private sector'.

The government's policy on cooperatives is to establish a financially self-reliant and effective cooperative movement which is capable of bringing about improvements in the socio-economic conditions of its members and their environment, and also positively contributing towards the achievement of national goals and objectives.

Because of the government's commitment to the cooperative system, it was designated as the fourth sector of the national economy.

The first cooperatives were organised among cocoa farmers, who produced the country's main foreign exchange earner. The establishment of a Department of Cooperatives in 1944 placed the promotion of cooperatives in the hands of specialists and this gave a new impetus to cooperative development.

In 1987, the government appointed a task force to critically examine the cooperatives and offer recommendations aimed at revitalizing the cooperative sector. Based on the recommendations of the task force, a Cooperative Reactivation Programme has been prepared and is being implemented. It is currently the official document of the government to promote a viable and effective cooperative system in the country.

The task force observed that inadequate cooperative education is the main drawback to attempts being made to promote cooperatives. As a result, the programme is basically educational in content.

The Ghana cooperative movement has played an active part in the economic recovery programme especially in the rural sector. They have demonstrated their potential to mobilize resources in rural areas.

## India

India was represented by its Deputy Prime Minister, **Mr. Devi Lal**. In his speech, he said 'after independence, we adopted democratic socialism as our goal embodying the noble values of democracy, equality, equity, secularism and non-exploitative society. Economic planning era recognized cooperation as an effective instrument for the socio-economic development of the people.

The total number of cooperatives in India in 1950-51 was just about 1,80,000 with a membership of less than



14 million. The Indian Cooperative Movement today is the largest in the world with about 3,50,000 societies and a membership of 150 million. The cooperatives have built up a strong infrastructure in important sectors of the economy like agriculture, credit, marketing, processing, dairy, housing, handlooms and consumer goods etc. Cooperatives account for over 50 per cent of the total institutional credit for agriculture.

The Government of India have also been providing financial support to the cooperatives directly as well as through its parastatal organisations, namely, the National Bank for Agriculture and Rural Development, the National Cooperative Development Corporation, and the National Dairy Development Board. The government also provides financial support for the training and education of the personnel working in the cooperatives.

Although primary membership constitute the real strength of cooperative system, primary level societies continue to be weak.

Government of India have noted the recommendations of Singapore consultation for implementing them so that the cooperatives in India may flourish in accordance with the cooperative philosophy and the national goals.

When we talk about cooperation in 1990s, we should have a clear perspective of needs of national development and the areas in which cooperatives can be increasingly involved. In spite of great deal of economic development throughout the world, larger population of the world is suffering from grinding poverty. The World Bank predicts that in 2000 AD, 600 millions will still remain in absolute poverty situation. Such a state of affairs compounded with economic and technological colonialism presents a very dismal picture for the mankind in the coming decade. We should not think in terms of narrow national interest but in the interest of the whole world, which is still beset with the problems of hunger and poverty. Small-farmers, artisans, workers, women and the unemployed youth, therefore have to be main target groups of cooperatives in 1990s particularly in developing countries.

Closely related with the issue of poverty alleviation is the issue of flow of developmental resources and technology from the developed countries to the developing and underdeveloped countries. Cooperatives system should be increasingly used in channelization of International Assistance to the underdeveloped countries. I would even suggest that international agencies and the developed countries should use International Cooperative Alliance and National level

cooperative organisations to route their assistance to the developing countries. This will not only help in creating an effective world cooperative system but would also ensure a better utilization of international assistance. Another area of priority for cooperative development in 1990s should be the strengthening of cooperative values by building up self-reliant cooperative movement.

It is high-time that cooperators of the world and the national governments introspect and evolve a practical system of their relationships so that cooperation as a system radiates with combined glow of cooperative values, profitability and competitive strength. Government of India and Indian cooperative movement would continue to extend its whole hearted support to implement the Sydney declaration.

## Indonesia

*H.E.Mr. Bustanil Arifin*, Minister for Cooperatives, representing Indonesia said "in the case of Indonesia, the country's constitution mandated 'the cooperative sector as one of the main pillars of the national economy'.

Article 33 of the 1945 Constitution stipulates the: "The economy shall be organised as a common endeavour based upon the democratic principles of family hood". It is further stated that 'this article deals with the foundation of economic democracy'. That the form of business enterprise which is suitable (within the system of economic democracy) is the Cooperatives'.

President Suharto of Indonesia, an ardent supporter of the cooperative ideals, stressed in his state Address of August 15, 1981 the following:

"It is obvious that all of us especially the government are fully committed to and responsible for carrying out the development of the economic system as stipulated in article 33 of the 1945 constitution. We should bear in our mind that article 33 is contained in a chapter entitled 'Social Welfare'. This means that the economic activities of the state and the public, as well as economic development in general must be aimed at advancing the social well being of the whole Indonesian people".

"The economic system that we are aspiring at must be a system in conformity with the implementation of article 33 of the constitution. Since we are determined to materialise the economic system laid down in article 33 of the Constitution, we are therefore all called upon to promote cooperatives. In the long run, the cooperatives must become the main pillar of our national economy."

Thus, the Indonesian government is fully committed to the development of the cooperative movement. Cooperative development has become an integral part of the development efforts.

At present the number of cooperatives in Indonesia is over the 34.000 and may reach 48.000 by the year 2.000. The number of cooperative members in Indonesia is now more than 26 million.

Since the proper role of government is to foster economic welfare of the whole society, the government therefore should take policy measure which secure the equitable distribution of development efforts and gains from development. This means providing greater opportunities for economic participation by the "economically weak" masses of the population. To that end, the government may construct systems between small scale and large scale enterprises, between cooperatives and non-cooperatives economic undertakings.

## Iran

*Hon'ble Jabber Saber Kheyabani*, represented Iran and said "before 1953 cooperatives in Iran did not have any specific regulation. In 1953 the government passed the first law which made clear the role of government in cooperatives.

In the era of Islamic Revolution and in the Constitution of the Islamic Republic of Iran, Articles 43 & 44 and some notes of other relevant articles of the said Constitution specified the place of the cooperatives societies in economic and social activities of the country. Such an explicitness did not exist in the Constitution of the country before the Islamic revolution.

When the place of cooperative societies was specified in the constitution, in addition to expansion of cooperative societies in rural areas, the cooperative societies were expanded in urban areas rapidly in the field of consumption, housing and manufacturing, the new activities in connection with production cooperatives, the agricultural production cooperatives, for taking advantage of farming lands of unknown owners, wasteland and pastures fishermen's cooperative societies in the coastal regions tribes cooperative societies. The articles of the new constitution have been very effective in formation of these organisations.

At present (Feb.1990) eight organisations and Departments of public sector, which are under supervision of six different ministries, help the expansion of the activity of the cooperative societies from quality and quantity point of view. The Act of Cooperation which was

under study by a special committee in the Islamic Parliament was approved in the late 1989 and was sent to "Negahban Council" the higher authority for confirmation and final study.

At present there is one training centre in Teheran for urban cooperatives and three cooperation training centres have been established in the centre of three different provinces for rural cooperatives. The lands and equipment required by these centres have been provided by the government. Nine other cooperation training centres are being established in the centres of other provinces which are at different stages of completion. Most of their residence and training expenses are covered by the source of appropriation of the government".

## Japan

*Mr. Yasuo Gotoh*, the Head of Japanese Delegation said "Japanese farmers have gone through a great turning point in the year 1945. Before 1945, mostly, many farmers were landless tenant farmers. In the following year, the agrarian reform was implemented and tenant farmers came to possess their own farmland. Also, coupled with the agrarian reform, Agricultural Cooperative Society Law which positions autonomy and mutual helps bases was enacted in 1947. Since then, many agricultural cooperative societies were established at every corner of Japan.

However, these new born agricultural cooperative societies shortly went into collapse due to rapid decline of economy by the deflation policy which was taken to stop inflation in the post-war period and poor management on the part of agricultural cooperative societies. To tide over such situations, the Government of Japan strongly took measures to support agricultural cooperative movement for its revitalization. Through such experiences, the government acknowledged needs for reinforcement of organizational and business bases of agricultural cooperatives by promoting amalgamation of primary societies.

For this purpose, the government enacted a special law in 1961, thereby contributing greatly to promoting amalgamation of agricultural cooperatives through providing subsidies for investment of facilities of amalgamated society and giving preferential tax measures. As a result, the number of primary societies were reduced from 12,000 in 1950 to less than 3,900 in 1988 and management scale in these societies were expanded and the number of members reached 8.3 million.

The government has directly and positively evolved various policies such as price stabilization measures for agricultural products in the field of agricultural production, improvement of agricultural structure providing institutional loans with long term at low interests for promoting modernization in agricultural production.

Agricultural cooperatives in Japan are undertaking credit business and mutual insurance business which have a public character. For ensuring sound operation of business in agricultural cooperatives, the government is supervising agricultural cooperatives in accordance with law and ordinances within a limit of necessity.

In the light of the importance of the role that cooperative association will play in the development, Japan not only contributes the fund to the training project for agricultural cooperatives and for fisheries cooperatives, which ICA implements, but also carries out acceptance of trainees and other assistance for promotion of human resources development for the people concerned. Also, Japan provides technical cooperation for promotion of agricultural cooperatives in Thailand. In this fashion, Japan has been supporting independent development efforts by cooperatives. For the sake of the continued development of cooperatives in Asia and the Pacific region, continuous support in policy and finance by the governments is necessary".

Mr. Shrio Asano, representing the Ministry of Health and Welfare, Government of Japan, said "let me explain jurisdictional structure of governmental bodies involved in cooperatives. Several governmental agencies are responsible for the administration and regulation of coops. Agricultural coops fall under the jurisdiction of Ministry of Agriculture and Fishery. Ministry of Health and Welfare is in charge of consumers, housing, insurance and health service coops. And Ministry of International Trade and Industry takes care of other types of business cooperatives.

Japanese Consumers Cooperative Union, JCCU, is the national organisation of more than 700 consumers coops. The Ministry of Health and Welfare is working in close and friendly relationship with JCCU.

The history of Japanese Consumers Cooperatives is a history of competition with other private retailers. Consumers cooperatives have been confronted with criticism from outsiders including politicians who are backed by retailers.

Giving consideration to issues raised, tax legislation was amended to the effect that the three largest con-

sumers cooperatives should pay more tax starting from 1989.

Some LDP members still tend to consider consumers coops as opponents or intruders against other retailers and even as politically radical organisations. An important role of government is to convince people of the importance and usefulness of consumers coops and to get rid of misunderstanding concerning coops activities.

There are new fields of activities recently developed by consumers coops which government has been trying to encourage.

Firstly, about twenty coops at present have their welfare programmes for the elderly, physically handicapped and other people who need assistance. Such service programmes include meals services, home assistance and friendly visits. There is much room for future advancement of this field of activities. Secondly, Japanese Consumers Cooperatives are known to have started so-called "direct purchasing scheme from producers of agricultural and fishery products and this scheme has become popular not only among consumers coops but also among super markets and other retailers. In the process of these activities, consumers coops keep close cooperation with agricultural coops. Both types of coops have benefited mutually.

ICA Congress is planned to be held in Tokyo in 1992. We hope you will have an opportunity to see what are strong points and weak points about Japanese Consumers Cooperatives".

### Japanese Consumers Cooperative Union (JCCU)

Mr. Isao Takamura, President, JCCU made the following observations: "The 200 years since the Industrial Revolution of the late 18th century have seen a constant increase in the wealth of humanity, led by a ceaseless development of science and technology, but recently it has become plain to see that the pre-established harmony by an "invisible hand" assumed by Adam Smith does not work very well, if at all. This has resulted in the rise of many unpredictable problems that cannot be solved simply by invoking the principle of free market mechanism, and this has driven the capitalist economy into a grave state of crisis-ranging from a shameful waste of natural resources, an extensive spread of environmental pollution and destruction, a widening gap between the industrialized and developing countries, and domestically deepening conflicts between urban and rural citizens. On the other hand, the socialist countries in Eastern Europe,

after their dramatic changes at the end of last year, are groping for a new effective economic system.

In view of the global difficulties besetting the human race, it is my hope that the cooperative principle of voluntary activity, mutual assistance, and co-operation will become the prevailing spirit of a new, worldwide social system in the next century.

The development of industries after World War II and the struggle to rise to its position of industrial power has caused Japan to suffer various hardships brought about by this industrial and economic expansion. As a result, the Japanese people are facing the challenge of an urgent need to shift their priorities from a mere acquisition of material wealth to the realization of a life with enriched humanity, and accordingly, the industry-oriented political and economic system of Japan must be reformed and replaced by one that will place a greater importance on the well-being of the people as a whole.

The Japanese Consumers Cooperatives were founded under the leadership of Dr. Toyohiko Kagawa during the 1920s, to protect people from the effects of widespread poverty caused by the Depression. Dr. Kagawa dispensed with the notion of free competition as an automatic ticket to happiness and advocated an attempt to salvage the world through love and co-operation, and his spirit is still kept alive by the present-day consumer cooperative movement in our country.

In the postwar period, Japanese Consumer cooperatives saw a particularly rapid expansion in the late sixties and throughout the seventies and eighties, with a total membership of 12.6 million and a total turnover of Yen 2,326 billion in 1989. These figures, I am certain, are indicative of the people's great expectations of the consumer cooperatives.

Currently, the consumer cooperatives are not only supplying safer, economically-priced products but also are engaged in culture, welfare, health, sports, peace campaign and many other activities that enrich the quality of every day life. The main component of the Japanese Consumer cooperative membership is its women members, especially housewives. Meeting the demand of those members, the cooperatives contribute to qualitative improvement of life and at the same time play a leading role in the promotion of social advancement of women and the creation of better communities. Backed up by dedicated members, the consumer cooperatives are steadily gaining social respect as a force to be reckoned with in the realization of a better life and a caring community.

In the nineties, the Asian countries will continue to undergo a remarkable transformation, their importance to the global economy will grow, and the life of their people will be greatly affected by these changes. With the progress of urbanization, the problems surrounding the city consumers will become more complex and more serious, and in parallel, the importance of consumer cooperative activities should increase in each Asian country.

The prime driving force in the development of consumer cooperatives is the members themselves and they are most effective when their voluntary participation is maintained. In this regard, it is imperative that the government of each country properly appreciate the vital role played by consumer cooperatives in the well-being of its people and provide a degree of support such that the cooperatives will be strengthened both in their organization and their management.

The Japanese consumer cooperatives have been deepening friendships with their counter parts in other Asian countries. In particular, as part of the ICA Consumer Cooperative Development Project for Asia and the Pacific, Japanese cooperatives have started recently to host trainees from and send experts to other Asian and Pacific countries to assist in the areas of operational planning, personnel training, and technical development.

The Japanese Consumers Cooperative Union is striving to establish a funding base for external assistance, with the understanding of its member cooperatives and their individual members. We are to develop our cooperation activities with Asian consumer cooperatives in future.

## Malaysia

*Dato Tajol Rosli Mohd. Ghazali*, Deputy Minister said that the introduction of co-operatives in the Peninsular of Malaysia in 1922 (then known as Malaya) by the Colonial Government was primarily for the purpose of combatting indebtedness among wage earners especially the government employees.

The steady growth was interrupted by the 2nd World War. Reorganisation took some time. In 1948 the government promulgated the Cooperative Societies Ordinance. Previously cooperatives were registered under the Cooperative Societies Enactment of the various states. The 60's saw the rapid expansion of the movement and the introduction of the "multi-purpose" type of cooperative societies.

The deputy Prime Minister, who is also the Minister for National and Rural Development in charge of cooperatives had declared 1990 as the year of research and planning for the future of the cooperative movement. A proper study of not only the movement but also the laws governing cooperative is being undertaken. Besides trying to plug some of the loopholes in the law which enables "outsiders" manipulating the cooperatives it is also intended to make the members more responsible towards their own organisation. If, for example, at present cooperatives have to get approval of the Registrar before they can invest their funds or borrow funds from outside, in future all they have to do is to get the approval of their members.

There are now more than 3,500 cooperatives societies in Malaysia with a membership of almost 3.5 million people and a paid up capital of more than M\$1.5 billion with total assets worth more than M\$8 billion. In terms of figures this may sound quite high but the total impact or contribution of the cooperative movement to the economy of the country is still small. The Malaysian government encourages the formation of cooperatives, even before a cooperative is registered.

The cooperative concept of self-help and mutual-help is in line with our government's efforts to make each farmer/producer self reliant. The government is prepared to assist cooperatives in every way possible.

The Malaysian government fully supports International cooperative trade venture. Two commodities are produced in large quantities by cooperators in our country, i.e. rubber and palm oil. The Malaysian government is committed to the promotion of cooperatives. Active collaboration among cooperatives of different countries should also be encouraged.

## Pakistan

Mr. Zeenatullah Khan, representing Pakistan said that the government of Pakistan have full faith in the potentialities of cooperatives as an instrument of socio-economic change and as a catalyst in uplifting the standard of living of economically weaker sections of the community. We believe that cooperatives can assist the government in its efforts to eradicate poverty eliminate unemployment, weed out social injustices and bridge the gap between haves and have-nots.

Since the present government is committed to the economic and social uplift of the rural poor and proposes full confidence in cooperative effort, it is giving due importance to the cooperative sector and taking all possible steps to strengthen the cooperative move-

ment in the country.

At present there are a total of 56,142 cooperative societies in the country out of which 35,762 (or 63.69%) are agricultural credit cooperatives societies, 487 tubewell cooperative societies 331 farming cooperative societies and 138 marketing cooperative societies, 53 fishermen cooperative societies 1670 industrial cooperative societies and 1124 women cooperative societies besides numerous housing societies. The total working capital is estimated as Rs. 838 million and the total membership of these societies is 3 million out of our population of 100 million.

Recently a new dimension in cooperatives has been added. Some highly qualified and motivated by service to the ailing masses medical doctors serving as expatriates in western and middle eastern countries have formed a medical development cooperative society by making generous contribution to the share capital of the society in foreign exchange for establishing small static and mobile hospitals predominately in rural areas. because of constraints on national resources by mutually competing non-development activities delivery of a minimum health package is still a far cry in Pakistan. The medical cooperative society holds both the promise and prospects to the ailing masses, particularly in rural areas.

To organise the cooperative credit structure in the country and to give it a substantial economic support the Federal Bank for cooperatives was established in 1977. This is the principal institution for meeting the credit requirements of farmers particularly small farmers.

I believe that Asian and Pacific countries can learn a lot from each other by sharing their experiences in respect of cooperative development. They can exchange cooperative experts and arrange training facilities for cooperators and officials of cooperative ministries/departments with the financial assistance of donor agencies.

## Philippines

Mr. Dante Q. Barbosa, Under Secretary, representing Philippines said that the government had made cooperatives the cornerstone of growth and development in the rural areas. With the issuance of Presidential Decree No 175 the state adopted the basic policy of "fostering the growth and development of cooperatives as a means of increasing the income and purchasing power of the low-income sector of the popula-

tion in order to attain a more equitable distribution of income and wealth.

Section 15 of Article XII of the Philippine Constitution provides that "Congress shall create an agency to promote the viability and growth of cooperatives as instruments for social justice and economic development."

However, the Department of Agriculture (DA) who is responsible for promoting the growth and viability of cooperatives in the country side, adopted the policy that leaves the basic responsibility for the development of cooperatives to the private sector, with the government assuming a secondary role. The most significant attempt, and the boldest so far, to establish a cooperative system integrating production, financing and marketing is the Cooperative Development Programme of 1973.

The programme was implemented in three stages. The government activities to support cooperative development are:

- i. Training of trainers from the cooperative sector,
- ii. Training for the management and office bearers of primary cooperatives and their cooperative rural banks, and
- iii. Building and strengthening the audit and supervision capability of the cooperative movement.

