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ASIA - PACIFIC CONSUMER COOP NEWS

A Bulletin of the ICA Committee on Consumer Cooperation for Asia & the Pacific : Issued every 4 months

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Participants from eight Asian countries attended the Workshop on University Coop. of Asia and the Pacific at Lanna Resort, Chiang Mai, Thailand, Feb. '94.

EDITORIAL

Since 1988 the ICA Committee on Consumer Cooperation for Asia and the Pacific has published 14 issues of "ICA Asia-Pacific Consumer Coop. News. The main objectives of publishing this bulletin was to provide relevant facts and information on Consumer Coop. operations in Asia and the Pacific region and the activities carried out by the ICA Consumer Coop. Development Project. These issues were widely distributed not only in the Asia-Pacific region but also in other parts of the world as well.

As per the ICA ROAP decision it has now been decided to merge this bulletin with "Asia-Pacific Coop. News" which is another ICA ROAP periodical. This means that from now onwards we will not publish this bulletin any more. All future consumer coop. news and activities will be published under "Asia-Pacific Coop. News".

In this last issue we include for your information (i) The reflection of follow-up workshop on University Coops. of Asia and the Pacific held at Chiang Mai, Thailand, (2) Progress Report of Consumer Coop. Development Project of 1993, (3) Operating guidelines for consumer coops. of Asia and the Pacific and (4) Environmental Activities of Japanese consumer coops.

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**ASIA - PACIFIC
CONSUMER COOP. NEWS**

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Editor : Pradit Machima
Office : ICA Regional Office for Asia & the Pacific
43, Friends Colony (East),
New Delhi - 110065
INDIA
Telephone : (91) 11-683-5123
Telefax : (91) 11-6835568
Telex : (81) 31-75025 DICA IN

**A Bulletin by the ICA Committee on Consumer
Cooperation for Asia and the Pacific**

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ICA REGIONAL OFFICE ACTIVITIES

23rd ICA Committee on Consumer Co-operation for Asia & the Pacific

The ICA Committee on Consumer Co-operation for Asia and the Pacific was held in Phuket, Thailand, on November 17, 1993. The Committee meets twice a year to exchange information on the activities of the region's co-ops and to confirm the progress of the Consumer Co-operative Development Project (CCDP) for Asia and the Pacific.

The 23rd meeting was jointly held with the Committee on Trade and Industry for Asia and the Pacific, and the committee members from nine of the member countries attended. About 20 projects of the CCDP for 1994-1995 were approved at the meeting. It was also agreed that their funding will not be made through the ICA budget, but rather the financial burden is to be shared according to the ability of each country to contribute. It was then decided that committee members would present a report on the problems and tasks to be addressed in order to compile operating guidelines for co-ops in the Asia-Pacific region. Finally, the Mongolian Consumers' Cooperative Union was admitted as a member to the committee, which raised the number of member countries to 13, and under scored the increasing interest being generated by co-op activities in the Asia-Pacific region.

Fact finding mission to Myanmar on Consumer Cooperatives

The ICA ROAP had sent Mr. Pradit Machima, ICA Consumer Advisor along with Mr. H. Amano, a Foreign Relation Officer from Japanese Consumer Cooperative Union (JCCU) to visit Myanmar between 6 and 15 December 1993. The main objective of the visit was to get the first-hand knowledge of consumer cooperative movement of Myanmar and to make contact with Myanmar Cooperative leaders and cooperative officials.

The visit was very interesting and the mission was a very successful one. It is expected that there will be more cooperation and better coordination between Myanmar Coop. Movement and ICA Committee on Consumer Co-operation and JCCU in the future.

The team had discussion with the Minister of Cooperatives, Director General of Cottage Industries Dept., Deputy Director General and Staff members of Dept. of Cooperatives, Chairman and Board of Directors of Central Co-operative Society etc.

Main themes of the discussions were:

1. Cooperative organization and administration;
2. Cooperative Law and new structure of cooperative organization, administration and cooperative management;
3. New Cooperative policy and strategy for cooperative development;
4. Consumer Cooperative structure, situations, problems and plans for re-structuring consumer cooperative organizations;
5. Education and training;
6. Cooperation between ICA, JCCU and Myanmar Cooperative Movement and cooperation with neighbouring countries; and
7. The National Seminar on Consumer Cooperative Development to be held in Myanmar in November, 1994.

The team observed that:

1. Myanmar has been changing and changing rapidly. This includes the changes of Co-operative Law, Co-operative Policy, organizational structure, business operations and management and attitudes towards the outside world which needs help from ICA/JCCU etc.;
2. Consumer Co-operative societies nowadays operate like trading firms. The motive is to encourage people to do more business and to generate employment and income among them.
3. Myanmar Co-operative Movement is big and well organized but economically weak. If proper guidance



Mr. Pradit Machima, ICA Consumer Advisor paid a courtesy call to U Than Aung, Minister of Cooperatives, Myanmar Dec. '93

and assistance is given, it can become one of the strongest movements in the region. Money and man power is not the main problem, Exposure to the outside world and technical assistance is the need of the day.