I conclude by quoting President Corason Aquino, "In our quest for viable people's organisations which would allow our masses to take part in our economic development effort, cooperatives have supplied the answer.

Furthermore, I see cooperatives as a democratic response. Cooperatives provide our people even the poor in the countryside with an experience of participatory decision-making. Cooperatives have therefore become a vehicle for grassroots democracy; people sharing in the decision; people sharing in the responsibility and accountability. Today, therefore, it is my honour to lead our nation in recognising the growing role of cooperatives in the political and socio-economic life of our country. We bestow on these people's organisations the status of partners in nation building."

## Singapore

Mr. Eric Cheong, Chairman of the Singapore National Cooperative Federation (SNCF) in his address mentioned "our national movement started with the enactment of legislation by the colonial government of the day some 65 years ago. This initiative was taken to provide a proper framework for the establishment of cooperative societies to help alleviate the financial

needs of the working population.

Since then the movement has progressed steadily, and, especially over the last 25 years of Singapore's independence as a Republic, the cooperative movement has grown exponentially, with significant involvement by the labour unions.

The movement took another major step forward in 1980 when the apex organisation, the Singapore National Cooperative Federation was formed. This development provided the impetus for a more focused and long ranging strategy for the cooperative movement, both on the national as well as at the international levels.

Singapore, as one of the most consistent supporter of free trade, is already the only country in Asia, besides Brunei, with the least tariff restrictions. Once barriers are reduced and trade becomes freer can special groups such as the cooperatives actively engaged in and benefit from greater international co-operation in trade and joint ventures.

Under the auspices of the SNCF, the Singapore movement has, over the years, set its focus on the development of special purpose cooperative projects to cater to the needs of the rapidly changing socio-economic environment in the country in the 1990's.

Since the significant involvement of the National Trade Union Congress (NTUC), in the early 1980's, transport (taxi) and insurance cooperatives, other cooperative sectors have also initiated special focus projects to address specific needs.

These were the formation in 1984 of a specialised cooperative venture to provide a wide range of security and related services, the Premier Security Co-operative Society Ltd., and in 1988 the formation of a computer training school, the Premier Computer Cooperative Ltd., focussing on computer education for cooperative members and the general public. A more recent development last year was the formation of the Premier Travel Cooperative to cater to the travel needs of members as well as the general public. 1989 also saw more cooperative development work being encouraged which resulted in the registration of the Industrial and Services Cooperative Society (ISCOS) to cater to the training and employment needs of ex-inmates of penal and drug rehabilitative centres; the State Inn Foods Cooperative Society, which runs a successful ethnic gourmet restaurant, and the Le Meridien Singapore Cooperative Thrift and Loan Society, which caters to the needs of the employees of the Meridien Hotel.

In the area of cooperative education/development for youth, efforts have recently borne fruit in the formation and registration of several new school/junior college cooperative societies.

Cooperatives have an important role to play in the economic well-being of their members and the socio-economic development of the country. The new Cooperative Societies Act, a departure from the restrict old Act, provides a sound legal basis for the development of Co-operatives in Singapore. The apex organisation (SNCF) will continue to co-ordinate the activities of co-operatives by providing centralised services to ensure the positive growth and by providing centralised services to ensure the positive growth and widening of the areas of activities. The long term results will be to foster the spirit of self-help and to create group consciousness and social cohesion. The SNCF will continue to play an active role in promoting cooperative development in the years ahead and also in creating greater awareness among members and the general public of the services provided by cooperatives to members, in particular, and to fellow citizens in general.

## Sri Lanka

Mr. P.A. Kiriwadeniya, President, National Cooperative Council of Sri Lanka, said the co-operative movement in Sri Lanka which is nearly 80 years of age is a three tiered structure, namely the primary and secondary societies and the apex unions. There are 7813 primaries consisting of about 48 different types of societies. 282 of these are multi-purpose co-operative societies, 5885 are thrift and credit societies and 1646 are of various other types. There are 7 apex unions for consumer, fisheries, thrift and credit, Industries, marketing, coconut and rubber producers. The total membership is approximately 34 million with a total work force of approximately 80,000 employees serving more than 7 million people, mainly from the less affluent section of the society.

There is a Registrar and a Commissioner for Co-operative Development with provincial and district offices. There is a Ministry for Agriculture, Food and Co-operatives and a separate State Ministry for Co-operatives.

The umbrella organization covering the membership of almost all societies, the National Co-operative Council of Sri Lanka (NCC) was established in 1972 as the national ideological apex body co-ordinating activities of the Movement nationally and internationally.

The co-operative movement in Sri Lanka was established in 1911 by the government as a useful source for implementing activities concerning primarily the rural masses. The government still continues to control the

activities of the movement. Absence of a national co-operative plan or planned policies for the development of the co-operatives or their human resources are great hindrances for the establishment of an independent and free movement. The NCC has taken the initiative to link closer the liaison of the movement with the state sector.

The present co-operative law enacted in 1972 is to be amended to suit the present trends of the socio-economic development of the country. To free the co-operatives from the controlling powers of the government, the amendments seek to provide facility for greater member participation, incorporate co-operative principles in the managerial activities and reduce powers now vested in the registrar and commissioner.

The poverty alleviation programme of the government "Janasaviya" is being launched through the media of co-operatives. The NCC has taken steps to assist in this programme through the net work of district co-operative councils and regional training centres.

The thrift and credit societies are closely collaborating with the government on the *million houses programme*, the rural integration programmes, the rehabilitation of slum dwellers in the cities and development of small farmers in the country.

The co-operative movement in Sri Lanka through the NCC is maneuvering closer collaboration with the government.

## USSR

Mr. Alexander Starych represented, CENTROSOYUS, USSR. He said "If we listen to cooperators, they seem to say that government was not doing enough for co-operatives. This conference is to bring out optimum guidelines for the benefit of both, that, is the cooperatives and the government.

Each movement has its own difficulties. In Soviet Union CENTROSOYUS has a long history of 100 years. It has 60 million members. Its main activities are in rural areas, where 50% population lives. At all stages of cooperative movement, cooperative principles and ideology are preserved. Under the new leaders, cooperative movement is achieving greater support.

We convince the government not to have any ministry or department to supervise cooperatives. Government is just to support cooperatives financially.

There are three main areas of collaboration between government and cooperatives:

(i) Beneficial Taxation Policy for Cooperatives. The

Tax collected from Cooperatives is to be channelled back to them for development.

- (ii) Credit to cooperatives should be improved.
- (iii) Wider access to cooperatives for production.

There are certain recent developments which are important. CENTROSOYUS has representation in the highest legislative body. There are 40 deputies in the Parliament. This has further improved cooperative-Government relationship. A new cooperative law has recently been enacted to govern cooperatives.

Many new cooperatives are being set up in USSR e.g. medical and agricultural cooperatives.

Cooperatives should not ask for any assistance from governments. Cooperatives should function that the government recognises their importance and need.

Cooperative education and training is very important for the efficient functioning of cooperatives. There are difficulties in personnel training. Government officials also need education".

### Canadian Cooperative Association (CCA)

*Dr. Robby Tulus*, representative of the Canadian Cooperative Association (CCA) informed about the activities of CCA. The membership of the CCA consists largely of regional and provincial co-operative and credit union organizations which, in turn, are owned by autonomous local cooperatives and credit unions. In the fall of 1989, the CCA had 33 members :supply and marketing groups (5), financial group (9) trust (1), insurance (2), development funds (1), fisheries (1), agricultural marketing - grain, handling (3), dairy (4), marketing (1), energy (1), housing (1), service (2), health (2). The services provided are grouped under the departmental headings of Education and Development, Policy and Political Affairs, Research, and International Affairs. All of the CCA's departments are headquartered in Ottawa following the relocation of the Research and Education departments from Saskatoon at the end of September, 1989. For the International Affairs Department that means ready access to the expertise to be found within those departments as well as the resources in the research library.

### Vote of thanks..

In his vote of thanks, Mr. G.K.Sharma, ICA Regional Director for Asia and the Pacific said "it is my privilege to propose a hearty vote of thanks to the Chief Guest, Hon. John Bingham, who has been kind enough to inaugurate this conference which is being held for the first time in Asia and the Pacific region.

We feel encouraged by the excellent response from your excellencies and the governments of the region. I thank you on my own behalf, on behalf of the ICA and the host of the conference AAC. We have many senior officers responsible for cooperative development present here and I extend my thanks to them also. The response and presence of cooperative leaders from so many countries establishes further the unity of purpose and collaborative approach of governments and cooperatives. I offer my sincere thanks to the representatives of the cooperatives.

AAC, the joint host to the conference, has taken pains to assure and make arrangements for this meeting. We are obliged to them sincerely. I would also like to extend my sincere thanks to AARRO, its Secretary General, Mr. Gangopadhyay, Director of ILO Mr. Von Muralt and his colleague, Mr. Abeygoonasekera from FAO, delegates from CCA and CIBD from Canada, NCBA of USA and others. Last, but not the least, I would thank Mr. Lars Marcus, President and Mr. Bruce Thordarson, Director of ICA for making it possible to be with us. I thank all the special invitees, particularly excellencies from Africa and the Pacific.

In the end I wish all the distinguished delegates a purposeful and pleasant stay.

*Mr. Lars Marcus*, President, ICA, offered a Vote of Thanks at the concluding session and said "so at last we come now to the closing of the Conference after useful discussions. I am completely satisfied with the outcome of this meeting. What is the challenge? It is to put into action what has been resolved here. One success leads to another. But it calls for very hard work.

I do not intend to make a speech. I express my gratitude to the AAC, Government of Australia and the RO staff and all the distinguished participants for their encouraging response".

### Omissions

The text of addresses of the following delivered on the occasion of the inauguration of the conference have not yet reached ASCON. These will be included in the final report:

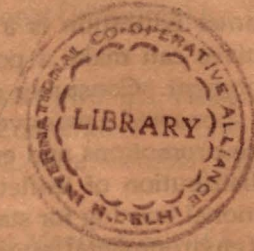
1. Mr. Ray Everingham, Chairman, AAC
2. The Rt. Hon. J. Bingham

The presentation of Vietnam and Thailand will also be included in the final report.

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# ASIAN COOP NEWS

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INTERNATIONAL COOPERATIVE ALLIANCE

## 68TH INTERNATIONAL CO-OPERATIVE DAY

Saturday, July 7th, 1990

Message from the International Co-operative Alliance

## Our Common Future

The biological resources of our planet are being depleted at an alarming rate. Scientists world wide have warned that action has to be taken immediately if we are to safeguard our common future. We know that this future is inextricably linked to human and economic development and any future development must take into account the environment - the forests, grasslands, air and water - which are the lifeblood of our very survival.

*What can we as cooperators  
do to contribute to the battle  
to save our environment?*

Consumers co-ops in a large number of countries have seen environmental protection as part of a wider question of improving the quality of the life for the consumer. Besides seeking to eliminate environmentally harmful substances from their shelves and promoting environment-friendly products, they have also promoted organically and nutritionally healthy food and

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- Editor

sought to educate their members about nutrition, health and the environment, through member magazines and training courses.

Consumer education is a major area in which co-operatives can make a positive contribution to the environment. Consumer co-ops in the UK have recently sponsored a massive campaign which includes in-store promotions and exhibitions, the production and distribution of leaflets and other publications, educational training for staff members and the inclusion of environmental issues in all publicity and advertising campaigns, especially when the opportunity arises to do so through the mass media. The Desjardins movement in Quebec, KF in Sweden, and FDB in Denmark, have also recently adopted environmental policies and launched campaigns to increase member-awareness and many other co-operative organisations have plans to follow suit.

Agricultural co-operative policies also play a major role in environmental protection. Movements in Czechoslovakia, Sweden, and Poland have informed ICA on measures taken to decrease pollution, including research, organic production, decrease in use of chemicals, and lobbying of governments to take national and international action.

Producer co-ops throughout the world have also adopted measures to eliminate substances considered harmful to the environment from their products.

In India co-operatives use cow dung and waste materials to provide electricity, fuel for cooking and organic manure. Members of Scandinavian co-ops have supported mass project to reforest areas in Africa in danger of desertification. In Japan co-ops have evolved a campaign to discourage the use of synthetic detergents in order to reduce pollution of lakes and rivers.

The above examples are compiled from the information sent to ICA on what action its members are taking to safeguard the environment. We realize that co-ops worldwide are doing much more in this field. As organizations with the purpose of improving the standard of living for world populations, the members of the ICA are committed to protecting the environment and improving the quality of life for their members.

ICA calls on its 600,000,000 individual members to continue the battle to protect the environment, by supporting their societies' environmental campaigns and sustainable development programmes, lobbying local governments to adopt environmentally friendly development programmes, lobbying local governments to adopt environmentally friendly policies, boycotting products which are harmful to the environment, recycling reusable items, and informing themselves and educating their children about nutrition and the environment.



## **ICA/TCDC Bilateral discussions meeting held in New delhi: 59 cooperative projects approved**

A Bilateral Discussions Meeting under the ICA/TCDC(UNDP) Programming in Cooperatives in Asia was held at the ICA Regional Office in New Delhi, May 21-25, 1990. The object was to concretise provisional project proposals, as a culminating point of the Programme. Out of 82 provisional project proposals the participants of the Bilateral Discussions Meeting were able to approve 59 cooperative projects for implementation.

The ICA/ROAP (TCDC Unit) had earlier prepared a comprehensive compendium on the basis of responses

to a detailed questionnaire by the member organisations.

### **The TCDC Concept & Objectives:**

The TCDC is the deliberate and voluntary sharing of experience between two or more developing countries for their mutual development. TCDC activities are to be initiated, organised, managed and financed, to the greatest extent possible, by the participating developing countries themselves. It is based on the developmental potential available within the regional movements, which has gathered rich and diversified experience in various socio-economic areas. However, TCDC does not aim to preclude technical assistance from developed countries to which it is complementary.

TCDC objectives, as defined under the Buenos Aires Plan of Action, are as follows:

(i) to promote and strengthen individual and collective self-reliance among developing countries through exchange of experience, the sharing of their technical resources and the development of their complementary capacities; (ii) to increase the quantity and enhance the quality of international cooperation and the resources devoted to its promotion; (iii) to strengthen existing technical capacities in the developing countries, including the traditional sector, to improve the effectiveness with which such capacities are used in order to make maximum use of resource endowment; and to create new capacities for transferring this technology to other developing countries; (iv) to increase and improve communications among developing countries, leading to a wider awareness of common problems, wider access to existing knowledge and the creation of new knowledge in confronting problems of development; (v) to improve the capacity of developing countries to absorb technology and adapt it to their specific needs; (vi) to respond to the special needs of the least-developed, the landlocked, the island developing and the most seriously affected states; (vii) to enable developing countries to participate to a greater extent in international economic activities; and (viii) to increase the confidence of the developing countries in each other's technical capabilities and to enhance the harmonisation of their interests.

The main elements of relevance for the TCDC Programme in cooperatives would generally be as follows:

- Provision of training facilities and training courses
- Study tours
- Carrying out feasibility studies and production of technical reports
- Development of joint ventures, trade agreements and other business relations
- Exchange of short-term experts/consultants.

The Meeting was attended by 33 participants representing the Cooperative Movements and the Governments in 10 countries of the Region. These included: Afghanistan, India, Indonesia, Democratic Republic of Korea, Malaysia, the Philippines, Singapore, Vietnam. 6 observers representing the Cooperative League of the USA, International Labour Organisation, Food and Agriculture Organisation, and the UN/ESCAP also participated in the Meeting. The Special Unit for TCDC/UNDP was represented by its three senior officials e.g., Mr. S.M.S. Chadha, Director, Mrs. A. Than Doliner, Senior Regional Office for Asia-Pacific, and Mr. Edward C. White, Principal Officer for INRES-South/TCDC. The ICA Regional Office team con-

sisted of Mr. G.K. Sharma, Regional Director; Mr. Karl Fogelstrom, Senior Development Advisor; and Dr. Daman Prakash, ICA Regional Consultant for TCDC-UNDP.

The Meeting was inaugurated by Mr. B.S. Viswanathan, President of the National Cooperative Union of India and valedicted by Mr. L.C. Jain, Member, Planning Commission of India.

At the Bilateral Discussions Meeting, out of 82 provisional project proposals, 59 projects were mutually agreed for implementation. The Indian Cooperative Movement offered 31 projects, followed by Singapore (9), Malaysia (6), Indonesia (4), DPR Korea and the Philippines (3 each), Vietnam (2), and Brazil (1). 14 projects were in the Trade, Marketing and Joint Ventures sectors, 9 in the consumer cooperatives sector, 8 in the agricultural cooperatives sector, 6 in the HRD and member education sectors, and 5 projects each in the textile and dairy sectors. Other projects agreed were in: fishery, rural credit including banking, housing cooperatives, labour cooperatives, handicrafts cooperatives, cooperative insurance and taxi cooperatives sectors.

Almost all the projects are based on exchange of expertise, visits, information and consultants. From the discussions held at the Bilateral Discussions Meeting it was abundantly clear that cooperative organisations in the developing countries are not keen on receiving help from their sister-movements, but also equally keen on providing assistance to them. The trend of discussions was very much in line with the Principle "Cooperation among Cooperatives" and "mutual help", the ideal for which the ICA itself stands committed.

#### Follow-up

It has been agreed by all concerned that the participating cooperative organisations/governments would initiate immediate steps to implement the projects. For this purpose the UNDP field offices would provide logistic support in collaboration with the Special Unit for TCDC. The ICA Regional Office would provide technical guidance to the member-organisations in ensuring a speedy and timely implementation of the agreed projects.

#### Future TCDC Activities

Encouraged with the satisfactory implementation of this Programme, discussions have been initiated to broaden the scope of the TCDC programming. It has been suggested that in future inter-regional TCDC programmes may be developed leading to a global exercise in the field of Cooperatives.

## Fourth ICA/Japan training course for strengthening management of agricultural co-operatives in Asia completed

The Fourth ICA/Japan Training Course for Strengthening Management of Agricultural Cooperatives in Asia conducted from October 23, 1989 to May 10, 1990, was completed on May 10, 1990 in Korea.

Fifteen participants from nine countries, i.e., Bangladesh, China, India, Republic of Korea, Malaysia, Pakistan, the Philippines, Sri Lanka and Thailand, participated in the course.

As already reported the first part of the training course was held in India from October 24 to December 25, 1989 followed by study visits to agricultural cooperatives in Thailand from 25th December 1989 to 7th January 1990.

The participants returned to their home countries to prepare agricultural cooperative developmental projects for their cooperatives/regions.

The participants reassembled in Tokyo for the Second Part of the Course held at the Institute for the Development of Agricultural Cooperation in Asia (IDACA), Tokyo, from 26th February to 26th April 1990..

The projects prepared by the participants during their home country assignments were appraised by a team of experts in the first week of the Course held at IDACA in Tokyo, Japan. The participants thereafter studied for seven weeks the salient features of the Japanese cooperative movement through various lectures and field study visits to agricultural cooperatives in two prefectures.

The Course in Japan was conducted in close coordination and collaboration with the Central Union of Agricultural Cooperatives and the IDACA. Resource persons for different lectures were drawn from various ICA member organisations, the IDACA faculty and other cooperative organisations in Japan.

After the course in Japan, the participants moved to the Republic of Korea to study for about two weeks the agricultural cooperatives in that country, from 26th April to 10th May 1990.

With the fifteen projects prepared by the Fourth Course participants, a total of 59 development projects have so far been prepared and a few of them are at different stages of implementation. It is hoped that with the initiation and implementation of various projects in

different countries the main objective of the Course, i.e. to aim at value adding to agricultural produce with a view to ultimately improve the living conditions of farmer members in the region, will be achieved to a great extent. Among the fifteen projects developed during the current year, seven deal with agricultural products like paddy, potato, tobacco, pepper, oranges, soyabean; two on dairy development; one on establishment of a feed mill and another for fruit processing, one each on development of rush mat and duck feeding, and two on developing integrated cooperative development systems.

### Extension of the Project:

Discussions are going on with the Ministry of Agriculture, Forestry and Fisheries (MAFF) of the Government of Japan for the extension of the Project beyond the present five year period and also to extend the scope of assistance to other areas. Most of the projects developed by the participants are small in terms of financial requirements and a few of them could be implemented with local financial and technical support. Efforts are being made to obtain assistance, on a selective basis, to projects which may not find technical and financial support through institutional resources within the country.

The Fifth Course is expected to commence in New Delhi during October 1990.

### ICA World Membership

(as of May, 1990)

613,799,229	Individuals
192	National Organisations
10	International Organisations
77	Countries

## **ICA Regional Director for Asia and the Pacific attended 46th UN/ESCAP Session**

Mr. G.K. Sharma, Regional Director, ICA Regional Office for Asia and the Pacific attended the 46th Session of the United Nations Economic Commission for Asia and the Pacific (UN/ESCAP) held at Bangkok, Thailand, from 4th to 13th June 1990, representing ICA, which has a category I consultative status with the United Nations. Mr. Sharma circulated a paper to the delegates. It interalia highlighted the objectives of the ICA's Development Policy, the Sydney declaration and recommendations of the Conference of the Co-operative Ministers.

Mr. Sharma also availed of the opportunity to discuss with the officers of ESCAP and also various governments in the UN Agencies regarding possible cooperation of ICA with them.

It is learnt that USSR would host a conference on Agricultural Co-operatives in October 1991.

## **16th Meeting of the ICA Committee on Consumer Cooperation in Manila**

The 16th Meeting of ICA Committee on Consumer Cooperation was held in Manila on May 7, 1990. Twelve committee members from 10 countries out of 11 attended the meeting. The meeting was hosted by the Co-operative Union of the Philippines (CUP).

The meeting discussed about the work done by the ICA Committee on Consumer Cooperation in the region during the past 6 months (from November 1989 to April 1990) and the planned activities for the following year which, interalia, include data collection, planning and education and training of Board Members and staff. The basic approach is to improve the managerial skills. It is also planned to exchange leaders from among the countries in the Asia Pacific region.

## **Follow-up workshop for development of consumer cooperatives in Bangladesh, Dhaka, 25-27 June, 1990**

A follow-up Workshop for development of Consumer Cooperatives in Bangladesh was held in Dhaka from 25-27 June, 1990. The Workshop was organised jointly

by ICA ROAP and Bangladesh Jatiya Samabaya Union. 70% of the total cost of the Workshop was borne by ICA ROAP and 30% by B.J.S.U.

27 persons including 7 women cooperators from Primary, Secondary & National level cooperative organizations in and around Dhaka participated in the Workshop. In addition to this, 4 observers from Cooperative Training College, BARD, etc. also participated in the Workshop. One participant from CIRDAP also participated.

The Workshop was inaugurated by the Additional Secretary, Deptt. of Cooperatives, Govt. of Bangladesh and presided over by the Registrar of Cooperative Societies, Bangladesh. The Workshop was designed, planned & conducted by Mr. Pradit Machima, Consumer Advisor, ICA ROAP.

The Workshop was designed to improve the Managerial skill of the participants and it proved quite successful in that direction.

A Study visit was also arranged to show the participants a successful and unsuccessful consumer co-operative stores. Also a private consumer store in Dhaka. Thereafter discussions took place among the participants.

The valedictory address was given by the Registrar of Cooperative Societies, Bangladesh.

## **Follow-up of Sydney conference**

Mr. Guo Yong Kang, Agricultural Co-operative Development Advisor, ICA Regional Office for Asia and the Pacific visited Japan and the Republic of Korea to identify the needs and possibilities of collaborative strategies for promotion of agricultural cooperative business development and member participation in long-term basis. Both countries appreciated the proposal in principle. The final details are to be worked out. This will be a step further towards strengthening regional collaboration, as per the recommendations of the Sydney Conference of the Cooperative Ministers.

## **Vaikunth Mehta National Institute of Cooperative Management plans for introducing technology**

Mr. W.U. Herath, the HRD Advisor of the ICA ROAP visited the Vaikunth Mehta National Institute of Cooperative Management to undertake preparation

of a feasibility study in modernizing the education/training facilities at the Institutue, using computerized technology, in May, this year.

Continuing work in this respect is to be undertaken in the near future.

## **Trainers' Training at the School of Cooperation, Polgolla (Sri Lanka)**

The HRD Advisor provided consultancy assistance to the School of Cooperation, Polgolla (Sri Lanka) to train trainers and develop curriculum for cooperative education and training in Sri Lanka in June this year. A total of 14 lecturers and other trainers were trained at this workshop.

## **CMPP Facilitators Seminar at Colombo**

The HRD project of the ICA ROAP in collaboration with the National Cooperative Council of Sri Lanka conducted a National level seminar on Facilitators Training in Member Participation Methodology in Colombo, Sri Lanka. participants from the various cooperative organisations in the country participated at the seminar. Mr.W.U.Herath, the HRD Advisor facilitated the seminar. It is expected that the seminar participants would undertake follow-up village level activities to enhance member participation activities using the CMPP methodology.

## **A manual for activation of members in cooperatives**

The Human Resources Development Project published a comprehensive manual for facilitators who are engaged in member education programmes. The manual has been tested at validation seminars in Philippines and Sri Lanka, when it was found very effective in activation of members in their cooperatives. The manual, priced at INR 300 within India and US\$ 45 outside India, is available for purchase at the Publication Unit of ICA-DOMUS Trust, 43 Friends Colony (East), New Delhi 110 065.

## **Staff News**

Mr. Guo Yong Kang (China), Agricultural Co-operative Development Advisor has joined the ICA Regional Office for Asia and the Pacific, New Delhi on 3rd May 1990 to undertake Agricultural Development Projects. Before coming to New Delhi, Mr. Guo

lead in waste resource recycling mission to the Philipines and designed two proposals of waste resource recycling projects for CUP to set up waste recycling units in collaboration with Shanghai Federation of Supply and Marketing Co-operatives and All China Federation of Supply and Marketing Co-operatives. In September 1989, Mr. Guo carried out, together with Mr. Sten Dahl, Mr. W.U. Herath, a perspective planning mission to Gansu Province in China and held a workshop on feasibility study for agricultural project and submitted four feasibility study reports to ICA. A graduate of Shanghai University, Mr. Guo has been working in Shanghai Federation of Supply and Marketing Co-operatives as Deputy Chief of International Department since 1973. Mr. Guo is an economist of Agricultural Management and Marketing.

## **New ICA-ROAP publication on Japan**

### **Agricultural Cooperatives in Japan -The dynamics of their development**

*By M.V. Madane, published by the International Co-operative Alliance, Regional Office for Asia and the Pacific, 43 Friends Colony, New Delhi - 110 065, India. pp. xvi + 188. Price : Indian Rs. 150; US \$20 (paper back) Rs. 200; US \$30 (hard bound deluxe edition). The prices include airmail postage.*

Agricultural cooperatives in Japan have played a great role in the modernisation and development of agriculture. Despite the very small size of holdings the Japanese farmers and their agricultural cooperative institutions have turned agriculture into an industry thereby bringing to the farmers benefits of modern technology and improved marketing practices.

Though informative material in diversified forms is available on different aspects of Japanese agricultural cooperatives, an overall review with a consolidated work was lacking. This book attempts to fill that gap.

The book discusses the background and characteristics of agriculture and the Japanese farmer, the early cooperative efforts, post-war cooperative development; the structure and organisation of the agricultural cooperatives; amalgamation of cooperatives; the integrated approach being followed by the cooperatives; the agricultural credit services; cooperative purchasing (supply), marketing and insurance activities; farming guidance and better living activities; Regional Agricultural Promotion Plan and member groups; the cooperative farming complexes; the activities of the Central Union of Agricultural Cooperatives; the Fisheries and Forestry Cooperative Associations; the IE-NO-HIKARI Association and Agricultural Press; and the extension

activities carried out by the government for promotion of agriculture. A useful bibliography is added for information and reference of students and researchers.

Mr. M.V. Madane, the author, had a long association with Japanese cooperatives and sustained exposure to their activities. He has used his experience and first hand knowledge of the movement while presenting his book to the readers.

His Excellency Mr. Eijiro Noda, the Ambassador of Japan in India, who has been associated with some ac-

tivities of the ICA ROAP, has written the Forward to the book. The Ambassador writes in his Foreword:

"...I hope that this book will most deservedly be read by as large number of people who are interested in and keen to have a better understanding of the agricultural cooperative movement in Japan..."

The book will be a useful addition to all cooperative libraries, educational institutions, scholars, researchers and serious students of Japanese agricultural cooperative movement.



## Afghanistan

### Scope for development of consumer cooperatives

Mr. Jan Mohammad, M.P., Vice\_President of the Union of Peasant's Cooperatives of Afghanistan (UPCRA) mentioned that the consumer cooperative organisations in Afghanistan have been expanding their operations with a view to provide consumer goods at reasonable prices to the people in Kabul and in other parts of the country. During the course of his discussions with Dr. DamanPrakash, ICA Regional Consultant-TCDC/UNDP, who was in Kabul recently informed ASCON that there were 450 consumer cooperatives with 550 retail outlets throughout the country. These cooperatives have a combined membership of over 125,000. There is an urgent need for a re-orientation and improvement in the organisation and management of consumer cooperatives so that these could effectively compete with private traders. Some of the urgent needs of these consumer cooperatives, according to Mr. Mohammad are: management of financial and business operations, training and development of personnel, consumer education for the members and better trading practices.

Mr. Jan Mohammad was keen to develop greater trading relations with other countries on barter or other basis. Afghanistan can supply a variety of dry fruits, handicraft items, hides and skins etc. According to him, Afghanistan would like to enter into agreements with other countries in various sectors e.g., agro-processing, joint ventures and infra-structural development activities.

UPCRA is in the membership of the International Cooperatives Alliance for the last two years.

## Australia

### More about CRTD, Australia

In the previous issue of the ASCON it was reported that Mr. L. Marcus had launched a CENTRE for RESEARCH, TRADE & DEVELOPMENT. This is to inform the readers further that the following are the objects/ functions of the centre:

- Carry out research into forms of cooperative organisation to meet the social and economic needs of Australia and other Asia Pacific Nations..
- Run training courses for members, directors and staff of cooperatives in Australia and in other Asia Pacific Nations.
- Promote awareness of the benefits of the cooperative approach..
- Provide information and resources.
- Support demonstration cooperatives.
- Facilitate development aid for cooperatives in the Asia Pacific Region in conjunction with the International Cooperative Alliance Development Program.

## India

### Government to take fresh look at cooperatives

Deputy Prime Minister Devi Lal declared that the government was taking a fresh look at the cooperative structure in the country, so as to make the cooperatives a people's movement in the real sense, he said.

"We are examining the whole gamut of cooperative laws to free them from bureaucratic and political interference", addressing the general council meeting of the National Cooperative Development Corporation.

Mr. Devi Lal said cooperatives have to play a more important role in the changed scenario in view of the new government's prime concern for rural development. "We would like cooperatives to be self-reliant and independent of the government" he said.

The performance of cooperative movement so far had invited adverse remarks. "Whatever be the truth, since the progress of our country has to be based on people's movement, cooperation must now succeed", he said.

### Model State Cooperative Societies Bill : Constitution of a Committee

The Planning Commission of India has set up a Committee on **Model State Cooperative Societies Bill**.

The terms of reference of the Committee include:

- To make a broad rapid review of the status of the cooperative movement and suggest about future directions; and
- To finalise the Model State Cooperative Societies Bill

Dr. R.C. Dwivedi, Former Chief Executive, NCUI and presently Regional Consultant, ICA ROAP, has been appointed as a member of the Committee.

He has submitted two base papers one on each subject for consideration of the Committee.

### Productivity awards given to Coop Industries

The Union Industry Minister, Mr. Ajit Singh, presented 50 National Productivity Awards for 1988-89 to 15 categories of industries.

The awards have been given to 3 Cooperatives, among 50 Industries. They are:

1. Indian Farmers Fertilizer Cooperative Ltd. (IFFCO)
2. Ajinkyatara Sahakari Sakhar Karkhana Ltd.
3. Dharmapuri Distt Cooperative Sugar Mills Ltd.

### NAFED signs MOU with Mauritius

The Agricultural and Processed Food Products Export Development Authority (APEDA) and the National Agricultural Cooperative Marketing Federation (NAFED) have signed a joint memorandum of understanding with the Agricultural Marketing Board of Mauritius (AMBM) for the import of fruits from India.

Under the agreement, Mauritius will import apples, sweet oranges, mandarine, table-grapes and certain mango varieties.

### 6.8 million profit by Kendriya Bhandar (Store)

The Kendriya Bhandar Society's (a Central Govt. Employees Consumers Coop) sales have touched Rs.3,825 million this year and it made a net profit of Rs.6.8 Million. Both were all-time highs for the organisation. The prices of Kendriya Bhandar are competitive in comparison to open market prices.

The low prices are attributed to groceries in Kendriya Bhandar to the fact that it's overheads are low, lower than Delhi Super Bazar. Computerisation, less staff, quick checking of inventories and hiring of transport vehicles give extra competitive edge to the store.

The Bhandar has five mobile vans which are sent to private colonies also. But the demand has to come from Central Government employees in that area. It has one godown where goods are stored after being picked up from manufacturers.

There are 66 Kendriya Bhandar outlets in India out of which 57 are in Delhi. Others are in Madras (5), Bombay (2), Mussoorie (1), Hyderabad (1). Plans are afoot to expand into far-flung areas of Delhi, Bangalore, Calcutta, Lucknow and Nagpur, which also have large concentration of Central Government employees.

### Tax relief to coops in national budget proposals announced

Government of India has decided to fully reimburse to small fishermen through cooperatives, the excise duty payable on high speed diesel oil. The measure would provide duty free HSD oil to small fisherman who obtained their requirements through the cooperatives.



In the area of Direct Taxes, a five percent cut has been provided to coops at all levels.

## Coops to finance rural housing

The Co-operative Land Development Banks/ Agriculture and Rural Development Banks, which finance mainly agricultural development activities have now entered an altogether new area of housing finance. Under a scheme being implemented with the financial support of the National Housing Bank, LDBs provide housing loans to farmers upto Rs.20,000 at 12.5% and above Rs. 20,000 and upto Rs.50,000 at 13.5% repayable over a period not exceeding 20 years. Kerala and Karnataka ARDBs have already started financing and some more banks in Maharashtra, U.P. and Assam are expected to extend credit support to farmers for housing during the current year with the amendments to the respective Co-operative Societies Act. Housing loans will thus be available to farmers in villages for improving their living conditions.

For the first time, the National Housing Bank has subscribed to the debentures of the Kerala ARDB to the extent of about Rs. 7.5 crores on 19th June 1990 covering housing loans advanced by the Bank during the year 1989-90. In the current year, the LDBs are expected to advance about Rs.75 crs. for rural housing, of which Kerala alone accounts for a programme of Rs.30 crs. LDBs have made it possible to secure small loans for housing by the farmers in remote villages with the refinance support of the National Housing Bank.

## New Chairman for NFUB & CS

The National Federation of Urban Cooperative Banks Societies & Credit Societies Ltd. New Delhi(India) announced that Shri.H.K. Patil, MLC, has been elected as its President on 21st April'90.

## Co-op News & Views launched

"Co-op News & Views" has been launched by the Resource Centre of National Cooperative Union of India (NCUI), supported by the National Council of Coop. Training (NCCT). The objective is to document "news & views" on various aspects of cooperation for wider information and use.

## Indonesia

### President Suharto sets example in wealth-sharing plan

President Suharto on Saturday, March 24, 1990, gave to cooperatives 10 per cent of the shares in a Tea company

backing up his call for businessmen to share their wealth with all Indonesians. The President of Indonesia distributed shares worth 385 million Rupiah (US\$ 210,000) in PT Teh Nusamba Indah to village cooperatives grouping 10,000 workers on plantations and tea factories in western Java.

The coepratives will pay for the shares with interest-free open-ended loans that will be repaid out of dividends. The President has called on Indonesia's big companies to sell upto 25 per cent of their shares to cooperatives. The idea is to spread the benefits among the people belonging to lower income groups. Indonesia has about 34,000 cooperatives with a membership of nearly 27 million, mostly in the agricultural and small industries sector.

## Japan

### New chairman and president of ZEN-NOH

Mr. Momiyoshi Shigaki was elected Chairman and President, National Federation of Agricultural Co-operative Associations (ZEN-NOH) on January 24, 1990.

## Republic of Korea

### New chairman for NACF

Dr. Ho-Sun Han, 53, was elected as new Chairman & President of NACF through the first-ever direct vote by 1,470 Presidents of member agricultural cooperatives on April 18, 1990.

Dr. Han became the first Chairman & President of NACF in its history elected by direct vote of the Presidents of member Cooperatives for a four years tenure. Dr. Han said in a press conference that he will make every effort to sharpen competitiveness of Korean agricultural products in international markets and will set up a trade company to promote exports of domestic agricultural products.

### NACF general meeting

On February 16, 1990 the General Meeting of NACF was held at the NACF building, in downtown Seoul. The NACF general meeting made the following five recommendations to the government:

- i. To transfer the authority over the agricultural and fisheries products processing industry to the Ministry of Agriculture, Forestry and Fisheries from the

Ministry of Health and Social Affairs, and to reduce qualifications for participation in the agricultural and fisheries processing industry by producers cooperatives. Agricultural cooperatives as producers cooperative have to actively participate in the processing industry to increase farmers income through the processing of agricultural products which can generate new demand and produce a considerable profit.

- ii. To provide more rice meals for schoolchildren, to expand rice consumption, and to introduce children to the traditional habits of eating rice.
- iii. To exempt land used for farm facilities from taxation.
- iv. To repay loans made to the government by NACF for the fertilizer and pesticide accounts. In 1989, these loans reached W600 billion, which is 12% of NACF's total deposits.
- v. To impose tariffs on imports and reinvest them in rural areas.

## Centrosoyus delegation visit NACF

On February 10, 1990, a delegation of the Central Union of Consumer Societies of the USSR (CENTRO-SOYUS), consisting of four persons including Mr. Pavel Fedirko, Chairman of Centrosoyus, visited NACF for five days on the invitation of Dr. Ho-Sun Han, Chairman & President of NACF.

On February 12, Dr. Ho-Sun Han and Mr. Pavel Fedirko signed a nine point Memorandum of Understanding to further enhance business like and friendly relations aiming at consolidating the position of cooperative movement of both countries and promoting the role of cooperative movement at the International level.

Both parties agreed to join in efforts to further develop international cooperative movement and pledged support for the initiatives of the ICA Asian Regional Council.

Following are the major points included in the agreement:

- To exchange information of the guideline of the cooperative movement, and recent changes in its organization and by-law.
- To exchange information on the problems of farm production and marketing.
- To identify possibilities for establishing commercial relations and to set up joint ventures in a number of areas of mutual concern such as farm produce processing.