4. At present, it needs more training on modern management for both Govt. coop. officials and leaders and key staff of the movement. It also needs education and training facilities and communication equipments.
5. Upgrading of training facilities and modern management training techniques are greatly needed.
6. Coop. trade with neighbouring countries and the outside world will be improved and increased rapidly due to the "open door" policy of the government and the movement is strong enough to do it.
7. Joint venture in cooperative business and partnership in cooperative trade may accelerate the development process.
8. More cooperation with ICA, international cooperative organizations in all aspects of cooperative development may be more helpful.
9. The Central Cooperative Society should become a member of the ICA Committee on Consumer Cooperation for Asia and the Pacific to share the experience of other countries.

□

Number of Consumer Cooperatives and results of their operations in Myanmar in 1990-91

Sr. No.	State/ Division	No. of Societies	Members	Share Capital(K)	Working Capital(K)	Net Profit(K)	Net Losses(K)
1.	Kachin	58	24,265	1,193,414	8,591,582	140,495	511,767
2.	Kayah	24	9,154	398,147	4,600,373	121,344	86,255
3.	Kayin	35	17,295	595,732	6,778,404	67,118	378,223
4.	Chin	23	7,928	624,399	4,382,858	141,720	75,094
5.	Sagaing	170	101,651	3,523,715	36,382,091	708,538	1,240,237
6.	Theninthary	74	49,202	1,233,196	13,828,995	309,178	357,793
7.	Bago	275	162,768	3,993,864	33,823,361	689,708	1,919,741
8.	Magway	182	107,167	4,348,372	36,353,085	963,320	1,372,937
9.	Mandalay	398	242,162	9,840	70,031,763	982,627	3,794,298
10.	Mon	87	82,217	2,893,452	21,642,138	465,646	1,098,822
11.	Rakhine	124	54,473	1,649,167	9,804,938	48,259	653,429
12.	Yangon	701	618,281	26,845,007	222,985,203	6,802,255	8,120,691
13.	Shan	152	89,059	4,968,183	38,297,394	1,100,581	1,168,964
14.	Ayeyarawady	229	167,367	3,744,640	41,832,516	938,762	1,357,082
Total		2,532	1,732,989	65,851,545	549,334,701	13,481,551	22,135,333

(K) = Kyat

1 US\$ = 5.8 Kyat

Regional Follow-up Workshop on University Cooperatives of Asia and the Pacific

A Regional Follow-up Workshop on University Cooperatives of Asia and the Pacific held at Lanna Resort, Chiang Mai, Thailand, between 7 and 11 February, 1994 was jointly organised by ICA, CLT, NFUCA and Chaing Mai University. The workshop was attended by 62 participants from 8 countries, namely India, Indonesia, Japan, Malaysia, Philippines, Sri Lanka, South Korea and Thailand. Main objectives of the workshop were to promote and develop student/university cooperatives and to strengthen the role of the student/university in promoting and developing

consumer coop. movements within the region. The workshop was inaugurated by Mr. Auyphole Kanovicitra, Director General of CPD and the following day it was addressed by Mr. Thavil Chanprasong, Deputy Minister of Agriculture and Cooperatives. It was a very successful workshop, the best and the most effective one ever organised in the past four years. It helped promote and develop student/university cooperatives within the region and enhance cooperation among university coops. within the country and the region. This kind of seminar or workshop is still needed by Asian countries in the years to come. But at the same time, Asian countries should contribute liberally to support this type of activity.

Reflection of follow-up workshop on University Cooperatives of Asia and the Pacific

Dr. D.P. Garg

Secretary

National Council for Cooperative Training

New Delhi (INDIA)

About the Workshop

As a resource person and a participant I had the privilege of participating in the above captioned 4 day workshop, organised by International Cooperative Alliance Regional Office for Asia and the Pacific (ICA ROAP) in collaboration with the National Federation of University Cooperative Associations (NFUCA), Japan and Cooperative League of Thailand (CLT), at a beautiful resort known as Lanna Resort, Chiang Mai, Thailand, from 8th to 11th Feb., 1994.

Main objectives of the Workshop were :

- 1.1 To transfer technology, knowledge and experience gained by the Japanese to Asian countries;
- 1.2 To create awareness, promote and develop student/university cooperatives within the region;
- 1.3 To discuss common problems on coop. organization, administration and management among colleges/universities and to find ways and means of improving them;
- 1.4 To strengthen the roles of student/university coops in providing better living, peace and better environment;
- 1.5 To build up closer relationship among student/university coops within the region; and
- 1.6 To strengthen the role of Univ. Cooperatives in

promoting and developing Consumer Cooperative Movements in the country and within the region.