- To regularly exchange cooperative periodicals and other cooperative literature.
- To discuss possibilities for establishing direct links between Kajakh Consumer Union and NACF in the sphere of commerce, production, and cooperative tourism.
- To exchange articles by the leaders of Centrosoyus and NACF to be published in the each country's national media in 1990.
- To receive a NACF delegation in the USSR in 1991 with the purpose of facilitating cooperation and signing a memorandum for 1992.

They also visited the Farmers Handicraft Sales Center, Kyunggi Provincial Office, Kyungju primary cooperatives, Hyundai Automobile Industry & Heavy Industry and Samsung Electronic Company.

The Cooperative exchange started during the Seoul Executive Committee Meeting of ICA held of March 29-April 3, 1983 in which Centrosoyus dispatched two delegates A.I. Krashennnikov and A. Leukhin.

On December 5-9, 1988, Mr. A. Starych, Deputy President of Centrosoyus, suggested staff exchanges for consolidating mutual cooperation, cooperative trade and joint ventures to Dr. Ho-Sun Han, during his official visit to NACF.

Meanwhile, on September 4-6, 1989 a delegation from NACF including Dr. Ho-Sun Han, Chairman & President of NACF visited Centrosoyus by formal invitation of Mr. Pavel Fedirko, and signed Agreement on Cooperation between Centrosoyus and NACF.

Through these exchange of delegates it is expected that both cooperatives will keep close relations, not only in exchange of information and personnel but also in various cooperative businesses.

## Insurance of agricultural cooperatives in Korea

### Objectives

The agricultural cooperative insurance business was inaugurated in 1961 with the emergence of newly organized multipurpose agricultural cooperatives by combining the Agriculture Bank with former agricultural cooperatives.

The major objectives of implementing a cooperative insurance business by agricultural cooperatives are as follows:

1. To provide against unexpected accidents which affect the lives of members and cause damage to their properties.

2. To stabilize farmers lives by offering methods of long-term savings for school expenses and old age.
3. To enhance the spirit of mutual cooperation among members.
4. To improve the well-being of members by meeting part of their financial needs for medical treatment, education of their children, and household expenditures.

## NACF to take over Namhae Chemical Corporation shares

The NACF is planning to take over 25% shares of the Namhae Chemical Corp., the nation's largest fertilizer maker, to ensure a stable supply of fertilizer to farmers.

Namhae Chemical Corp. is a state-run fertilizer company established in 1973, which is capable of producing 1,880,000 tons of fertilizers a year and covers 50% of the total domestic demand. The nation produced 3,870,000 tons of fertilizer in 1989.

Joining the management of Namhae Chemical Corp. NACF will be able to give member farmers better services including lowering the price of fertilizers, ensuring a stable supply of fertilizers, returning the profits to member farmers.

## Zenchu study tour delegation on rice marketing visits Korea

On January 18, a team from the Japanese Zenchu including

Mr. Sikada, Vice President of Zenchu, visited NACF to observe the rice marketing system in Korea.

In Japan, it is reported that the government rice management policy is being changed, including a decision to allow free marketing of rice. The Zenchu team, organized by agricultural cooperative leaders, wanted to observe the present status of rice marketing in Korea in order to actively cope with the new change in the government rice management policy in Japan.

## NFFC-Korea elects new Executive

National Federation of Fisheries Cooperatives (NFFC), Korea has the following new executive committee: Mr. Hong, Jong-Moon: Chairman and President; Mr. An, Jung-Choul, Executive, Vice President; Mr. Kim, Sung-Ho, Vice President; Mr. Lee, Jong-Ryal, Research Department Manager (Liaison Officer to ICA)

## Philippines

### Philippines adopts new Coop code & legislation

RA 6938 (Cooperative Code) AND RA 6939 (CDA) have been signed by the President of the Philippines at PICC on 10 March 1990

Among the important features of these two pieces of legislations include the following:

1. The Cooperative Development Loan Fund (CDLF) and the Cooperative Marketing Project (CMP) are transferred to the CDA from the Department of Agriculture and also the Management Training Assistance Program (MTAP)
2. The power to register cooperatives shall be vested solely to the CDA. All existing cooperatives shall be deemed registered with the CDA provided that these cooperatives concerned shall submit to the nearest CDA office their certificate of registration, copies of their articles of incorporation and by-laws and their latest duly audited financial statements within one (1) year from the effectivity of the act, otherwise, their registration will be cancelled. Electric cooperatives are given three (3) years within which to qualify and register with the CDA.
3. Cooperatives transacting business with both members and non-members shall not be subject to tax on their transaction to members. Such cooperatives dealing with non-members shall enjoy the following exemptions:
  - a. Cooperatives with accumulated reserves and undivided net savings of not more than ten (10) million pesos (P.10,000.00) shall be exempt from all national, city, provincial, municipal or barangay taxes of whatever name and nature. Such cooperatives shall be exempt from customs, duties advance sales or compensating taxes on their importation of machineries, equipment and spare parts used by them and which are not available locally.
  - b. Cooperatives with accumulated reserves and undivided net savings of more than ten (10) million pesos shall pay Income-tax & Sales-tax.
    - (i) All cooperatives, regardless of classification, are exempt from the payment of income and sales taxes for a period of ten years, provided that at least 25% of the net income of the cooperatives is returned to the members in the form of interest and/or patronage refunds.
    - (ii) Donations to charitable, research and educational institutions and reinvestment to socio economic

projects within the area of operation of the cooperative may be tax deductible.

- c. All cooperatives, shall be exempt from payment of local taxes and taxes on transactions with banks and insurance companies.
- d. Cooperatives shall be exempt from the payment of all court and Sheriff's fees payable to the Philippine Government.
- e. All cooperatives shall be exempt from putting up a bond for bringing an appeal against the decision of an inferior court or for seeking to set aside any third party claim.
- f. Any security issued by cooperatives shall be exempt from the provisions of the Securities Act provided such security shall not be speculative.

There are other privileges of cooperatives which are too numerous to cite hereto. Copies of these laws may be obtained from CUP.

## Singapore

### SNCF Executive Secretary resigns

Mr. Toh Tse Ming, Executive Secretary of the SNCF has resigned from the services of the Federation with effect from 9th of May 1990. He is yet to be replaced.

## Sri Lanka

### Lionel Gunawardana now heads the Sri Lanka Institute of Cooperative Management

Mr. Lionel Gunawardana, a former member of the Sri Lanka Administrative Service, and a former Joint Director of the ICA Regional Office, has recently been appointed Chairman of the Sri Lanka Institute of Cooperative Management, Colombo, by the Government. He brings to the SLICM a rich experience which he has gained from the Sri Lanka Cooperative Movement and from the International Cooperative Movement. The SLICM is dedicated to the development of Cooperation and cooperative societies primarily through management promotion.

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Some of the principal functions of the Institute are, among others; to render management consultation to cooperative societies, assist and render such consultation services to other organizations in matters affecting the co-operative sector, render follow-up services to guide the implementation of recommendations arising from such services, render advice and guidance on the feasibility and operation of Agricultural, Industrial, commercial and other ventures of co-operative societies, develop such training programmes as the Institute's consultancy experience may show to be necessary to develop the skills required for efficient management of co-operative societies, render assistance to the cooperative sector and in particular to the cooperative education and training institutions at national and district levels in order to improve their programmes of management training, produce and issue teaching aids such as cases, manuals, model job descriptions and other management communication documents, sponsor and hold conferences and seminars, and publish books, journals and magazines in connection with co-operative management and training, initiate and undertake research surveys and studies on aspects of co-operative management and training either by itself or in association with co-operative societies and other institutions in Sri Lanka or abroad, collect and disseminate information on co-operative management and performance and disseminate information on the functions and activities of the Institute to the public and relevant institutions. The address of the Institute is Sri Lanka Institute of Cooperative Management ,127, Grandpass Road, COLOMBO 14, Sri Lanka

*( ASCON welcomes Lionel back to the cooperative family and wishes him success in his new assignment.- Editor)*

## Obituary

We are very grieved to learn about the sad demise of Mr.A.Siva Perumal, Director of Cooperative Union of Malaysia (CUM), on 4th March,1990.

Mr.Perumal was a very active cooperator and his support to the cooperative movement, not only Malaysia but to the whole of Asian Region, is well-known. His untimely death has taken away from us a staunch supporter of the cooperative movement. In view of his long experience and commitment for the cause of cooperation, it would not be possible to fill the gap created by his death. ASCON conveys sympathy to the near and dear ones of the deceased.

May his soul rest in peace.



# ASIAN COOP NEWS

ISSUE NO.3

July-September, 1990

INTERNATIONAL CO-OPERATIVE ALLIANCE

## Regional Office News

### Evaluation of ICA development programmes

The ICA headquarters constituted an evaluation mission to appraise and evaluate the SCC-funded ICA Development Programmes. The general objective of the evaluation was "to determine the effects and impact of the ICA Development Programmes supported by the Swedish Cooperative Centre, and to recommend the nature of future SCC support to the ICA Development programme." The evaluation mission was expected to analyse the following main areas: (a) [to analyse] the extent to which the programme proceeded according to design and plan including the organisation and management of the development programme; (b) [to analyse] the effect and impact on the target groups as per agreed objectives and strategies of the ICA Development Programme bearing in mind that women's involvement is one of the objectives; (c) to determine to what extent the programme has attracted funding from other development organisations and ICA member-organisations in the regions as well as in the industrialised countries; and (d) to identify obstacles to the successful implementation of the programme.

A team of evaluators consisting of Dr. Lennart Skarret (Team Leader) and Mr. Manuel F. Verzosa visited the ICA Regional Office for Asia and the Pacific and other cooperative organisations in the region during the period August 25-September 7, 1990.

### Co-

An indepth evaluation of the Cooptrade Project was conducted from 20th August 90 to 4th September 90 by Mr. Jan Ericson of SCC and Mr. Geoff Ayres of AAC. The evaluation team arrived in Delhi on 18th August 90 and had detailed discussions with the Regional Director and other concerned officers in ICA/ROAP on 20th and 21st August 90. The members of the evaluation team visited Singapore, Indonesia, Philippines and Thailand to assess the impact of Cooptrade activities on International Trade. The report of the team on the future of Cooptrade Project is expected to be released shortly.

Term of Reference for the Evaluation of the Cooperative Trade Project at the ICA/ROAP were as under: (1) Analyze to what extent the Coop Trade Project has been able to

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Support ASCON by feeding with news and events in your country and organisation. Also please send your suggestions. Please inform us immediately of any change in your mailing address.

-Editor

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achieve the objectives for the period 1987/88 - 1989/90. (2) Assess the impact on the target groups i.e., the cooperative business organisations in the Region. (3) Assess the strategy for the Coop Trade Project 1990/91 based on resources available considering the possible termination of the Project by June 1991. (4) Assess the organisation and management of the Project from 1987/88. (5) Assess the need for a Cooperative Trade Project for the purpose of facilitating trade development by cooperatives including trade between cooperatives in the Region. (6) Discuss ways of institutionalize trade activities in the member organisations of the region to make trade facilitation for and between cooperative organisations self-supporting in a two three years perspective; and (7) Discuss the role of funding agencies in future possible cooperative trade facilitation in the region.

### NEW PUBLICATION

Cooptrade Secretariat at ICA/ROAP has recently Compiled Trade Profile of its member countries in the region on the export/import of agricultural as well as non-agricultural commodities. The information has been obtained from various sources like UN publications, EIU publications from U.K. and also individual country reports available in IIFT, New Delhi. The compiled data pertain to overall trade in individual country irrespective of the share earned by cooperatives. The information in respect of the Cooperatives in this line is being obtained and should be ready for circulation by the end of 1990.

## ACCU'S 9th general meeting, Colombo, Sri Lanka, August 2-4, 1990

Mr. Karl J. Fogelstrom, Senior Development Advisor, ICA/ROAP participated in the meeting of Credit Union Leaders for Asia, held at Colombo, Sri Lanka, August 2-4, 1990. In his presentation captioned "the Challenges and Opportunity Related to Credit Union Development in Asia", he made the following important and thought provoking statement.

In order to perform this role, the ICA is undertaking the following activities: a) Assist member organisation in developing countries to identify their needs and to plan development programmes; b) Establish an on-going policy dialogue with governments in developing countries; c) Mobilize resources for cooperative development work; d) Increase liaison with UN agencies.

In the development process there are important and vital areas where the cooperative way can be instrumental in uplifting the standard of living, economic status and human dignity of the poor. Housing, consumer, agricultural marketing, insurance and last but definitely not least thrift and credit

are such areas where the cooperative approach can be most effective in alleviating economic and social problems.

Capital is important for sustaining and accelerating development. During the last twenty years the important role of savings in development has been increasingly recognised. A satisfactory growth rate can be obtained only through the mobilization of domestic resources, and that the capacity of poor people to save has often been underestimated. Many of the government-operated credit programmes have resulted from the separation of the savings and credit functions and the over-emphasis on the latter. Thrift savings therefore need to be greatly encouraged.

The challenge and opportunity for the Credit Union movement is in fact twofold: to promote thrift and credit thus generally contributing towards accelerated development in a country and specifically to do promotion work among the poor, women and youth.

It has been stated that cooperatives are not always the best or most appropriate development tool. The cooperative formula is best suited to population groups which have advanced beyond the barest subsistence level and which are able to invest at least some capital or time in the activities of the organisation. But to say that cooperatives are ill-suited to the needs of the most disadvantaged segments of local population is not to say that they are not a development tool for the poor. As long as the poor are not defined as the completely marginalized elements of local populations, cooperatives have proven their ability to enable the poor together into successful self-help ventures. Credit Unions have been established among groups of hawkers in Indonesia and in Chiang Mai in Thailand garbage collectors and at the same time squatters have organised themselves into a Credit Union headed by thrifty women. These two examples prove that the cooperative idea at the grass roots' level among poor people can offer a way out of the dark tunnel that is poverty.

This is the challenge and opportunity for the Credit Union movement to continue the efforts to promote thrift and credit among the poor.

The principle to help to self-help and the relative success in avoiding direct control by, or dependency upon government has been a distinguishing feature of the thrift and credit cooperatives. It is another great challenge just to maintain this freedom from undue interference by governments.

## Agricultural Co-operative Development Advisor's mission to Japan and Sri Lanka

### 1. ICA/CUAC/IDACA Regional Seminar on Member Participation

The seminar was conducted in collaboration with the Central Union of Agricultural Cooperatives (CUAC) and the Institute

for the Development of Agricultural Cooperation in Asia (IDACA) from 22nd July to 11th August 1990. 21 participants from 10 countries, i.e. Afghanistan, Bangladesh, China, Fiji, India, Republic of Korea, Malaysia, Philippines, Sri Lanka and Thailand, attended the seminar.

The participants thoroughly discussed their country position papers among each other and formulated action plans with their specific country situations and requirements with Japanese experience gained from the seminar, for implementation once they are back in their countries.

## **2.Meeting with CUAC and IDACA: Regional Seminar Plan, 1991-94**

The meeting reviewed the Regional Seminar on Member Participation which was organised since 1987 for 4 years to provide opportunities for the participants to study how to strengthen member participation at the grass-root level by making farm management plan of individual member farmer and how to assist them through agricultural cooperatives.

It was agreed that it would be essential to follow-up such farm management plans by making effective strategy of agricultural cooperatives. Such strategy should involve primary societies at regional/federation level.

As a second phase of the seminar, therefore, it needs to provide an opportunity to the participants to study how to formulate a Regional Agricultural Development Plan based on individual farm management plans and to establish regional strategy. These strategies must be formulated on medium and long-term basis with the participation of members and primary societies in the region. It is also necessary to discuss regional collaborations with the government agencies. In view of the above, the seminar in the second phase will be focussed on method of perspectives regional planning for agricultural development initiated by agricultural cooperatives and member farmers. The seminar will train middle class managerial persons of secondary or national federations and unions who have been engaged in such business planning of agricultural cooperatives on the regional basis.

## **3.Meeting with NCC and ICA Regional Seminar Participants**

The following points were discussed: (i) To develop the Agricultural Coop Movement in Sri Lanka; (ii) To form a forum for all ex-participants; and (iii) To be the advisory body on agricultural cooperation to the movement and the state.

## **ICA Central Committee meets at Madrid**

The ICA Central Committee met at Madrid, Spain from 18-21 September. The main subject for discussion were (i) Basic values, and (ii) Environment. Mr. G.K. Sharma, Regional Director and Mr. Karl Fogelstrom, Senior Development Advisor

of ICA/ROAP attended the meeting. The services of Mr. P. Nair of the ROAP were requisitioned by the ICA Head Office to assist the ICA Secretariat for bringing out the Central Committee bulletin.

ICA had also organised a book exhibition on the occasion of the Central Committee meeting. ICA/ROAP publications were also put on display.

## **ICA Basic Value Project**

ICA Value Project has been rescheduled so as to make its recommendations available to ICA Secretariat, at the earliest to enable the latter to recommend, if necessary, changes in the Cooperative Principles to the ICA Congress to be held at Tokyo in 1992.

## **STAFF NEWS**

### **Daman Prakash joins ICA ROAP**

With effect from July 1990, Dr. Daman Prakash has been appointed by the International Cooperative Alliance to work at the ICA Regional Office for Asia and the Pacific, New Delhi, as Development Planning and Coordination Advisor. He has a long standing in the cooperative field.

Dr. Prakash had served the ICA Regional Office since 1962 as its Publications Officer and Cooperative Education Officer. He had also worked as Technical Advisor with the ICA/SCC/NCC Cooperative Teachers' Training Project in Sri Lanka for three years. He was the Chief Technical Advisor of the ILO/SWISS Cooperative Management Training Project in Indonesia. During 1989-90 he was recruited by the UNDP/TCDC(SU) and his services were placed at the disposal of the ICA/ROAP to run the project "ICA/TCDC(UNDP) Programming in Cooperatives in Asia".

## **OBITUARY**

Mr. P.K. Panadam, aged 64, passed away peacefully on 17 January, 1990, as a result of a heart attack.

He was one of the founders of SNCF serving as the Vice-Chairman of its Protem Committee in 1980-81 and later Vice-Chairman of SNCF Education Committee. Until his demise, Mr. Panadam was the Assistant Treasurer of SNCF, representative on the International Cooperative Alliance (ICA) Regional Council and the ICA Education / Human Resources Development Committee.

Mr. M. J. Shah, a veteran co-operative leader and formerly President of National Federation of Industrial cooperatives of India, died recently due to cardiac arrest. Mr. Shah was closely associated with National and International Cooperative Movement including ICA. ASCON offers its condolences to the families of the bereaved.

# News from the region

## Australia

### Co-op information system

The Co-operative Development Union of Victoria's Corporate Affairs Office is developing an information system to increase awareness of activities of the Co-operative movements worldwide and disseminate their publications to co-operatives in Australia. They are anxious to establish contacts with Co-operative Federation and Associations. Interested organizations should contact Jane Reynolds, Co-operative Development Unit, Corporate Affairs - Victoria, P.O. Box 4567, Melbourne, Vic 3001. Australia.

### Recognition for Credit Unions

In a recent announcement by the Federal Treasurer, Mr. Keating, the Australian Foundation for International Credit Union Development was designated as a fund eligible to receive tax deductible donations for its international projects. The Foundation, which funds community self-help projects in Australia, Asia and the South Pacific, was formed in 1971 as a natural extension of the socially committed role that credit unions play in Australian society.

## Bangladesh

### Co-operative societies to fight environmental degradation

The Cooperative Societies of Bangladesh have pledged to continue their battle against environmental degradation by adopting various sustainable programmes while observing the International Cooperative Day throughout the country.

The objective "to protect the environment" - this year's theme was declared by the International Cooperative Alliance (ICA).