Sixty two delegates comprising cooperators, executives, professors of and students of universities and the resource persons from 8 countries i.e. Indonesia, India, Japan, Korea, Malaysia, Philippines, Thailand, Sri Lanka and ICA ROAP, New Delhi participated.

Mr. Auyphole Kanokvicitra, Director General of Cooperative Promotion Department inaugurated the Workshop in place of Hon'ble Deputy Minister of Agriculture and Cooperatives, Government of Thailand, Mr. Thavil Chanprasong who could not come on that day due to the Cabinet meeting. Fortunately, the following day, the Hon'ble Deputy Minister came and addressed the meeting.

I was greatly impressed and influenced by the contents, methodology and the contribution of various delegates, who very actively and intensively participated democratically under the effective coordination and collaboration of the organisations.

2. Excellent Experience of Japan

I was greatly benefited by the presentation of various theme papers by Japanese experts on University Cooperatives' in Japan viz (i) Outline of University Cooperatives in Japan and Business activities by Mr. Takashi Ohmoto, Management Director, Saitama University Cooperative, (ii) Organisation of university cooperatives and member participation by Mr. Naoto Kishimoto, Executive Director, NFUCA, (iii) Summary of the Development of Future Plan by Mr. Yoshikazu OSA, Managing Director, KYOTO Business Association of University Cooperative and Executive Director, NFUCA and (iv) The Role of University Cooperative for Developing Citizen Cooperatives in Japan by Mr. Hisashi Tanaka, Vice-Chairman and C.E.O. Co-op Tokyo and Vice President JCCU, who more dominating influenced me by his beautiful presentation and nice explanation about the role of University Cooperatives in the Asia and the Pacific countries.

Participants have enjoyed and appreciated the efforts made by all the Japanese experts who presented their subjects with the help of nicely prepared material which is extensively useful and informative. There are 663 cooperative societies with the membership of 16 million



Follow-up Workshop on University Cooperatives in Asia & the Pacific, Chiang Mai, Thailand

household having turn over of 3162 billion yen. There are 2379 consumer stores. Co-op. Kobe is the largest retail coop. in Japan having a turn over of 2,950, 835 million Yen and membership of 13,971466. Food product accounts for 76.9% of total retail sales. There are 184 university cooperatives operating in Japan with total membership of 1,141,269. Voluntary merger joint purchase net work, democratic management of cooperatives, multifarious activities, efficiently managed institutions with cooperative principles and values, integrated coop. development approach, broad based management high productivity of capital and human, coupled with extensive members participation, autonomous character with self-reliance approach, use of modern management techniques in all activities and cordial relations between all concerned, team approach, sense of belongingness and enormous emphasis on cooperative education and training and arrangement by coops. themselves are some of the salient features which impressed and enlightened them so that they may disseminate this information to their respective countries for adopting these in the operation of cooperatives.

3. Educative Study Visits

The workshop provided an opportunity to acquire more knowledge about the process of university coop. development and the functioning of such cooperatives in the socio-economic and cultural background of Thailand. The selection of the institutions for study visit was made comprehensively keeping in view the requirements of the participants. The following institutions were selected:-

- i) Sanpatong Agricultural Coop.Ltd. of Chiangmai province, one of the most successful cooperatives and which was awarded the cooperative with plaque by his majesty the King of Thailand to acknowledge the achievement of this democratically managed cooperative venture.
- ii) Chiangmai University Cooperative Ltd., established 20 years back and operating strictly on Cooperative Principles and incorporating Cooperative values rules.
- iii) Nakorn Chiangmai Coop. Store Ltd., established in 1976, is the only community consumer stores operating in Chiangmai city having 8 outlets and implementing cooperative values and principles in day to day business operations.
- iv) Chiangsaen Agricultural Cooperative Ltd. set up 23 years ago by farmers of Chiansaen district of Chiangrai province bordered by Myanmar and Lao, has been successfully managing need based multifarious activities with active participation of members in business, funding and management.

By virtue of their working norms, the members, the executives and the office bearers were fully accountable to their respective institutions and the dignified relationship of the board of directors with the executives was amply demonstrated in their business efficiency, service to the members and community and commitment to the cooperative values. Sharing of views with different cooperators, executives, members and general public through discussions broadened the vision and out look of the participants, who expressed their views at the evaluation session of the workshop and also during their informal discussions.

Active involvement of the university youth, more particularly the girls, in the management of the stores and their efforts in building up the image of university coop. was a great source of inspiration to the participants and especially to the students who attended this workshop every actively. My participation in the workshop offered an opportunity to depend my understanding of this vital area of university cooperatives which has not been given due attention in India and has vast potential provided an Action Plan for their all-round development is drawn with the active support and cooperation of all concerned i.e. university authorities, teachers, students, policy makers and the officials related with the Consumer Cooperatives in the country.