Among other things, the ICA in its declaration called upon the cooperators world-wide to work for keeping the environment free from pollutions by supporting their societies environmental campaigns, lobbying respective governments to adopt environmentally friendly policies and boycotting products which are harmful to the forests, grassland, air and water - the lifeblood of the survival of the mankind.

The Bangladesh National Cooperative Union, in this connection, organised a discussion at the Samabaya Sadan Conference Hall with Unions President Alhaj Liaquat Ali in the Chair.

The present government under President Hussain Muhammad Ershad had for the first time enunciated a national cooperative policy, wherein provisions have been made that the societies would be run by the elected representatives of the cooperatives.

## China

### Job-oriented training courses

The National Co-operative Training Centre is owned and run by All China Federation of Supply and Marketing Co-operatives. The Centre has recently started to produce training materials and organize job-oriented training courses for the instructors of other lower-level co-operative schools, and managers and staff of the larger supply and marketing co-operative unions. A reference library has been set up and an English-Chinese glossary of cooperative terms has been prepared to help instructors translate foreign training materials into Chinese.

The Training Centre has appealed for books, training materials and periodicals from national co-operative organizations in other countries. These will contribute considerably to the ongoing training programmes and production of training materials. Such contributions may be made to: National Co-operative Training Centre, 177, Jiao Tong Road, Bengbu, Anhui Province, China.

## India

### Co-op week celebration in India

India will observe week-long celebrations to mark the 37th Indian Co-operative Week. The following days have been designated to draw special attention on various aspects of the cooperative movement:

1. 14 Nov'90 Human Resource Development Day.
2. 15 Nov'90 Preservation of Democracy and Social Justice through Co-operative Day.
3. 16 Nov'90 Protection of Environment, Agriculture and Rural Development Through Cooperation Day.
4. 17 Nov'90 Marketing of Consumer Day.
5. 18 Nov'90 Employment and Technology through Cooperation Day.
6. 19 Nov'90 Women & Weaker Section Day.
7. 20 Nov'90 Shelter through Cooperation Day.



## CO-op movement completes century

The Indian Cooperative Credit Movement has completed its 100 years. It has achieved several landmarks, covering all the half a million villages, a vast farming community and providing besides credit agricultural inputs. It has been a vital instrument in bring about "green revolution" in the country.

## Kanishka awards for 15 PROs

Fifteen Public Relations Officers have been selected for this year's Kanishka Awards, reports UNI, Mr. R.S. Sharma of IFFCO is from cooperative sector.

The awards, instituted by the Lions Club of Delhi Kanishka, carries a memento, citation and shawl.

## Govt. steps to revitalise co-operatives

The government is taking concrete measures for the revitalisation of the cooperative as they play a keyrole in raising effectively the economic and social standard of the farmers.

This was stated by Mr. Nitish Kumar, the Minister of State for Agriculture and Cooperation, while presiding over the second meeting of Central Council on Cooperation which met to discuss the draft paper on revitalisation of cooperatives.

The Minister said that the role of cooperatives had become more vital as the coming decade has been declared as the 'decade of the farmers'.

## IFFCO tops in production

By achieving fertiliser material sales of 26.10 million tonnes with a turnover of Rs. 650 crore, the Indian Farmer's Fertiliser Cooperative Ltd. (IFFCO) had achieved the first rank among fertiliser manufacturers in the country in 1989-90.

## National co-op fisheries congress

The National Federation of Fishermen's Cooperatives Ltd. of India, organised the Third National Fisheries Cooperative Congress in New Delhi on 31st August 1990. The theme of the Congress was 'Revitalisation of Fisheries Cooperatives'.

The ICA/ROAP conveyed fraternal greetings through Mr. Karl J. Fogelstrom, Senior Development Advisor, ICA/ROAP, New Delhi.

The NCUI has constituted a Consultative Council to advise the President of the Union on cooperative development. Mr. G.K. Sharma, Regional Director, ICA/ROAP and Dr. R.C. Dwivedi, Regional Consultant are also its members. The first meeting of the Council was held on 6th September 1990, which, inter alia, had on the agenda follow-up action on the recommendations of Cooperative Ministers Conference held at Sydney in February last.

## TRIFED-India moves ahead

The TRIFED-INDIA (Tribal Cooperative Marketing Development Federation of India Limited) was registered in August 1987 under the Multi State Cooperative Societies Act 1984. The TRIFED was sponsored by the Government of India in the Ministry of Welfare, 'for total economic development of tribal community as per the list of Scheduled Tribes in the Constitution of India residing anywhere in the country'. Its principal objectives are: 1) to ensure in the hand of Tribal remunerative and increasing prices for the produce and to see that they are encumbered high interest rate prevalent in the present money-lenders system in the areas; 2) to provide employment opportunity within the tribal habitat through schemes of TRIFED and through cooperative societies; and 3) to assist the tribals in plantation industrial activity especially of processing minor forest produce, herbs, etc. and for meeting consumption requirements of tribal and non-tribal habits in surrounding areas.

The TRIFED undertakes the following business; (a) internal marketing and export of minor forest produce, surplus agricultural produce, herbs and aromatic plants and other products of tribals; (b) canalising agency for export of gum karaya and niger seed; (c) agents for the Government of India for handling of gift items under international contracts; and (d) plantations and industrial projects.

The Federation operates 4 zonal offices and 14 regional offices in the country. The head office of the Federation is located in New Delhi (address: TRIFED, Savitri Sadan-II, Preet Vihar Community Centre, Vikas Marg, New Delhi-110 092. Phone: 2211062).

## Republic of Korea

### Establishment of the Far Eastern Agricultural Co-operative Collaboration Council (FEACCC)

On April 4, 1990, an agreement on the establishment of the Far Eastern Agricultural Cooperative Collaboration Council (FEACCC) was signed by Dr. Ho-Sun Han, Chairman & President of the NACF, Korea, Mr. Mitsugu Horiuchi, President of the Central Union of Agricultural Cooperatives (CUAC), Japan, and Mr. Wu Ming-Chin, President of the Taiwan Farmers' Association (FA), Taiwan.

In accordance with the agreement, FEACCC was established as a new regional organization, linking the three organizations in the exchange of information and experience and to encourage economic and technical collaboration.

The FEACCC will conduct the following functions:

- take joint measures to cope with the import liberalization of farm products;

- Collaborate on personnel exchanges among members of the Council;
- promote technical and economic cooperation related to the activities of cooperatives;
- cooperative in the exchange of information and experience and in joint research on common issues; and
- make joint efforts to develop the international cooperative movement.

### **NACF establishes the Korea Coop-Trading Co.**

On July 7, 1990, the NACF established the Korea Coop-Trading Co. Ltd. to handle the nation's agricultural exports and imports. Mr. Han-Yong Min, former Executive Vice-President of the NACF, was appointed to serve as the President of the new affiliated company. The company, a fully-owned subsidiary of the NACF, is capitalized at two billion won. The company's primary responsibility is the development of new markets abroad for the exports of various agricultural products such as apples, pears, flower and canned mushrooms. In the area of imports, company will be involved in the import of agricultural input items for resale to domestic farmers at reasonable prices, thereby effectively increasing the farmers' income. The company will also be active in the promotion of barter trading of agricultural products with cooperatives in the Eastern bloc countries.

The NACF expects to achieve the following effects through the establishment of the Korea Coop-Trading Co., Ltd.

First, increased farming income through the return of marketing margins related to agricultural trade to the farmer.

Second, higher price for domestic agricultural products through the increased exports of agricultural products.

Third, price stability through the increased exports of over-produced farm products, and

Fourth, supply of farm inputs to farmers at reasonable prices.

### **Co-ops influence Korean parliament**

34 credit union officers were elected as congressmen at the last election in South Korea. Together with 40 other congressmen who are credit union members, this brings the total number of congressmen with credit union experience to 74 out of a total 290. The growth of the Korean economy in recent years owes much to co-operatives in the agriculture, livestock, fisheries and credit union sectors.

## **Pakistan**

### **New members of ICA in Asia**

The Executive Committee of the ICA admitted Sind Government Employees Co-operative Housing Society Ltd. (Pakistan) as its member at its meeting held at Strasbourg (France), on 18-20 June 1990.

## **Singapore**

### **SNCF celebrates Singapore's 25th Anniversary**

1990 is, indeed, a significant year for Singapore. It is the 25th Anniversary of Singapore as a nation.

The Singaporean co-operators, feel proud to join in the national celebrations. Mr. Eric Cheong, Chairman of Singapore National Co-operative Federation, said: "Our Singapore co-operative movement, since its inception in 1925, has played a vital and meaningful role in the socio-economic development of Singapore. The increasing number of Co-operative societies and their growing membership and activities over the last 25 years attest to the contributions made towards the well-being of the working population." The SNCF organised several events to add to year-long functions.

## **New positions**

### **India**

In the elections to the Board of Directors of the National Cooperative Consumers Federation of India, New Delhi, held recently. Mr. B.L. Bhatt and Shri Ram Iqbal Singh were elected as President and Vice-President, respectively. The NCCF Board of Directors was superseded about three years back and no elections had been held since then. Mr. Bhatt is a well-known cooperator from Rajasthan and has served the cooperative movement at state and national levels. He has also been a member of the Governing Council of the National Cooperative Union of India, and Director of NCCF.

The Executive Committee of National Federation of State Cooperative Banks Limited (NAFSCOB) has promoted and appointed Mr. B. Subrahmanyam as Executive Director with effect from 1st September 1990.

Shri Gurunath J. Taware, Chairman of the Maharashtra State Cooperative Agriculture & Rural Development Bank has been elected as Chairman of the National Co-operative Agriculture and Rural Development Banks' Federation Ltd., Bombay.

### **Republic of Korea**

Mr. Lee., Bang-Ho was newly elected as Chairman and President of N.F.F.C. in place of the ex-President, Mr. Hong, Jong-Moon on August 21, 1990. Mr. G.K. Sharma, Regional Director, ICA/ROAP, conveyed greetings to Mr. Lee.

In May 3, 1990, Dr. Ho Sun Han was inaugurated as the fifteenth Chairman & President of the NACF. Dr. Han was elected through the direct vote by 1,470 presidents of member cooperatives and will serve a four-year tenure.

## MAFF (Japan)

The following appointments of top-ranking MAFF officials were approved by the Cabinet on July 27, 1990 and became official on August 01:

Vice-Minister of Agriculture, Forestry and Fisheries: Shigeru Motai, former Director-General of the Forestry Agency.

Director-General of the Forestry Agency: Fusho Ozawa, former Deputy Director-General of the Forestry Agency.

Director-General of the Agricultural Production Bureau: Takao Anbashi, former Director-General of the Water Quality Bureau, Environment Agency.

- Director-General of the Food and Marketing Bureau: Kumao Baba, former Director of the Management Department, Food Agency.

- Director-General of the Agriculture, Forestry and Fisheries Research Council's Secretariat: Kenichi Unno, former director-General of the Statistics and Information Department.

The following officials retired on August 1:

- Hirohisa Tanaka, Vice-Minister of Agriculture, Forestry and Fisheries.

- Mitsuharu Matsuyama, Director-General of the Agricultural Production Bureau.

- Horoshi Washino, Director-General of the Food and Marketing Bureau.



## Philippines

# The Co-operative Code and the CDA law:

probable scenarios and a policy agenda for co-operative development -Romualdo B. Gaffud

In the developing countries of Asia, Africa and Latin America, the drive for accelerated growth within a regime of social equity has been a pronounced intent of public policy. In this context, the cooperative, being a socio-economic formation that supposedly addresses concerns of production and distribution in a democratic fashion, is perceived as a mechanism vital to development. In most instances, their promotion and development have been expressed concerns of developing country governments (Hanel 1978: 116)

In the Philippines, every administration in the postwar period invoked cooperatives as a mechanism for social equity and economic development garbed with the peculiar political favour of the ascendant political party. The current administration is no exception, but it seeks a qualitative departure from past policy lapses with milestone legislation that even the cooperative movement considers as impressive achievement.

Last March 10, 1990, President Aquino signed two laws that seek to promote the viability and growth of cooperatives "as instruments of equity, social justice, and economic development." These are Republic Act 6938 creating an organic law for cooperatives and Republic Act 6939 establishing a Cooperative Development Authority under the Office of the President.

However, if past trends would be used as basis for projecting how the legislation would fare in reality, the gulf between intention and realization comes out as a vast distance to

overcome. Since the early 1900s when cooperativism along the Rochdale lineage came to the Philippines via the American regime, cooperatives have long been upheld as a focus of attention for public policy. Yet, to this day, they have been in doldrums as far as contributing to the avowed objective of social equity and economic development is concerned. Their impact on total national output has so far been negligible, but the prospects are deemed bright (CFPI 1989f: 1)

By convention, any association of persons or of societies can be recognized as a cooperative society provided it has as its objective the economic and social betterment of its members through an enterprise based on mutual aid, and that it conforms to the Cooperative Principles set by the 23rd Congress of the International Cooperative Alliance (ICA 1988: 4)

In a nutshell, the Cooperative Principles have been updated thus (ICA 1983: 16-17):

1. Membership should be open and voluntary without artificial restriction or discrimination.
2. Democratic administration (one member, one vote) and control.
3. Limited interest, if any, on share capital.
4. Surplus, if any, should be distributed in an equitable manner in proportion to the members' transactions.
5. Promotion of education.
6. Co-operation with other cooperatives at local, national, and international levels.

An alternative definition is that offered by ILO ( International Labor Organization ) Recommendation 127 where a cooperative is defined as an association of persons who have voluntarily joined together to achieve a common end through the formation of a democratically controlled organization, making equitable contributions to the capital required and accepting a fair share of the risks and benefits of the undertaking in which the members actively participate.

Despite well-meaning legislation that came in succession since the early 1900s, however, cooperatives in the Philippines have yet to gain a decisive leverage in the economy unlike their peers in other parts of the world. It is thus an opportune time to consider whether the two laws recently passed can adequately respond to policy issues that have obstructed cooperative development in the past. At the macro-level, these issues are: autonomy of the cooperative movement, market imperfections, and inadequacy of financing and limited access to finance. At the micro-level, the issues are: formalization and institutionalization: types of government assistance; cooperative linkages; class bias in leadership selection; and the marginalization of women and fishermen in cooperative organizing.

In this paper, projecting the impact of Republic Acts 6938 and 6939 on cooperative development, within the purview of the issues previously identified, employs the scenario method as it is considered the most appropriate policy analysis tool considering the complex inter-relation of various societal and enterprise factors that bear on the shape and trajectory of cooperative development. There is thus a need to adopt a method that could illuminate the interaction of economic, political, social, cultural, and psychological factors while at the same time enabling comprehension of the various intermeshing elements at once.

Background data for the scenario projections required reference to the existing literature and to the images that the different sub-sectors ( agricultural, non-agricultural, credit, consumers, producers, marketing, service, and multi-purpose cooperatives) in the cooperative movement foresee. Empirical validation was made possible through data obtained from the first nationwide survey on cooperatives, self-help groups, and samahang nayons undertaken by the Cooperative Foundation Philippines, Inc. (CFPI) from 1987 to 1988. CFPI's survey, which had corresponding case studies, offers a rich cache of descriptive data whose policy implications have yet to be mined. This paper is an effort toward such end.

The scenario projections, as they relate to the nagging policy issues and the two recent legislations, are summarized in the ensuing matrix that illustrates the relationship of past policy performance with persistent issues which are in turn viewed within the purview of the new laws. Projected scenarios on how the laws will probably affect the issues are then offered alongside summaries of corresponding policy recommendations.

On the whole, the paper concludes that solving the issues which have stultified cooperative development in the past would still require policy reforms to address the root causes of

structural bottlenecks posed by such problems as income and asset concentration and market imperfections. The projected scenarios show that there is no automatic guarantee that "equity, social justice, and economic development" shall prevail. Meanwhile, the policy recommendations raised in the analytical matrix previously presented call for implementation so that the lingering bottlenecks to cooperative development are decongested.

In a nutshell, the proposed policy agenda challenges the upcoming Cooperative Development Authority and the Cooperative movement to:

1. Promote the organization of alternative cooperative formations such as sector-based cooperatives.
2. Expand federation-based linkages with the formal financial sector for both production credit and investment financing for agriculture.
3. Encourage local and international cooperative trading.
4. Link up cooperative federations from the municipal level to the national level with the market monitoring and information system.
5. Encourage formation of multi-purpose cooperatives by supporting model-building and training initiatives.
6. Promote optimal participation of women in cooperatives as well as the modelling and organization of cooperative formations in fisheries, housing, and services ( e.g., health and transport)
7. Promote institution-building oriented training and consultancy.

The proposed policy agenda does not purport to have covered the total constellation of all the issues confronting cooperatives, but those that were raised certainly constitute the fundamental requirements to squarely address the major issues. Implicit in the policy agenda is a prior cognizance that cooperatives as people-based enterprises fall within civil society and are not just instruments of governance or the delivery of public services. In developing countries, they provide a mechanism by which marginalized sectors pool together their scarce resources to collectively assert a greater bargaining leverage in the market. At the same time, they make possible the conversion of market gains into much-needed social as well as business -economic services for their members. In assessing their performance, the efficiency criterion alone would be shortsighted as this cannot be isolated from the equity imperative.

The enterprise and service functions of cooperatives should be viewed in equal terms as one cannot do without the other. Sustained services are made possible by surpluses arising from the efficiency of business operations that depends on continued patronage by members, who in turn expect services from a cooperative. The formulation or reformulation of public policy toward cooperatives should therefore recognize the dual nature of the cooperative as a popular enterprise. It is through such cognizance that policy reforms will prosper.

(Source: ANGKOOOP March-June 1990)



# ASIAN COOP NEWS

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International Cooperative Alliance

## ICA Regional Office News

### Fifth ICA Japan Management Training Course Commences

The Fifth ICA Japan Training Course for Strengthening Management of Agricultural Cooperatives in Asia commenced in New Delhi on 22nd October 1990. The six-month course, spread over four countries, viz. India, Thailand, Japan and Korea, was formally inaugurated by Mr Matiul Islam, UNIDO Country Director in New Delhi. The Course is being attended by 15 participants from Bangladesh, China, India, Korea, Malaysia, Pakistan, the Philippines, Sri Lanka and Thailand.

#### Inaugural Session

Inaugurating the Course Mr Matiul Islam said the 'Course is one of the most interesting and innovative training programmes and has very constructive features'. He emphasised the role of cooperatives in agricultural development and participation of members in cooperative activity. Citing examples from India and Bangladesh, Mr Islam said that cooperatives have succeeded where member participation has been effective. He added that within the free market economy countries cooperative ownership and management could be an answer to the controversy about public and private ownership of major economic institutions. Congratulating the ICA for its role in cooperative development, Mr Matiul Islam suggested that in transferring the technology and experiences of developed countries emphasis should be on adaption of these methods to suit the needs of recipient countries.

Presiding over the inaugural session, Mr G.K.Sharma, Regional Director, emphasised the need to implement the projects prepared by the training course participants as it will serve the farmer members of these countries, who are among the poorest of the population.

Welcoming the guests present Mr M.V.Madane, Project Director, said that ICA is constantly endeavouring to identify sources which could help member organisations in implementing the projects prepared by course participants. He added that during the current programme, the project appraisal session will be held in Bangkok where

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representatives of UN Agencies and donor organisations would be invited to explore technical and financial support through to these projects.

The six months course is divided into four parts. The first part of the training course is being held in India at the ICA ROAP premises from 22nd October to 25th December 1990 including study visits to agricultural cooperatives in Maharashtra and Gujarat States of India. After the programme in India, the participants will go back to their respective countries to prepare cooperative development projects. These projects will be appraised at a Project Appraisal Session planned in Bangkok in February 1991 which will be preceded by a two week study visits to agricultural cooperatives in Thailand.

After the appraisal session in Thailand, the participants will proceed to Japan to study the working of agricultural cooperatives in Japan from 1st March to 24th April 1991. The participants will then visit Korea to study agricultural cooperatives in that country from 26th April to 10th May 1991.

With the completion of the fifth course, the first phase of the ICA/Japan Management Training Project will come to an end. Negotiations are underway between the ICA and the Government of Japan to continue the Project for a further period of five years beyond June 1991.

## **Agriculture Committee Meeting held in Dhaka**

The 24th Meeting of the ICA Committee on Agriculture for Asia and the Pacific was held in Dhaka, Bangladesh, on 13-14 November 1990. The meeting was inaugurated by Mr. Md. Naziur Rahman, Hon'ble Minister for Local Government, Rural Development and cooperatives, Government of Bangladesh. 12 members from 7 countries, i.e. Afghanistan, Bangladesh, China, Indonesia, Japan, Rep. of Korea, and Vietnam and one observer from BJSU attended the meeting.

The Committee approved the 3-year plan of Agricultural Cooperative Development Project prepared by the Agricultural Cooperative Development Advisor. The Committee also approved a Resolution on the Uruguay Round of Multilateral Trade Negotiations. The Central Union of Agricultural Cooperatives (CUAC) of Japan provided financial assistance towards travel costs, as a special case, to three members from Vietnam and Indonesia.

Mr. Karl Fogelstrom, Senior Development Advisor and Mr. Guo Yong Kang, Agricultural Cooperative Development Advisor from ICA ROAP New Delhi attended the meeting. The meeting adopted the followup action.

Resolution of the ICA Committee on Agriculture for ASIA on the Uruguay Round of Multilateral Trade Negotiations on the occasion of its Twenty-fourth Meeting in Dhaka, Bangladesh in November 1990.

Representing the member farmers of 19 apex organizations of agricultural cooperatives in 14 countries in Asia with different economic, social and political systems,

Noting that the Asian region has a huge population accounting for around 59 percent of the world population, an enormous agricultural population representing about 75 percent of the world agricultural population, and relatively limited arable land amounting to 31 percent of the world arable land and largest number of undernourished people in the world, and that most countries in this region have agriculture as the foundation of their national economy,

Recognizing that the agricultural sector in this region has to play a leading role in meeting the challenges of poverty alleviation and employment creation, and that this sector is, however, beset with many problems such as limited access to modern technology, tenurial problems, lack of capital and inputs, limited opportunities for enhancing income, and unfavorable international prices of agricultural commodities,

Emphasizing that a key element in the Uruguay Round of multilateral trade negotiations on agriculture is how special and differential treatment can be applied to developing countries in this region for them to solve the above-mentioned problems in effective ways to accelerate agricultural and rural development through smooth implementation of the agricultural adjustment policies which have direct impacts on the small farmers in this region,

Considering that the agricultural conditions such as the availability of arable land, relative importance of agriculture in terms of employment, income, and foreign exchange earnings, political, social and other non-trade background, etc. differ from nation to nation, and that, in this context, the special conditions of each developing country in this region should be fully taken into account in the process of the Uruguay Round of multilateral trade negotiations on agriculture,

Underlining that, for food-deficit countries, where the major policy goal is to enhance self-sufficiency of staple food, it is of the utmost importance for them to maintain optimum levels of domestic food production to meet the domestic demand and to safeguard incomes of small farmers in their countries,

Affirming that the higher efficiency in agriculture in developed countries has been attained over the past several decades through effective implementation of structural adjustment policies and heavy subsidies of the government, and that, as the agricultural sector in developing countries still remains at the infant stage, with large farm population and low agricultural productivity, developing countries should be provided with sufficient time to enable their agricultural sector to achieve balanced development with other industrial sectors:

1. Urges all the governments in this region to make every effort to realize the balanced reflection of the interests of all participating countries in Uruguay Round of multilateral trade negotiations under the spirit of mutual advantage and increased benefits to all participants;

Appeals to the developed countries to allow the developing countries in this region to have a sufficient grace period required for structural adjustments of their agricultural sectors as well as a sufficient transition period required to implement the Uruguay Round Agreements so that they may reduce the adverse impacts of the rapid expansion of agricultural market opening, and further to implement long-term objectives for trade liberalization;

3. Reaffirms that special and differential treatment should be accorded to the food importing developing countries in this region when they are in need of improvement and adjustment of agricultural structure which is still underdeveloped in order to minimize the unfavorable repercussions which may result from the rapid process of agricultural trade liberalization;
4. Maintains that traditional, basic agricultural products which provide small farmers in this region with major income sources and employment opportunities should be given special consideration with regard to import liberalization, tariffication or reduction of internal supports;
5. Underlines that, it is necessary to fully take into consideration the non-trade concerns of agriculture such as food security, conservation of land and environment, maintenance of employment in rural areas, balanced regional development, preservation of rural society, etc. in the Uruguay Round of multilateral trade negotiations on agriculture.

## Follow-up Study Visit to China

The Agricultural Cooperative Development Advisor together with Senior Development Advisor, ICA ROAP, New Delhi visited China from 25th October to 10th November 1990 as a follow-up of the Perspective Planning Mission Carried out by ICA ROAP in 1989. The mission report and the plan for follow-up were discussed with Gansu Cooperative Union and the All China Federation of Supply and Marketing Cooperatives (ACFSMC).

## SINCOTAP Programme

The HRD Project of the ICA ROAP collaborated with the SNCF to organise a joint activity to train the managers of different types of co-operatives in the region. This programme is intended to share the experiences of the advanced Singapore Co-operatives with other countries in the Region. The programme was held from 29 October to 06 November, 1990. 7 managers from consumer co-operatives in Malaysia, Philippines, Sri Lanka and Thailand and 2 initiators of Taxi Drivers' Co-operatives from Philippines were trained by the NTUC Fairprice Co-operative and NTUC COMFORT Co-operative society respectively. The ICA and Singapore National Co-operative Federation hope to continue with the programme once in two years in future.

## COPAC Conference

Mr. W.U. Herath, the project advisor for HRD, participated at the Co-operative Education Conference held in Manila from 23-26 October, 1990. The Conference was organised by the COPAC Secretariat. The ICA is a partner in the COPAC system. The conference was attended by 300 Filipino delegates and about 50 delegates from the region and Europe. The Conference adopted the following recommendations to improve co-operative education systems globally, especially in the context of developing countries.

### Recommendations

- a. Interfacing of non-formal and formal education. The need for fully integrating cooperative education in the formal school curricula should be persevered by the cooperative sector, government and the NGO community, alike.
- b. Develop and implement holistic, non-traditional and indigenous/popular approaches and methodologies in cooperative education, e.g. cross visits/exposures, simulation and problem-posing exercises, etc. The Cooperative movement may need to create and popularize heroes to stand for the coop movement and its principles and beliefs.
- c. Enjoin NGOs, training institutions and higher level cooperatives to actively participate in the continuing education and training of cooperatives.
- d. A successful cooperative must be measured not only on the economic, but on the political and social aspects also. Coop should focus on the total human development for the betterment of the community and for sustainable development. The primary level cooperative should have a macro-level perspective.
- e. The Five-Year Cooperative Education and Training Plan should be fully implemented with the possible involvement of COPAC and CA.
- f. Reconsider the pre-membership education seminar as a mandatory minimum education for cooperatives.
- g. The role of women and youth should be duly recognized by encouraging their full participation in cooperative activities.
- h. Encourage students to become active members of cooperatives.
- i. Promote multi-purpose cooperatives for stronger force and greater impact.
- j. Build linkages with higher level cooperatives, NGOs, academe/training institutes, government agencies and international groups.
- k. There may be a need to organize national conferences for inter-sharing/learning on coop practices.

## National Seminar on University Consumer Cooperatives

A national seminar on University Consumer Cooperatives was held at the Vaikunth Mehta National Institute of Cooperative Management (VMNICM), Pune, India, between 5 & 7 November 1990. Twenty-one participants from 8 states attended the seminar. The seminar was assisted by the team of experts from National Federation of University Cooperative Association (NFUCA), Japan. The main objective of the seminar was to enhance the role of university cooperatives in promoting better education, better eating and better living among university students etc. The seminar was jointly organized by NCUI/VMNICM, ICA ROAP and NFUCA. The results were very good and enthusiastic. It is expected that some concrete work on improvement of university cooperatives operations in India may be formulated.

## Joint Meeting of ICA Committees on Consumer Cooperation and Cooptrade for Asia and the Pacific

A joint meeting of the Committees on Consumer Cooperation and Cooptrade was jointly organised by the ICA ROAP with the Cooperation of Indonesian Cooperative Council at Sahid Garden Hotel, Yogyakarta, Indonesia between 21 and 24 November, 1990. Six countries participated in the joint meeting namely Australia, Japan, Indonesia, Malaysia, Philippines and South Korea. But only four delegates of Consumer Committee - Japan, Indonesia, Malaysia and South Korea - attended this meeting. Although the number of participants was small, yet the outcome of the meeting was very good.

The meeting was jointly organized by the ICA ROAP and the DEKOPIN (Indonesian Cooperative Council). The meeting was inaugurated by Mr. Bustanil Arifin, Minister of Cooperatives and addressed by the Governor of Yogyakarta, President of DEKOPIN and Regional Director of ICA ROAP. The programme was divided into 3 parts:

1. Joint meeting on 21-22 November, 1990;
2. Separated meeting on 23 November, 1990; and
3. Study visit to local cooperatives and cultural centres on 23 and 24 November, 1990.

The organization and programme arrangement managed by the host organization (DEKOPIN) was indeed efficient and effective.

Main topics of discussions were consumer cooperative activities and cooptrade activities and their relationship with each other and related activities in the region as well as the future plans of the two committees.

## The Meeting of Consumer Committee

Main topics of discussion were:

1. Progress report of the work done and problems faced between May and November, 1990;
2. Presentation of country report and problems faced and planned for development;
3. Presentation on environmental issue;
4. Three-year development plan for 1991-92 - 1993-94;
5. Tentative development plans for 1991-92; and
6. Other related matters and the venue of the next meeting (Singapore or Malaysia in May, 1991).

The meeting of Consumer Committee could be attended by only four members out of eleven countries due to various problems, financial, administrative, political, visa etc.

## CTI Meeting, Yogyakarta, Indonesia

The meeting of ICA Committee on Trade and Industry was held in Yogyakarta, Indonesia from 21st November to 24th November, '90 at the invitation of Dekopin, Indonesia, one of the member organisations of ICA, ROAP. The meeting was attended by delegates from Australia, Japan, Indonesia, Korea, Malaysia and the Philippines.

The meeting was inaugurated by His excellency Mr. Bustanil Arifin. The Minister of Cooperation, Government of Indonesia and presided over by Hon'ble Paku Alam VIII, the Governor of Yogyakarta, Indonesia. The President of the Indonesian Cooperative Council was also present. Following issues were discussed during the course of the meeting.

- i. To strengthen the concept of Network offices of the trading Cooperatives in the region.
- ii. To organise & develop the information system on export-import through the cooperatives and the scope to expand the trade ties.
- iii. To encourage and promote the cooperatives having interest, flair and capability to undertake cooperative trade within and outside the region.
- iv. To organise training programmes and provide technical consultancy to the cooperatives involved in the trade.

A small exhibition was also arranged to introduce some of the products of the Cooperatives from Australia, Indonesia and India. There was a good response from the members to know the trade information on the products displayed.

The publications of ICA, ROAP on the environment management written by Dr. Daman Prakash, Regional Advisor ICA ROAP and the Trade Profile prepared by the Cooptrade Secretariat, ICA ROAP were also released in the meeting.

The meeting concluded with renewed pledge to encourage and promote Cooperative Trade activities within the Region with the best possible cooperation and involvement.

## Cooperative Ministers' Conference Indonesia 1992 - Preparations

In order to discuss advance strategies for holding of the



Cooperative Ministers Conference in Indonesia a team consisting of the ICA ROAP officials met with the Indonesian authorities on November 26, 1990 at Jakarta. The discussions were held in the office of the Department of Cooperatives in Jakarta. The Indonesian side was represented by Dr. Wagiono Ismangil, Secretary-General of the Department and Mr. Achmad Markam, Director of International Relations of the Indonesian Cooperative Council ( DEKOPIN ). The ICA ROAP team consisted of Mr. G. K. Sharma, Mr. Karl Fogelstrom and Dr. Daman Prakash.

It may be recalled that the Hon'ble Minister of Cooperatives of the Government of Republic of Indonesia had invited the ICA ROAP to hold the next meeting of the Cooperative Ministers in Indonesia. The previous Conference was held in Australia in February 1990, which was also attended by the Indonesian Cooperative Minister.

It has been agreed at the preparatory meeting that the local arrangements and costs would be met by the Indonesian Cooperatives. The ICA-DEPKOP-DEKOPIN conference is planned to be held in February 1992.

## Annual Planning Meeting of ROAP

An Annual Planning Meeting was held in New Delhi, 10-14 December 1990 to discuss the work plan and budgets for the ICA Regional Office for Asia and the Pacific for the period 1991-92. The meeting was attended by representatives of the ICA and the donor agencies e.g., ICA ( Mr. Claes Thorselius, Deputy Director, and Mr. J M Rana, Senior Development Advisor ); Swedish Co-operative Centre ( Ms Birgitta Svensson and Mr. Malte Jonsson); CCA ( Drs Robby Tulus and Mr George Kuttickal), and the JCCU ( Mr S.Ota). The Regional Director, Senior Development Advisor and all project advisors of the ICA ROAP also attended the meeting.

Besides reviewing the work the budget allocations of the ICA ROAP for the year 1990-91, the Planning Meeting looked through the 3 year Development Plan of the ICA ROAP for the period 1991-92 to 1993-94. The meeting expressed its appreciation for the systematic development of the plan. The meeting approved the plan of work for 1991-92.

Due to reduction in allocations by the SIDA lesser funds were made available to the ICA ROAP for its development activities. The CCA and the JCCU showed their keen interest in the activities of the ROAP and assured their support in the implementation of ICA ROAP programmes.

## Strengthening of Mauritius Cooperatives

The AARRO deputed in November /December last a Mission consisting of Mr. S. Sakane , Assistant Chief, International Division, CUAC Japan, Mr. T.R. Puri, Director of AARRO & Dr. R.C. Dwivedi, Regional Consultant of ICAROAP to study the Agricultural Cooperatives of Mauritius and suggest

measures to strengthening them. The mission has submitted its report. Among the various observations that the Mission has reported, the demand of Cooperators is that Mauritius should be affiliated to ICAROAP in view of the composition of population of Mauritius majority being of Indian origin, and nature and pattern of Cooperative Law and structure of cooperatives in Mauritius. The Mission has recommended that ICA may examine the possibility.

## Withdrawal from ICA Membership

The following organisations ceased to be member of the ICA:

- (1) Singapore Amalgamated Services Cooperative Organisation Ltd., (SASCO), Singapore.
- (2) National Federation of Industrial Cooperatives Ltd., (NFIC), India.
- (3) Malaysian Cooperative Printing Press Society, Malaysia.

### List of Holidays for ROAP During The Year 1991

The following holidays will be observed by the ICA Regional Office for Asia and Pacific, New Delhi, during the year 1991

<i>Sr.No.</i>	<i>Holidays</i>	<i>Date</i>	<i>Day of the Week</i>
1.	New Year Day	January, 1	Tuesday
2.	Republic Day	January, 26	Saturday
3.	Holi	March, 1	Friday
4.	Mahavir Jayanthi	March, 28	Thursday
5.	Good Friday	March, 29	Friday
6.	Idu'l Fitr	April, 17	Wednesday
7.	Buddha Purnima	May, 28	Tuesday
8.	Idu'l Zuha	June, 23	Sunday
9.	Muharram	July, 23	Tuesday
10.	Independence Day	August, 15	Thursday
11.	Janmashtami	September, 2	Monday
12.	Mahatma Gandhi's Birthday	October, 2	Wednesday
13.	Maha Ashtami	October, 16	Wednesday
14.	Dussehra	October, 17	Thursday
15.	Diwali	November, 5	Tuesday
16.	Govardhan Puja	November, 7	Thursday
17.	Guru Nanak's Birthday	November, 21	Thursday
18.	Christmas Day	December, 25	Wednesday

## Protection of Environment Through Cooperative Action

Being aware of dangers to mankind through pollution, destruction of natural resources and disregard shown to the blessings and ethics of nature, the ICA joined the world community in creating awareness among the cooperative populace to correct the situation. The Central committee of the ICA at its meeting held in Madrid in September 1990 urged its member-organisations "to join in local, national, regional and international efforts to address the issues of environment and development and take measures to stop the degradation of the human and natural environment."

In its message issued in conjunction with the 68th International Cooperative Day (1990), the ICA called on its 600 million individual members "to continue the battle to protect the environment, by supporting their societies' environmental campaigns and sustainable development programmes, lobbying local governments to adopt environmentally-friendly policies, boycotting products which are harmful to the environment, recycling reusable items and informing themselves and educating their children about nutrition and the environment."

Following the same theme, the ICA Regional Office for Asia and the Pacific published a booklet "A PLACE TO LIVE", written by Dr Daman Prakash, ICA Regional Advisor on Development Planning, to serve as an environment related awareness material on the subject. The publication points out the environment-related activities which have already been undertaken by Cooperatives by cooperatives all over the

## A Place to Live

Role Cooperatives can play  
in Protecting the Environment

Daman Prakash

- an environment related  
awareness material



INTERNATIONAL COOPERATIVE ALLIANCE  
Regional Office for Asia & the Pacific, "Bonow House"  
43 Friends Colony East, New Delhi-110 065, India

world. It also makes useful suggestions for the cooperatives to follow at various levels. The book is available from the ICA ROAP for Rs.20 -00/US\$ 2-00 inclusive of postage

## ICA Head Office News

### ICA Central Committee Meeting held in Madrid on 18th September 1990

#### Strong Role for Coops Forecast

"Co-operatives can play a very active role in the future of the Spanish economy and help to solve many of the problems which are now being faced", Spain's Minister of Labour, Luis Martinez Noval, told the inaugural session of the Central Committee in Madrid on September 18th.

'Co-ops are an efficient way of tackling social and economic problems and they can achieve much in many fields. But they must play new roles and take important new responsibilities in the future,' Mr. Martinez Noval told 578 delegates from 58 countries who were gathered in the Palacio de Congressos in Madrid.

He said the Spanish Government was giving support to co-operative development and was hoping this would achieve a strong co-op sector. Co-ops were being given status in new

legislation and the governments in the autonomous regions were being made responsible for ensuring that adequate financial and other structures were created to enable co-ops to gain market share.

Looking at the international scene, the Minister of Labour called on co-operatives worldwide to take a greater responsibility for the problems between East and West, North and South, especially the moves towards greater democracy and away from pollution of the environment.

"Co-operatives must work according to their principles and basic values and should meet the challenges of today and continue to strive for a better world,' he added.

Mr. Ceballo Herrero, President of the Spanish Organizing Committee, reminded the audience that during the Franco regime the movement had suffered from 40 years of isolation from the world co-operative community. 'Now that barrier has been removed.

ICA President Lars Marcus, in his opening remarks, said this was the first major meeting of the ICA to be held in the Iberian

peninsular. 'We are glad to be here -and for special reasons. Spanish Co-operatives have a relatively small influence on the national economy. They are young, not fully organized nationally, and financially still weak. But there is no doubt about their future potential.'