I was enormously impressed by efficient and effective working of the Student University Cooperative Ltd., Chiangmai and the active participation of the boys and girls who are in the Board of Directors. The participants were received in an excellent tradition of way of Thailand and the presentation of case study of the store was meticulously done with the help of best slides music and commentary. The Chairman and the other directors gave the answers of the various questions posed by the participants. The working of the self-service stores left a permanent impression on all the participants and I was fully convinced if our young generation is properly trained, guided and inspired may convulse the countries with well managed cooperative institutions and at last in establishing cooperative common wealth.

4. Informative Presentation of Theme Papers & Cases

The seven country's papers on university cooperatives and eight studies of coops. studies:

- 1) Mindanao State University- Iligan Institute of Technology employees multi purpose cooperative, Iligan city, Mindanao, Philippines,
- 2) Sukhothai Thammathirat Open University Coop.Store Ltd.

- 3) Nakhon Sawan Teachers College Coop., Thailand.
- 4) Chulalongkorn university Cooperative Ltd. Bangkok, Thailand.
- 5) The Sanasa - The Thrift and Credit Cooperative Society, Sri Lanka.
- 6) Ananda College Cooperative Society, Sri Lanka.
- 7) Koperasi Kaluarga Besar University Bung Hatta(KKB), Indonesia.
- 8) University of Malaya Cooperative Bookshop Ltd. (Malaysia), has been of immense and immeasurable value to me and to all participants as they indicated during the course of discussions. These presentations and case studies combined with visits were commendable and gave inspiration to me and other participants for acquiring skills and knowledge.

5. Experience Sharing through Group Discussions

Four groups were formed to deliberate on the following subjects:-

- 1) How to ensure that students become full fledged members of the university cooperative and take active part in Business Development and other cooperative activities.
- 2) Strategies for expanding, diversifying and strengthening university coops., business activities.
- 3) Inter and Intra Regional/National Exchange of persons, know how and Training facilities among university cooperatives.
- 4) The Role and significance of university cooperatives in strengthening, promoting and furthering the consumer cooperative movement in the country/region.

This participative teaching technique proved very educative and offered opportunity to make close contacts with the participants and to share ideas with them who were from different part of the world. The recommendations of these groups are very pragmatic and broad based.

Some of them are as under:-

- 1) In the Asia-Pacific countries, where there is legal restriction to enroll students as full fledged members, the university/educational cooperatives should take them first as nominal or associate members.
- 2) Orientation programmes for this target group be organised in every country.
- 3) A well designed publicity material be developed on this vital subject.
- 4) More and more students be encouraged to participate in the business activities of such stores through various incentive schemes.

- 5) Proper teaching of cooperative philosophy and basic values at all levels be organised by all the countries.
- 6) The activities of the stores should be broad-based and business operations be organised with cooperative principles.
- 7) Business consultancy services be given so that the activities may profitably be organised.
- 7) Need based and result oriented training programmes for all concerned will go a long way to make the store successful and face the challenges posed by the liberal economy at global level.
- 9) Cooperation subject be introduced in the curriculum of all standards in the schools, colleges and universities.
- 10) A Regional Centre for Consumer Cooperatives be established in the Asia-Pacific country for developing and organising training & education programmes and undertaking research and consultancy activities.
- 11) To establish information Exchange Clearing House of all Asia-Pacific countries for universities/educational cooperative under the sponsorship of ICA.
- 12) Exchange programme among students, leaders, key staff, and trainers of coop. be organised and encouraged on self-financing basis.
- 13) Need based linkages be forged between universities/ educational stores and consumer cooperatives set up at various levels.

Some participants stated that they had gained in self-confidence as a result of this workshop and had been benefitted in one way or another, in equipping themselves with the new knowledge of this vital subject.

I could identify the new areas of cooperative education and training programmes for consumer cooperative development, particularly, for university cooperatives of Asia and the pacific countries, as the National Council for Cooperative Training, of National Cooperative Union of India conducting various training programmes for this sector.

6. Happy International Coop. Community

The best arrangements of lodging and boarding made in Lanna Resort surrounded by natural beauty, multi colored flowers, ever green plants and service by the personnel with smile and the hospitality extended by the owner was appreciated by all the participants. The beautiful cultural programmes and events left lasting impressions on all. This resort was looking like a mini International Cooperative Community where all were residing equally and helping each other irrespective of different castes, creed, language, age, sex, nationality, education,

experience, status etc. Cooperative living have an opportunity to learn more and more from each other and to develop friendly relationship between them.

The social events and sight scene arranged by the organizers were of immense utility, which gave an idea of the rich culture, religious and social life and the development of trade, handicraft and small industries etc. in some of the provinces of Thailand. The visit of Mae Sai and crossed to Tachilek (Burma) was nicely arranged where the participants could also have small shopping and observe some of the markets, people and places etc.

7. Some Observations

1. Short Duration

The workshop was well planned and effectively conducted but considering the objectives, the components of the workshop, i.e. (i) Presentation of country's paper on university coop. in different countries. (ii) Group discussions (iii) Study visits and (iv) Lecturer-cum-discussions sessions and the number of participants, the effective days for programme were inadequate. Either the subjects may be reduced or duration may be increased.

2. Limited Participating Countries

The number of countries participating in this seminar was limited, the reasons may be high costs and the apathetic attitude. I am of the opinion that such workshops may be organised on collaborative basis in every Asian and Pacific countries with the technical and financial support of cooperatively developed countries, more particularly Japan. The experience coop. education and training in the field of consumer cooperative development may be used.

3. Non-Preparation of Action Plan

The participants could not prepare Action plans for implementing the recommendations which may be introduced by themselves or which they feel should be introduced in the appropriate quality.

4. Excellent Co-ordination

The way the programme co-ordinator Mr. Pradit Machima, Consumer Advisor and collaborators (Mr. Narong Marukatut, Director, CLT and Prof. Nakorn Na Lampang, Chiang Mai University) planned and conducted the workshop with sense of devotion, punctuality, then organisational and communication skills left lasting impressions on all, who expressed their views at several occasions and expressed their heart felt gratitude to all concerned.

Conclusion

By and large, the objectives of this workshop were achieved which created awareness among participants to develop this vital cooperative sector on more scientific lines coupled with cooperative philosophy and values. This workshop has been an instrumental in upgrading the knowledge and establishing relationship between the delegates of different countries to exchange their views and initiate necessary action to improve the working of the existing university co-op. stores and making plan for their development as an integral part of consumer cooperatives of the country. The recommendations of the workshops be implemented by ICA and the participating countries. The Indian Coop. movement may take a lead with technical and financial support of ICA and NFUCA Japan.

Progress Report of Consumer Coop. Development Project in 1993

By Pradit Machima

The Work done during January and December 1993 were :

1. Mission and Field visits

Several missions and field visits were undertaken to member countries by the Chairman of the ICA Committee on Consumer Cooperation for Asia and the Pacific, the Project Advisor, ICA ROAP and the NFUCA Japan team. The purpose of the visits varied from one country to other depending on the objectives and types of work. These were mainly to find ways and means to improve consumer cooperative organisations and operation in member countries including preparation of ground work for the meeting, seminar and workshop as well as to prepare project

proposals for cooperative development in certain countries and to advise them on the spot as to how to improve the operations.

The Chairman visited India, Fiji and Thailand and the NFUCA team visited Fiji, Philippines and Thailand. The project Advisor visited various consumer coops in Burma, India, Fiji, Japan, Malaysia, Philippines and Thailand.

2. Fact-finding Mission to Myanmar

In December, 1993 Mr. Pradit Machima, ICA Consumer Advisor and Mr. H. Amano from JCCU visited Myanmar for 10 days. The main objectives of the visit were to study the Consumer Cooperative Movement of

Myanmar and to recommend strategy and plans for consumer cooperative development there. The team visited various cooperative organizations/institutions and different levels of consumer cooperatives in Yangon, Mandalay, Maymyo, Sagaing, Phaung Gyi and Pegu. The mission was very successful and a report was prepared and published.

3. Exchange Programmes

Under the Exchange Programmes of the Consumer Cooperative Development Project (CCDP), a group of 5 women Consumer Coop. leaders from the Philippines visited Japan in June and July, 1993. The objective of the Exchange Programme was to enhance cooperative knowledge on consumer cooperative development, member participation and housewives involvement in consumer cooperatives. The programme was jointly sponsored by ICA and JCCU.

Under another Exchange Programme, 3 university cooperative leaders from Singapore visited Japan to study the Japanese University Cooperative Movement and its operations in August 1993. This programme was held on self-financing basis, as recommended at the University Coop. Seminar held in Malaysia in February 1993. The outcome of the visit was very good.

4. Income Generating Activities for Women's Cooperatives in Bangladesh.

In July 1993, ICA had sent Ms. Uma Mukherji, ICA Gender Advisor, to visit Dhaka and Mymensingh, Bangladesh, in order to make assessment of women's cooperatives in these areas and discuss the draft Terms of Reference for the proposed revolving fund for strengthening income generating activities of 3 women's Cooperatives in Mymensingh. The Memorandum of Understanding was drafted and submitted to ICA and National Cooperative Union of Bangladesh (BJSU). But the proposals has not yet been confirmed by BJSU, as a result, the programme remains un-implemented.

5. Self-financial Workshop

Several self-financed workshops on Consumer Coops and University Coops were held in Thailand, the Philippines and India. The main objectives of organizing this type of workshops were (1) to create awareness among consumer coop. leaders and key staff to develop their own coops on self-help and self-development basis, (2) to educate and train coop. leaders and key personnel, (3) to discuss concerned problems of consumer coop. operations and programmes for improving them, and (4) to strengthen consumer coop. organisations/movements in the region. The programmes worked out very well. Last

year, six self-financed workshops were organised in the 3 countries, as follows:

1. Phra Nakorn Coop. Store Thailand : A two-day workshop on "Modern Management of Consumer Cooperatives" was organized at Pak Chong, Nakorn Ratchasima on 24-25 Feb., 1993. Twenty nine coop. leaders, branch managers and key staff attended the workshop. The main themes of discussions were modern management, financial management, personnel management and member participation.