Delegates were given a detailed account of the current position of the Spanish movement by Ms Paloma Arroyo Sanchez, Technical Secretary General of the Organizing Committee. She described the immense difficulties co-ops had faced during their first hundred years in Spain and contrasted these with the great progress since the return of democratic rule.

## **New Members & Officers**

After the resignation of Jan Kaminski (Poland) and Bernd Otto (Federal Republic of Germany) Dr. Luis Carello from the Federacion Argentina de Cooperativas de Consumo (FACC) and Reiner Volkens from Co-op Dortmund (Germany) were made full members of the Executive Committee. Mr. Volkens was recommended to the Executive by ICA members from the FRG and the GDR.

The Executive also appointed Claes Thorselius, ICA's Finance Programme Officer, as Deputy Director of ICA.

Three new members: the Confederacion Hondurena de Cooperativas (Honduras), the Confederacion de Cooperativas de Colombia (Columbia) and the Confederacion Guatemalteca de Federaciones Cooperativas (Guatemala) were accepted into membership of the ICA.

However two members were removed from membership for not paying their dues over a period of two years. These are the Malaysian Co-operative Printing Press Society Ltd., and the Arab Co-operative Federation (International), from Iraq.

## **ICA Adopts Peace Declaration**

Kuwaiti delegates attending the ICA Central Committee in Madrid appealed to delegates to adopt a resolution asking for the unconditional withdrawal of Iraqi troops and the reinstatement of the Kuwaiti Government. The following declaration was adopted:

### **Declaration of the ICA Central Committee**

Recalling the fact that one of the objectives of ICA is to "work for the establishment of lasting peace and security";

the delegates attending the 1990 ICA Central Committee meeting representing 58 countries from all 5 continents:

1. Express their solidarity with ICA member organizations in Kuwait and condemn the recent invasion of their country and deeply deplore the harm caused to the co-operative movement, and
2. Reaffirm their view that problems of international peace and security as in this case should be resolved through

the implementation of Resolutions of the UN Security Council.

## **Women's Committee**

### **Focus on West Africa**

At the first plenary of the Women's Committee of ICA, Mrs. Norah Willis, the Chairperson, reported on recent progress regarding the active involvement of women in developing countries. It is expected that there will be projects involving women which will arise from the ICA Human Resources Development Programme.

Special attention is currently being given to West Africa and a follow-up of this may be the establishment of a Women's Committee for the Region.

The ICA Women's Committee feels strongly that there should be such committees in all the regions.

## **Research Working Party**

### **Interest in ICA Research is Growing**

Research at the ICA is coming of age, according to professor Sven Ake Book, current Chairman of the ICA's Working Party on Co-operative Research. 'We are being taken seriously now that we're well into our planned 4-year programme of research on issues of co-operation. We have published materials and are generating increasing interest within the research and co-operative committees. But we still need resource support from the ICA to strengthen our programme.'

The Programme Committee of the Working party has identified a scope of work, which includes a step-by-step approach to addressing important issues that affect cooperatives of all types and in all countries. At the ICA Central Committee in Madrid, Spain, numerous working papers were presented on the general issue of 'Co-operatives for Economic Democracy.' Within this context, the majority of papers focussed on two project areas: 'Co-operatives and Capital Formation', and 'Basic Co-operative Values'. A report on the meeting results was given to the Central Committee and the meeting proceedings will be published by the ICA.

For the Berlin meetings in 1991, the Chairman suggested that the Working Party address issues pertaining to 'Capital Formation,' Federalistic structure', and 'Problems of Consumer Co-operatives'. A mid-year meeting of the Working Party in Portugal is also being considered.

At the Tokyo meetings in 1992, the Working party plans to sum up research accomplishments for the 4 year programme, identify future prospects and discuss viable co-operative models.

The Working party acts as broker to stimulate research on mutually defined problems and issues, rather than to dictate these topics. The focus is on networking researchers who are

doing similar type of research and encouraging researchers to take active interest in co-operatives. About 180 researchers from countries on every continent are currently members of the research network. A newsletter will be published four times a year to link these researchers.

The Working Party hopes to invite more researchers to future meetings, and to encourage more variety in the approaches to doing the planned research. There is a need for more country surveys, more case studies, more discussions on how to do research in a cooperative environment and a greater formal involvement of co-ops of all kinds in the research process.

## Visions of a Better Future

The ICA Consumer Committee Plenary on basic co-operative values took place immediately after the Central Committee had discussed capital formation in Co-operatives.

One of the issues that came up strongly in the committee plenary discussions was the principle of limited interest on members' capital. Is this old ICA principle still valid if new capital-rising methods are adopted?

It was agreed that the way the principle is interpreted is crucial. The 1966 Congress Report on the Principles already stated that the market price of money defines what should be regarded as a limit for a fair interest rate.

The discussion of basic values was based on the address of Mr. Kalevi Suomela, the Secretary General of Central Union of Consumer Co-operation (KK) Finland and Mr. Sven Ake Book, the ICA Basic Values Project Co-ordinator from Sweden. In his closing remarks, Mr. Suomela said he felt that the basic values question is topical because of the identity problems that co-operatives are faced with when trying to adopt to rapidly changing surroundings. Values, on the other hand, can also be of great inspiration, when thoroughly understood and effectively communicated. This is an interesting discussion and more important to the co-operatives than we believed when the discussion was started in 1988 at the ICA Stockholm Congress, he said.

Mr. Book emphasised the role of values for the future of the co-op movement, explaining that it becomes more difficult to demonstrate the benefits and merits of co-operative organizations when living standards are high. But the co-operative mission can never be fully accomplished, he stressed, co-operatives should never become too "realistic" and abandon their visions of a better future.

## ICA Head Office Schedule 1991

### January

- 7-14 Costa Rica R.O. (Claes)
- 21-25 Preparatory Meeting CC - Berlin (Vivianne + Mary)
- 23-25 Semi-annual SCC Consultation-Geneva (BT,CT,JMR,MEC)

- 26 WOCCU -Conference room (10 persons)
- 28-31 Washington, New York, Costa Rica ( Bruce)

### February

- 4-6 Agricultural Committee Ex.Co-Philippines ( Bruce + Lajos)
- 7-8 Visit ICA members - Manila ( Bruce)
- 11-15 ROWA Regional Council - Bangladesh ( Bruce+ Claes + Rana)
- 19-20 Arsenio INVERIZZI, in Geneva
- 21-22 Structure Committee, Stockholm ( Bruce + Sasha )
- 25-26 ECE presidents, Stockholm ( Bruce + Sasha )

### March

- 2-4 W.P. on Co-ops Communications, Cairo (Mary)
- 5 Conference room booked for CLICEC Sub-Committee (5 to 8 persons) - D. Mahon
- 6-7 COPAC, Geneva ( Bruce + CT, JMR, MEC)
- 11-12 ROECSA Ex Co., Botswana ( Bruce)
- 13-15 Policy Dialogue, Namibia ( Bruce + JMR)

### April

- 2 Mailing of papers for Executive Committee
- 8-12 Israel Seminar ( Bruce + Sasha )
- 23-26 Visit U.K. members, ICIF, Banking Committee Executive ( BT)

### May

- 6 Audit - Control Committee, Helsinki ( Claes )
- 6-8 Ex. Committee, Helsinki ( Bruce, Claes, Sasha, Lajos)

### October

- 14-19 Central Committee, Berlin.

### October 1992

ICA Congress, Tokyo.

"A forest is an ecosystem that exists under certain environmental conditions, and if you change the conditions, the system is going to change. It is a very difficult task for ecologists to foresee what changes are going to be because the systems are so enormously complex.

The direct causes behind an individual tree dying can be far removed from the primary pressure that brought the whole system into equilibrium. One time it might be ozone, another time it may be SO<sub>2</sub>, a third time it may be aluminium poisoning.

I can express myself by an analogy; if there is famine, there are relatively few people who die directly from starvation; they die from dysentery or various infectious diseases. And in such a situation, it is not of very much help to send medicine instead of food. That means that in this situation, it is necessary to address the primary pressures against the ecosystem."

Alf Johnels  
Swedish Museum of Natural History  
WCED Public Hearing, Oslo, 24-25 June, 1985.

# News from the Region

## China

### Plan to Strengthen Cooperatives

"Work Hard to Stabilize and Develop both Urban and Rural Economies by Improving the Agricultural Service Structures and Reinforcing the Grassroots Organizations" It was stated at the Meeting of Head of Provincial Commercial Departments and Directors of Cooperative Unions, by the Vice Minister of the Ministry of Commerce, Pan Yao who made an important speech on the tasks facing cooperatives in the future. With a look back at the work of 1989, Mr. Pan praised the cooperative sectors for their efforts in improving service structures, implementing the monopoly system of agricultural production inputs and promoting the material exchanges between cities and the countryside. This is a firm step in the right direction along the path of cooperative reform. There are also problems: some policies have not fitted the actual conditions well, and some regions are especially inadequate in strengthening rural service capabilities. For the year 1990, Mr. Pan announces five ambitious plans: 1. With agriculture as the mainstay of national economy, strive to better the service patterns for agricultural production, always remembering that science and technology is the stimulus in the drive to achieve greater efficiency and prosperity. The alliance between agriculture and commerce will also prove to be increasingly effective. 2. To expand the rural market by exploring the advantages of the united groupings, and do a good job in the purchasing and marketing of farm and sideline products. To cultivate more close links with farmers, and build a supply network of agricultural inputs and household items to each rural family. 3. Reinforce the grassroots organization by readjusting the size or scale of the primary cooperatives. The principle is: Establishment of primary cooperatives according to the economic zones, with towns as the administrative centres. The cooperative unions are urged to serve the primary cooperatives whole heartedly. 4. Improve the enterprise management mechanism. 5. Intensify the ideological and political work, furthering the excellent traditions of Chinese cooperatives

### ADB Approves \$50 Million Loan and \$480,000 Technical Assistance to Agricultural Bank of China

Small and medium sized agricultural enterprises in five eastern provinces of the People's Republic of China will benefit from a \$ 50 million loan approved by the Asian Development for the Agricultural Bank of China (ABC) Project.

The main objectives of the loan are to help the Government modernize, expand and set up new agricultural production facilities by providing foreign exchange to import equipment, materials and services and to improve the living conditions of the rural poor, including those with an annual income of less

than 200 yuan (\$38). The provinces targeted for assistance are Jilin, Shandong, Jiangsu, Fujian and Guangdong.

The loan is from the Bank's ordinary capital resources and has a term of 15 years, including a three year grace period. The interest rate will be determined in accordance with the Bank's pool based variable tending rate system. In addition, the Bank will provide a technical assistance grant of \$ 480,000 to strengthen ABC's institutional capability for project lending and investment analysis at provincial and country levels.

It is expected that the loan, when fully utilized, will contribute at least \$ 45 million per annum as net value added to the rural economy and create 21,000 new jobs, benefiting all sections of the rural population. The project will also provide critical support for the development of privately and collectively owned township and village enterprises, including Sino foreign joint ventures. The provinces have been selected largely because of their high priority for developing export oriented agro industries, their strong agro industrial base with an abundance of natural resources, raw material supply and labour, the sound financial position of their rural enterprises and the shortage of long term foreign exchange resources.

ABC, the country's major financial institution providing rural banking services, will relend the loan proceeds to subborrowers, adding a minimum spread of 2 per cent. The repayment period will be no more than 15 years, including a grace period of not more than three years. The interest rate variation risk on the Bank loan, as well as the foreign exchange risk, will be borne by the sub borrowers.

To qualify for financing, subprojects should be designed to facilitate technical upgrading modernization and expansion of agro-industries which increase employment and incomes, contributes to foreign exchange savings/earnings thorough import substitutions or exports and have a financial internal rate of return of at least 15 per cent. Sub projects with a sub loan size of more than \$3 million should have an economic internal rate of return of at least 10 per cent. The maximum subloan size will be \$5 million.

The loan proceeds may also be used by subborrowers to undertake pre and post investment studies. Such a sub loan, however, should not exceed \$100,000 equivalent and the total amount of the Bank loan used for this purpose should not be more than \$ 2 million. Possibly, agricultural cooperatives in China may also draw benefit from this ADB support.

## Fiji

### Participation of Women in Cooperatives in Fiji

As a positive step and in recognition of the important role played by women in co-operatives the Government of Fiji is recruiting women co-operative extension officers. Until

recently the Cooperative Movement in Fiji has been largely controlled by men. The women have almost invariably made a success of cooperatives where they have taken over their management and controls. Presently, women are involved in managing 34 successful cooperatives which have majority of them as Committee Members and Shareholders. The Department of Cooperatives is viewing this development with a fair deal of interest and will encourage the establishment of such a trend if it continues to ensure the success of the primary cooperatives.

## India

Shri J.V. Shah, a veteran cooperator and Chairman, National Agricultural Cooperative Marketing Federation of India Ltd. (NAFED) and Member of Governing Council of National Cooperative Union of India (NCUI) has been inducted as Minister of State for Agriculture and Cooperation in the Union Cabinet. ASCON heartily congratulates him and hopes greater dynamism and democracy under his leadership.

### Coops to be Freed of Govt. Control

The Deputy Prime Minister and Agriculture Minister, Mr. Devi Lal, suggested that restrictive provisions of the Cooperatives Act should be removed to revitalise cooperatives and free them from governmental control.

Addressing the consultative committee of the Agriculture Ministry, he pointed out that although the government had often given favourable treatment to cooperatives in its enthusiasm to develop them, this had resulted in the direct administration of the cooperatives in many situations.

He emphasised the need to strengthen village cooperatives so that they could provide integrated services to farmers, establish a farm industry link in the rural areas and export farm products.

He said greater autonomy would have to be given to village cooperative societies so that they could mobilise resources to meet the credit needs of their members.

Referring to the progress that cooperatives have made over the past four decades, Mr. Devi Lal pointed out that today, more than 3.5 lakh cooperatives exist with a membership of 150 million people.

They operate in various sectors of the economy and enjoy a market share of more than 50 per cent in agricultural credit, 35 per cent in fertiliser distribution, 58 per cent in sugar processing and 30 per cent in handlooms.

### RD Laud's Women's Role in Consumer Coop.

Mr. G.K. Sharma, Regional Director, International Cooperative Alliance, Regional Office, New Delhi at the time of the Annual General Body Meeting of the National Cooperative Consumers Federation inauguration told the audience that the women groups known as "Han Groups" in Japan play a

pivotal role in the development and working of the consumer cooperatives.

They pool their consumption needs area wise and place the indent of the consumer articles required on periodical basis with the concerned consumer stores. The consumer stores suppliers them the goods as also collect the indent for further needs. This, on the one hand, helps in reducing the distribution cost as also develops loyalty of women members to their cooperatives. Mr. Sharma suggested that NCCF could learn from their system to strengthen consumer movement and members loyalty. He indicated that ICA may provide facilities for studying and adopting these services by NCCF and Indian Consumers Cooperatives.

### Draft Bill on Coop Prepared

A model cooperative law in the form of a draft cooperative bill has been prepared by a committee appointed by the Planning Commission.

The main thrust of the draft bill is to reinforce the principles of cooperation. These include ensuring that the control of members over the cooperatives extends to matters relating to constitution, management and business activities and making the management of cooperatives accountable to the members of the society.

Other principles of cooperation include defining the role of cooperative federations towards their constituents, for self-regulation of the cooperative movement to the maximum extent possible and for achieving economies of scale in operations and minimising the possibilities of politicisation and administrative interference through intensifying the accountability of cooperative managements to their members, vigorous role of cooperative federation and other means.

It is expected that the proposed bill will go a long way in building a conducive environment for the development of cooperatives in accordance with well established principles and sound business basis, says an official release.

It is now proposed to throw open the draft cooperative bill for wider public discussion and invite suggestions.

As reported earlier Dr. R.C. Dwivedi, ICA ROAP Regional Consultant is a member of the said Committee.

### New Legal Setup for Coops Sought

A uniform national legal framework for all the cooperatives in the country could be ensured if the subject of 'cooperation' is brought to the concurrent list from the state list, an official document says.

A draft paper on revitalisation of cooperatives prepared by the Union Department of Agriculture and Cooperation suggests that the Centre should examine the issue with the concurrence of the state Governments.

It also calls for convening a conference of the chief ministers to impress the need to undertake legislative measures to

remove restrictive provisions from the cooperative legislation in their respective states.

This step was necessary as trends that have developed in the cooperative movement in the post independence era showed that while the cooperative activity increased through increased governmental aid, it has also been accompanied by certain regulatory control of the government.

The draft paper emphasises that the essence of cooperative organisation precludes control and interference by any outside agency except the usual penal action by the competent authority in proven cases of abuse. "The cooperative law has to respect this aspect of the cooperative organisation". it says.

The provisions that go contrary to the ideals of cooperation include compulsory amendment of bye laws of the societies by the register. Power of government nominees on the committee of management to veto resolutions as also power of registrar/state government to rescind or annual resolutions.

Some of these provisions which have also come in for consistent criticism by the cooperators include appointment of government servants to manage cooperatives, restriction on holding of office in a number of societies simultaneously and compulsory amalgamation and division of societies by the registrar.

The draft paper also points out that the provisions relating to registration, membership, management, powers of the government and term of office of the members differ widely in the various state cooperative laws.

Stressing the need for a uniform legal framework, it says that the cooperatives were no longer village based organisations, having been federated into district state and national level federations. (Source: The National Herald, 18th December 1990, page 7).

### **NCUI for Review of Debt Relief**

The National Cooperative Union of India (NCUI), an apex organisation of the cooperative movement in the country, has called for immediate review of the debt relief scheme of the previous government, saying it has hit hard the cooperatives.

"The wholesale waiver of loans upto Rs. 10,000 has adversely affected the cooperative credit system as the recovery has dried up and the cooperatives are facing a great deal of resource crunch", the NCUI president, Mr. B.S. Viswanathan said.

He said the cooperative credit institutions waived loans to the tune of Rs. 30,000 million but have so far been compensated only for Rs. 4,000 million resulting in vitural collapse of the credit system.

Mr. Vishwanathan said if the recent government decision to raise the interest rates for farmers from 10 to 14 per cent was not reversed, it would result in a serious recovery problem.

Listing the achievements of the cooperative sector in the country, Mr. Vishwanathan made a strong plea for giving recognition to the cooperation as a distinct sector in the five year plans.

This, he said, was needed as the cooperative movement in the country consists of as many as .35 million societies and a working capital of Rs. 550,000 million.

The Reserve Bank of India (RBI) had appointed the agricultural credit review committee which had recommended establishment of a "national cooperative bank".

Mr. Vishwanathan said in the field of agricultural marketing, the cooperative sector accounted for 21.5 per cent of the country's wheat procurement, 18.5 per cent of the cotton procurement and 32 per cent of the jute procurement.

The movement had contributed remarkably in the development of 'dairy cooperatives' processing cooperatives, distribution of agriculture inputs and storage, consumer cooperatives, women cooperatives, cooperative housing and 'weaker section cooperatives', Mr. Vishwanathan said.

Mr. Vishwanathan stressed the need to democratise the management of cooperatives, which were frequently superseded by state governments to suit their political expediency. It was also necessary to formulate a national policy on cooperatives and amend the cooperatives law to insulate the cooperatives from outside interference, he said.

### **Coop Textile Mills Vital for Growth**

Cooperative textile mills were necessary for the growth of cooperative movement in the country, said K.H. Patil, Minister for Revenue and Labour, Karnataka, one of the State of India, who is also Chairman of the All India Federation of Cooperative Spinning Mills.

Inaugurating the second regional seminar for textile mills in Karnataka organised by the South India Textile Mills Research Association (SITRA), he said that even though India was one of the largest producers of raw cotton in the world, its share in the international market was negligible.