2. Follow-Up Workshop on Univ. Coops in Thailand: The workshop was jointly organised by CLT, NFUCA and Sukhothai Thammarat University in Bangkok on self-financing basis during 4 & 7 May, 1993. Main subjects of the workshop were (1) Joint buying, (2) mutual help and technical assistance among univ. coops., and (3) the formation of Univ. Coop. Federation. Thirty participants from various universities in and around Bangkok attended the workshop. The outcome was very good.

3. Joint Technical Conference on Provincial Coop. Development - Bacolod, Philippines : The Conference was jointly organized by ICA, Provincial Govt. of Negros Occidental, Western Visayas Union of Coop. Union of Negros Occidental and La Consolation College on 25-26 May 1993 in Bacolod. Thirty three participants attended the conference. The main objective of the conference was to promote and upgrade cooperative operations through mutual help and self-help and action plans. The outcome was good.

4. Workshop on Cons Development - Iloilo, Philippines: The workshop was organised by Western Visayas Union of Coop. on 27-28, May, 1993. The main objective of the workshop was to upgrade the knowledge and experience of coop. leaders, managers and staff of consumer cooperatives within the region. The workshop was attended by 35 participants and Mr Pradit Machima, ICA Consumer Advisor. Mrs. Pura Librodo, Executive Officer of the Union was the Coordinator. It was a big success.

5. Workshop on Modern Management of Consumer Coops. in Maharashtra, India : The workshop was organised at Bombay on 28 August 93 on self-financing basis. It was attended by 62 coop. leaders throughout the State. The workshop discussed about the modern management of cooperatives and the future plans of coop. movement with special emphasis on consumer coops. The workshop was very effective, lively and cheerful.

6. Workshop on Consumer Coop. Development in Gujarat, India : A self-financed workshop on Consumers Coop. Development in Gujarat, India was organised on 29 and 30 Nov, '93 at Gandhi Nagar. Seventy eight consumer coop. leaders from all districts of Gujarat attended the workshop. The workshop was inaugurated by Mr

Thakorbbhai Naik, Minister of Cooperation, Gujarat. The outcome was very positive. It was mutually agreed that (1) education and training programmes on consumer coops be organised and strengthened, (2) a concrete programme on consumer coop. development be prepared and submitted to the Minister of Cooperation, (3) model consumer coops in some districts be established and developed, (4) the Institute of Coop. Management (ICM) of Gujarat must set up a programme to promote consumer coops in the State through education, training and extension.

6. Seminars and Workshops

1. Regional Seminar on ASEAN Univ. in Malaysia :

The regional Seminar on ASEAN Univ. Coops was jointly organized by ICA, NFUCA and ANGKASA at Agricultural University of Malaysia, Kuala Lumpur, Malaysia on 10-12 Feb. '93. Fifty-nine participants from 6 countries attended the seminar. They were 2 from the Philippines, 3 from Singapore, 5 from Brunei, 7 each from Indonesia and Thailand and 35 from Malaysia.

The seminar was inaugurated by Hon'ble Dato Khalid bin Yunus, Dy Minister for Land & Coop. Development, Govt. of Malaysia. Main objectives of the seminar were:

1. To transfer technology, knowledge and experience of Japanese University Cooperatives to ASEAN countries.
2. To exchange knowledge and experience of running University/Students Cooperatives among participants.
3. To encourage University or Coop. Colleges or Coop. Training Institutes to promote and play a bigger role in coop. education, training and extension in their own countries.
4. To improve performance of University or Students Cooperatives.

The seminar concluded that :

1. Students should be allowed to become full members of Univ. Coops in all countries, especially Malaysia, Singapore and the Philippines, where students are discriminated.
 2. Action Plans for follow-up activities of Univ. coops in each country should be made and implemented accordingly;
 3. Teachers/trainers/students exchange programmes among member-countries should be encouraged and developed; and
2. *International Seminar on Gender Integration in Cooperatives in Tokyo.*

Participants from Asia-Pacific countries met in Tokyo during 01-08 March, 1993, under the sponsorship of ICA

ROAP, JCCU/SCC/ICA Women's Committee to deliberate gender integration in cooperative development and to find more effective methods and strategies which will enable women to have equal opportunities as man to participate actively at all levels in cooperatives.

The conference concluded that "it is imperative that cooperatives at all levels formulate policies of gender integration for sound cooperative development, thus contributing to peace, social justice and a sustainable Earth".

It is vital that cooperative in every country promote affirmative actions to achieve gender integration.

3. Workshop at Colombo, Sri Lanka

With the assistance of the COOPFED, NCC and the Cooperative Department of Sri Lanka, ICA organised a workshop on 'Modern Management of Consumer Cooperatives' at the Conference Hall of the NCC of Sri Lanka. Altogether 16 managers and accounts officers representing 12 MPCS participated in the workshop. The two days workshop was inaugurated by the Commissioner of Cooperatives Mr. S.B. Divaratne. In his inauguration address, he appreciated the experience of the participants and advised them to take full advantage of the deliberations in the workshop. He also added that the workshop should end up with an action commitment for the further development of the consumer movement.

7. Overseas Training

1. Training of Store Managers from S. Korea and Thailand in Japan

A training of Store Managers from South Korea and Thailand was held in Japan between 18 and 27 August, 1993, under the sponsorship of ICA and JCCU, Four trainees - two each from South Korea and Thailand joined the training. They visited JCCU and various consumer coop. societies/institutions in Tokyo and nearby cities. They also visited NFUCA and University coops in Tokyo. The result was very fruitful and successful.

2. Training for Managers of Consumer Coop. from Singapore on supermarket Operations in Japan

Between 12th and 21st of September, 1993, two store Managers from Singapore underwent a training programme on supermarket Operations in Japan. They visited consumer coop. network in Tokyo and Sapporo. The programme was jointly organized by ICA and JCCU. All local cost was borne by JCCU. The programme was a great success.

3. Training of selected managers of consumer coops from three countries in Singapore.

Between 31st October and 10th November 1993, 5

managers of consumer coops from India (2), S. Korea (1) and Thailand (2) were trained under the sponsorship of NTUC Fairprice, Singapore and ICA on "Supermarket Operations". Originally, the programme was planned to select 4 managers - one each from India, Indonesia, Malaysia and S.Korea for this training. But since there was no nomination from Indonesia and Malaysia, we added one more from India and two from Thailand for the training. The programme was very good and effective.

8. Consultancy

1. Consultancy-cum-training Programme on Consumer Cooperative Development in Sri Lanka

Between 23 and 31 May, 1993, ICA ROAP had deputed Mr. S.C. Misra, a short-term consultant of Consumer Coops from NCCF, Bombay, to provide follow-up consultancy services to four consumer coops in and around Colombo, Sri Lanka, and later on organise a workshop on "Modern Management of Consumer Cooperatives" at the Conference Hall of the NCC of Sri Lanka.

The four MPCs were: Homagama MPCs, Polonnawa MPCs, Katana MPCs and Kegalle MPCs. The programme was very receptive, useful and effective.

2. Consultancy service to primary consumer coop. in Thailand by FairPrice, Singapore

Between 16 and 19 October, 1993, Mr. Lim Ho Seng, General Manager of NTUC FairPrice, Singapore had visited Thailand in order to provide technological advice to Phra Nakron Coop. Store Ltd. in Bangkok, Thailand. The Coop. Store is one of the biggest consumer coop. society in Thailand. It has 7 branches with 100,000 members and the total business turnover of around Baht 320 million and a net profit of Baht 13 million. If all advises and recommendations can be implemented sincerely, the society will become a "show case" for Thailand and at the same time become a training and learning centre for neighbouring countries.

9. Compilation of Minutes of Consumer Committee Meetings

Mr. Masao Ohya, Chairman of the Consumer Committee had suggested that all Minutes of the Committee Meetings from the beginning be compiled in order to help new members of the committee to know objectives of the meetings, decisions made in the past and achievements made thereafter. The compilation was done and published for distribution. It was a good record of the Committee work done in the past 17 years.

10. Data Collection

Data on medical cooperatives in India and on univer-

sity cooperatives in Asian countries was collected and compiled. The collected and analyzed facts and information on these two areas will be used for future development planning.

11. Asia-Pacific Consumer Coop. News

Three issues of Asia-Pacific Consumer Coop. News were published. The first one was in March, followed by the second and the third in July and November, 1993 respectively. The news covered wide range of information on consumer cooperative subjects and related activities, such as women's activities, environment, cooperative basic values and important activities of consumer cooperatives within the region.

12. ICA Committee on Consumer Cooperation

Two meetings of the ICA Committee on Consumer Cooperation for Asia and the Pacific were held last year. One was held at Suva, Fiji on 14 May '93. The meeting was attended by member organizations from four countries - Fiji, Japan, Singapore and South Korea. The other was a joint meeting of the ICA Committee on Consumer Cooperation and ICA Committee on Trade and Industry for Asia and the Pacific, which was held in Phuket, Thailand on 17-19 November, 1993. Forty three participants from 9 countries - Japan, India, Indonesia, Fiji, Malaysia, Myanmar, Singapore, Vietnam and Thailand, participated in the meeting. In the meeting, interalia, the draft of Consumer Co-op Development Project for 1994-95 was adopted.