### **IFFCO**

Indian Farmers Fertiliser Cooperative Limited (IFFCO) maintained its position as the largest producer and marketer of fertilisers in the country by producing 2.42 million tonnes of fertiliser materials with 108 per cent capacity utilisation for urea during 1989-90. This was the highest ever production by IFFCO so far. This was also matched by a high-ever profit of Rs. 5.591 million. Thus, IFFCO maintained the top slot in terms of productivity, profitability, marketing and aboveall its services to the farming community - the hall mark of its cooperative philosophy.

### **KR' BHCO Environmental Protection & Pollution Control**

Environmental protection has been accorded the highest priority. 0.25 million trees have been planted and 75 acres has

been covered under lush green lawns. A green belt development programme has been implemented covering an area of 250 acres. A Prayavaran Udhayan and a Demonstration Farm covering an area of 86 acres are also being developed.

An amount of Rs. 180 million has been spent on pollution control measures.

Various effluent treatment measures like Deep Hydrolysers, Effluent Treatment Plant, Sewage Treatment Plant pollution control better than even the international standard. Besides these have resulted in conservation of potable water to the extent of 13500 M3/day.

At the recent 56th Meeting of the Board of Management of the National Cooperative Agriculture and Rural Development Banks Federation Limited held at Trivandrum on 26 November 1990 election to the vacant position of Vice Chairman was held.

Mr. K.N. Krishnan Nair, MLA, President of the Kerala State Coop. Agricultural Development Bank Ltd. and Mr. Dayashankarbhair V Trivedi, Chairman, Gujarat State Coop. Land Development Bank Ltd. were unanimously elected as First Vice Chairman and Second Vice Chairman respectively for the unexpired period of the present term of office bearers of the Federation.

#### **Jawaharla Nehru Memorial Lecture**

Dr. M.S. Swaminathan, eminent Agriculture Scientist delivered the 7th Jawaharlal Nehru Memorial Lecture instituted by IFFCO. Dr. Swaminathan impressed upon the people to form cooperatives for children's development. He felt that it would be a great contribution of cooperatives since the future of India depends upon the quality of present generation of children. If there development is taken care of, the future of India will be brighter.

## **Japan**

#### **Information Sheet : ICA Congress in Tokyo, 1992**

The Organising Committee of ICA XXX Congress Tokyo.

c/o. Central Union of Agricultural Cooperatives,

8-3, Otemachi, 1-Chome, Chiyoda-Ku, Tokyo 100, Japan.

Phone 03-3245-7565 (International Department)  
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In October 1992 the International Cooperative Alliance will meet for its XXX Congress in Tokyo, Japan.

Already, the 9 host Japanese cooperatives have organised "The Organising Committee of ICA XXX Congress Tokyo" in March 1990.

The following brief information about this committee's activities and about host Japanese Cooperatives.

The relation between ICA and Japanese cooperatives have established in 1923, when the Central Union of Industrial Cooperative (original and comprehensive cooperative organisation in 1900) affiliated with the ICA, but because of the war it withdrew from ICA in 1940. In 1952, former organisation of Central Union of Agricultural Cooperatives reaffiliated with ICA and newly Japanese Consumers' Cooperative Union became a member of ICA. Today 9 Japanese cooperatives are members of ICA and they are active members not only in the Central Committee but also in the various Specialized Committees and in the Asia Pacific regional office'.

Since 1956, Japanese ICA member cooperative national federations have been organised as "Japanese Joint Committee of Cooperatives JJC", which will jointly host the ICA 30th Congress and they set up the organising committee in March 1990 under the chairmanship of Mr. Mitsugu Horiuchi (Member of ICA Executive Committee, President of Central Union of Agricultural Cooperatives CUAC) and also of 3 vice chairmans; Mr. Isac Takamura (President of JCCU), Mr. Bunzi Ikejiri (President of ZENGYOREN), Mr. Kakutarō Hori (President of ZENSHINREN).

The 9 host Japanese Cooperatives are as follows:

- \* Central Union of Agricultural Cooperatives (CUAC).
- \* Japanese Consumers' Cooperative Union (JCCU).
- \* National Federation of Fisheries Cooperative Associations (ZENGYOREN).
- \* National Federation of Forest Owners Cooperative Associations (ZENSHINREN).
- \* National Federation of Agricultural Cooperative Associations (ZEN NOH).
- \* National Mutual Insurance Federation of Agricultural Cooperatives (ZENKYOREN).
- \* The Norinchukin Bank (Central Cooperative Bank for Agriculture, Fishery and Forestry).
- \* The IE NO HIKARI Association
- \* National Press & Information Federation of Agricultural Cooperatives (SHIMBUNREN).

This is the itinerary of the 1992 Congress arranged by the Committee:

Place The Congress, Specialised Organisations Meetings and others will be held at Keio Plaza Hotel in Shinjuku district, the very attractive centre of Tokyo.



Dates The second half of October 1992.  
Congress will be held from 27th to 30th October 1992, preceded by about 1 week of Specialized Organizations Meetings.

**General Agent :**

Accommodation in Tokyo and touring, etc will be arranged by Nokyo Tourist Corporation N Tour. This is the sole agent of ICA Tokyo Congress.

Telephone 03-3245-7565 (International Department)  
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**Personnel Reshuffle**

Sadayuki Tamoto, Executive Director of the Central Union of Agricultural Cooperatives (CUAC), who took charge of the CUAC's international affairs on July 26 1990, was elected director of the Institute for the Development of Agricultural Cooperation in Asia (IDACA) on October 2.

He became CUAC Executive Director in March 1989 after successively holding the posts of manager of the management supervision department, manager of the amalgamation promotion countermeasures office and manager of the general affairs department.

**IDACA Training Programme to be Implemented in 1991/92 (up to May)**

1. 5th ICA Training Course for Strengthening Management of Agricultural Cooperatives in Asia.  
Period : March 1 - April 24, 1991.  
No. of Participants : 15 participants from 9 countries  
Places of Study Visit: : Miyazaki and Aichi prefectures.
2. Training Course for Leaders of Cooperativa Agricola de Cotia Cooperativa Central (CACCC) and Cooperativa Central Agricola Sul Brazil.  
Period: March 30 - April 26, 1991.  
No. of Participants : 7 (5 from CACCC and 2 from Sul Brazil).  
Place of Study Visit: : Okayama Prefecture
3. Reunion and followup programme is to be held in Bangladesh from January 31 - February 9, 1991.
4. General Course in Agricultural Cooperatives  
Period : May 20 - July 1, 1991

No. of Participants : 20 from Asia and South American Countries.

Theme : Agricultural Production and Marketing

Place of Study Visit: : Yet to be decided

5. ICA/CUAC/IDACA Regional Seminar.  
Period : July 26 - August 13, 1991  
No. of Participants : 20 from member organizations of ICA/ROAP.  
Theme : Personnel Planning for Regional Development by Agricultural Cooperatives with special reference to Japanese experience.  
Place of Study Visit: : Yet to be decided.
6. Training Course for Cooperators from Selected Countries.  
Period : September 30 - October 29, 1991  
No. of Participants : 13 (Malaysia and Sri Lanka)  
Place of Study Visit: : Yet to be decided.
7. Training Course for Counter-Parts of Agricultural Cooperative Development Project in Thailand.  
Period : Yet to be decided (one month).  
No. of Participants : Yet to be decided.  
Place of Study Visit: Yet to be decided
8. Training Programme for the Staff of the NACF (Korea).  
Period : November for about 1.5 weeks.  
No. of Participants : Yet to be decided.  
Place of Study Visit: : Yet to be decided.
9. 6th ICA Training Course for Strengthening Management of Agricultural Cooperatives in Asia (Subject to the approval of the fund by the Japanese Government).  
Period : February-April 1992.  
No. of Participants : 15 from member countries of ICA/ROAP.  
Theme : Method of Strengthening Management of Agricultural Cooperatives.  
Place of Study Visit : Yet to be decided.
10. Training Course for Cooperativa Agricola de Cotia Cooperativa Central & Cooperativa Central Agricola Sul Brazil  
Period : April for one month 1992.  
No. of Participants : 7  
Place of Study Visit: : Yet to be decided.

## Consumer Coop Aims for the 90s

Under the principles described in "Pursuit of a Better Life Full of Humanity," coops seek to develop activities in the following directions:

### 1. Movement to create a comfortable life

It is important that all consumers cooperate with each other as independent creative individuals, rather than being passive consumers. Coops aim to develop activities for creating a better life.

### 2. Cooperatives in which anyone can take part anywhere

Cooperatives will expand businesses into areas of culture, leisure, services, mutual aid and welfare so that anyone can take part in and use services while working to create communities where everyone cooperates and benefits from the movement.

### 3. A wide range of consumer cooperative businesses

It is essential that there be a wider range of goods in the food sector and that the clothing and furniture/DIY sectors be strengthened. Cooperatives will pursue other areas of business such as information, services and culture, etc.

### 4. Creating comfortable living circumstances and addressing human related issues of environment and peace

It is an important role of consumer cooperatives to contribute to the economic development of the community, work towards improved welfare programs, and assist in conservation of nature, the environment and culture. Creating a caring community represents the ultimate goal of the cooperative movement.

Cooperative should address human related issues such as natural resources, energy, food supply and agriculture, as well as world peace. A fundamental principle of the cooperative movement is to promote these issues on a community, national and international level.

### 5. Establishing consumer's rights

Cooperatives will promote movements that establish and expand consumer's rights. To be pursued are consumer's rights to access of information, purchase of safe goods, prices commensurate with quality and informative labelling on goods.

### 6. Community and nationwide cooperative networks

Working towards the establishment of a cooperative sector will be established through:

- \* expansion of community based activities; network of medical cooperative clinics, hospitals and jointly run welfare facilities for the community; and promotion of joint planning in cooperation with university, worker, insurance and housing cooperatives.
- \* creation of a cooperative network in conjunction with agricultural and fishery cooperatives, as well as small business cooperatives.

### 7. Social role of cooperatives

Cooperatives movements will contribute to the development of society as well as strengthen the consumer's position. Cooperatives will endeavor to improve their social position by playing a vital role in the community and economy when the majority of households in cities and towns become cooperative members.

#### New Telephone and Fax Numbers of JCCU

Telephone	:	81-3-3497-9103
Telefax	:	81-3-3497-0722

## Rep. of Korea

### Agricultural Marketing and the NACF (The National Agricultural Cooperative Federation of Korea)

Agricultural cooperatives were established in the Republic of Korea, among other reasons for, raising the level of agricultural productivity, states the 1989 Annual Report of the NACF. One of the business activities the NACF has undertaken in striving towards this objective in Marketing. Therefore, a strategy of the NACF for raising farm productivity has been that of lowering marketing costs.

Whether the reference is to a reduction of the 'real' costs of the system or to the 'private' costs borne by farmers in selling their produce through the adoption of government supported agricultural cooperatives, or through a combination of both, is not quite clear. However, bringing about market oriented farm production as a result of the NACF's efforts, and the achievement of economies of scale in conducting marketing functions through the amalgamation of village level primary cooperatives by the NACF, must be partly responsible for a fall in 'real' marketing costs. In any case, it is reported that the rationalization of the marketing activities of the farmer cooperatives has resulted in an increase in total turnover during 1989, both in physical and value terms: 40% of this turnover had been from Fruits & Vegetables; Foodgrains had accounted for 37% while Livestock, too, had been an important item in the commodity groups with 13% of total turnover.

The cooperative system of the Republic of Korea has the patronage of the government; it has the right to supply the Armed Forces, the availability of large public sector godowns, warehouses and marketing centres in the big cities: It operates the price support programme and the buffer stocking policies of the government has access to the government media for the dissemination of market information, and also has the prerogative of operating a lucrative banking business as a result of the merging of the Korean Agricultural Bank with the agricultural cooperatives.

# Philippines

## Unions and Federations Institutionalized Under Code

The recently signed Cooperative Code of the Philippines (R.A. 6938) has institutionalized the existence of cooperative unions and federations.

The clarification was made by Cooperative Union of the Philippines President Glicerio Lorejo, Sr., and CUP Secretary General Arcadio Lozada in a joint memorandum issued on April to all affiliates of CUP.

The memorandum was issued in the wake of confusions to what may happen to existing federations following the signing into law of the coop code and another law creating the Cooperative Development Authority, the Government regulatory body over all types of cooperatives.

They explained that under the new law, cooperatives are classified into credit cooperatives, consumers coops, producers coops, marketing coops, service cooperatives and multi-purpose cooperatives.

In terms of membership, the coops are categorized as primary when members are natural persons, secondary when members are primary coops and tertiary when members are secondary cooperatives or provincial and regional unions or federation.

The organizations whose members are cooperatives are called unions and federations.

## CUP Officials Appeal for Unity

Top officials of the Cooperative Union of the Philippines (CUP) have appealed to all leaders and members of various cooperatives in the country to forge a higher level of unity.

The call was aired in a recently issued joint resolution made by CUP President Glicerio Lorejo, Sr., and Secretary General Arcadio Lozada.

It was made in the wake of the passage into law of the Cooperative Code of the Philippines (R.A. 6968) and the law creating the Cooperative Development Authority (CDA).

The CUP officials reminded the cooperative leaders that the new laws were the result of collaborative efforts of the different sub sectors in the cooperative movement who lobbied in both houses of Congress and wrote the initial draft of the new laws.

They pointed out that there have been a disinformation to the effect that the CETF which has been administered by the CUP will no longer be administered by the apex organization.

That is not true, they stressed, because the code specifically provides for the administration of the same funds by an apex organization with whom smaller units of cooperatives are affiliated.

"If there are vague interpretations on certain provisions of the code pertaining to the CETF, these will not affect the 1989 collections, 40 percent of which is to be remitted to the CUP," they clarified.

Collections this year are yet to be allocated on the basis of new policies which the Cooperative Development Authority will formulate.

"We are therefore appealing to all cooperatives and CUP affiliates concerned to remit the share of CUP of 40% which includes 10% Trust Fund for 1989 and back arrearages on CETF obligations. We will soon field auditors to examine the books of accounts of cooperatives who have been collecting and remitting CETF as mandated by law, the continued.

They reiterated their appeal for unity of the cooperative movement as a new era in the cooperative sector ushers in with the passage of favorable laws to assure their speedy growth.

## Phil. Coops Ready to Crack Export Market

Local cooperatives with exportable products are up to make a crack at the lucrative export market.

In one of its innovative moves, the Cooperative Union of the Philippines has initiated the organization and incorporation of an export arm of the cooperative movement; the Cooperative Trade International Philippines, Inc. or CTIP.

Although formalized only recently, the CTIP was evolved after years of study and direct contacts with other cooperative federations in Asia and other part of the world which have expressed interest in engaging in direct business with Philippine based cooperatives.

## Musicians form Cooperative

Musicians belonging to the Pambansang Koalisyon ng mga Musikong Pilipino (PAKOMPIL) are in the process of organizing their own cooperative.

Pol Galang, a folk rock artist who heads PAKOMPIL, said the musician's cooperative aims to uplift the socio economic condition of small income musicians and other workers in the music industry. It also aims to popularize nationalist, grass-roots music.

The formation of the United Musicians' Cooperative of the Philippines (UMCP), a unique and pioneering endeavor in the country, was decided last April 1990 in a PAKOMPIL general assembly. The coop has 130 members, many of whom are based in the provinces. The active core at the moment consists of 30 members.

More musicians are expected to sign up with the organization. A general assembly is slated in August to elect its first set of officers. UMCP hopes to be registered by the 3rd week of August.

CFPI is currently assisting the fledgling cooperative in organizational development, cooperative training and business development.

UMCP also aims to achieve the standardization of the professional fees, royalties and percentages on sales with recording companies. The musicians hope the measure would allow them better incomes.

The musicians are also pushing for the enactment and implementation of a strong copyright law towards better protection of artists' rights over their compositions.

Other projects envisioned by the cooperative include a cooperative pubhouse or restaurant to provide a venue where musician members could regularly perform, a recording studio, and a placement agency to ensure protection for musicians recruited for performances here and abroad.

## Singapore

### SCOPE Launched

The Singapore Credit Cooperative League (SCOPE) has been launched.

The Registrar of Cooperative Societies endorsed and approved the formation of the SCOPE.

12 cooperative societies (including 1 provisionally) had affiliated themselves to the League and the keeping with the principles of the cooperative movement, the League would be an independent organisation. Through self-help the League would try to reduce overheads and minimise cost and with the esprit-de-corps among the different affiliates it would be possible to nurture the League and lay the foundation for succeeding management committees.

Integrity and personal sacrifices would be required if the League and the affiliates were to benefit.

## Thailand

### Mr. Anan Chamnankit Elected New Chairman of the Cooperative League of Thailand.

The Cooperative League of Thailand, an apex organization representing the cooperative movement in Thailand, has a great pleasure to inform you that at its Annual General Meeting on 25th November 1990, a new board of directors of the League and its chairman were elected.

Mr. Anan Chamnankit, 57 years old, is currently the Director General of the Cooperative Audit Department, Ministry of Agriculture and Cooperatives. He will take the office at the League for a term of 2 years.

## Some Recent ROAP Publications

1. **Agricultural Coop in Japan - The Dynamics of their Development, 1989** - Price : paper back INR 150 (US\$ 25), hard bound INR 200 (US\$ 30).
2. **Role of Government in Promoting Coop Development** - Price : paper back INR 400 (US\$ 60), hard bound INR 500 (US\$ 75).
3. **An Overview of Consumer Cooperation in Asia 1989, by W.U. Herath** : Price INR 100 (US\$ 15).
4. **Present Situation, Problems and Future Tasks of Agricultural Cooperatives - Study Reports from Bangladesh, India, Malaysia, Philippines and Sri Lanka, 1990** : Price INR 300 (US\$ 45).
5. **Women in Development Through Fishery Coops in Asia - Report of the Joint ICA/CCA/SDID Planning Mission on Bangladesh, India and Philippines** - Edited and Compiled by M.M.K. Wali, 1990 : Price INR 150 (US\$ 25).
6. **Cooperative Ministers Conference, Sydney, Australia - Report and Country Papers** - Edited by R.C. Dwivedi, 1990 : Price INR 400 (US\$ 60).
7. **Facilitation of Effective Cooperative Legislation in Selected Countries of Asia - A Study Report by V.P. Singh** : Price INR 100 (US\$ 15).
8. **Cooperative Democracy vis-a-vis Members' Education by Daman Prakash, 1988** : Price INR 120 (US\$ 15).
9. **ICA Working Party on Cooperative Research, Planning and Development - Cooperative Values and Relations between Cooperatives and the State (Working Papers of a Seminar held in New Delhi), Vol.1, 1990** : Price INR 200 (US\$30).
10. **Indian Cooperative Laws vis-a-vis Cooperative Principles by P.E. Weeraman, R.C. Dwivedi and P. Sheshadri - 2nd revised and updated edition by P.E. Weeraman** : Price INR 180 (US\$ 30).
11. **Cooperative Education and Training in India by Dharm Vir** : Price paper back (INR 125 (US\$ 12.50) deluxe edition INR 150 (US\$ 15).
12. **How to Improve the Effectiveness of National Cooperative Organisations - Report and Papers** : Price INR 100 (US\$ 15).
13. **Programme of Effective NCO Action - Report of Regional Seminar** : Price INR 100 (US\$ 15).

**Note** : Price is inclusive of postage charges by Air Mail.

1. Please send your order to ICA DOMUS Trust, c/o. ICA ROAP, 43 Friends Colony, New Delhi-110065, India.
2. Payment should be made through Demand Draft/Cheque payable to **ICA DOMUS Trust, New Delhi**.
3. Publications are also sent by V.P.P in India.

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