Planned Activities of Consumer Cooperative Development Project (CCDP) in 1994

Activity Code	Planned activities between July '94 and June '95
2302	Participation in ICA regional meetings
2303	Data Bank Network and Statistics.
2304	Publication of Consumer Coop News, Reports, Teaching and Training Materials.
2311	2 meetings of ICA Committee on Consumer Cooperation for Asia and Pacific (Nov/May)
2312	Exchange Programme for women consumer coop leaders from Fiji to Japan.
2321	Fact finding mission to study cooperative movements in Nepal
2322	Regional Meeting of Medical Cooperatives for 4-5 countries in the Region.
2331	Organise income generating activities for women's coops in Bangladesh and India.

2341	Action Plan on Consumer Cooperative Development in the Philippines.	2362	Regional Committee on University Coop Operations in India.
2351	Training of selected managers of consumer coops from Bangladesh, Sri Lanka & India on self-service shops in India.	2363	Consultancy services and training to Consumer Cooperatives in Thailand by Singapore.
2352	Training of selected managers of consumer cooperatives from Korea and Malaysia on consumer coops in Japan.	2364	Training of coop leaders, managers and staff on modern management of consumer coops in Bangladesh, Sri Lanka & India.
2353	Training cum Study Visit of Vietnamese consumer coop leaders and staff in Thailand.	2365	Technical Cooperation and Assistance on women coops in Bangladesh, Indonesia, Vietnam and the Philippines from Japan.
2354	2 Trainings of Store Managers from Singapore in Japan.	2366	National Seminar on consumer cooperative development in Myanmar.
2355	Training of Store Managers in Singapore from Indonesia, Malaysia and Philippines.	2367	National Workshop on Consumer Coop Development in Malaysia (self-financed).
2361	Follow-up workshop on university coop operations in India.	2368	Workshop on Consumer Coops in Thailand. □

Operating Guidelines for Consumer Cooperatives of Asia and the Pacific (A Proposal)

1. Background & Concept

A proposal for preparing "Operating Guidelines for Consumer Cooperatives of Asia & the Pacific" was made by Mr. M. Ohya, Chairman of the ICA Committee on Consumer Cooperation for Asia & Pacific at its 23rd meeting held at Phuket, Thailand on 17 November 1993. He informed the meeting that the operating guidelines are the pattern or guidelines of action which bridge the Cooperative Values and actual Consumer Cooperative Operations. But the ICA Committee on Consumer Cooperation has not discussed this pattern or guidelines of action yet which is needed. He further stated that if we have to adopt the guidelines of action for Asian Consumer Cooperatives, we have to follow the ICA Congress Motion on "Cooperative Values".

2. ICA Coop. Basic Values

Coop. Basic Values adopted by ICA Tokyo Congress in 1992 are:

- economic activities for meeting members' needs;
- participatory democracy
- development of human resources;
- social responsibility and responsibility for the environment;
- national and international cooperation

3. A Proposal at Phuket Meeting

The meeting had discussed the main themes of Operating Guidelines for Consumer Cooperatives of Asia & the Pacific briefly. The meeting agreed that the guidelines should be prepared by the Consumer Committee Secretariat at New Delhi Office then submit it to be finalized at the next meeting at Colombo, Sri Lanka in July 1994. The draft as shown below was jointly prepared by Mr. S. C. Misra, senior consultant of NCCF, India and Mr. Pradit Machima, ICA consumer advisor.

Operating Guidelines for Consumer Cooperatives of Asia and the Pacific

The Operating Guidelines can be broadly grouped into (a) Economic Guidelines, (b) Democratic Guidelines, (c) Guidelines towards the Movement, (d) Social Guidelines, and (e) Legal Guidelines. Details of these guidelines have to be perceived and progress, prosperity and international brotherhood.

A. Economic Guidelines

1. *Economic benefits* : It is common knowledge that private retailers earn profit. To earn more profit, often they resort to unfair trade practices like hoarding, adulteration, cheating and black-marketing. Members who organise a Consumer Cooperative aim at steady supply of essential

consumer goods of good quality at a competitive rate. The Cooperative should try to sell goods to the members cheaper than the prevailing market price or share the profit in terms of their contribution or patronage.

2. Viability : Economic benefit can accrue only if the operation of the cooperative is viable or there is no loss. Sale, margin and cost structure of a new store should be scientifically estimated instead of hunch intuition and guess work. In this regard, expert advice can be taken of a representative sample survey can be undertaken. The common mistake in this regard relates to over-estimating sale and margin and under-estimating cost. Bad purchase (purchase of stock not required by members), over-stocking, excess borrowing, high staffing and faulty merchandising often create problems.

Since food and toiletries constitute about 60 to 80 per cent of the sale of consumer cooperatives, initially Super Market or mini Super Markets should be started, which comparatively require less capital (compared to a Department Store) and involve less risk. A cooperative shop should be tidy, it should have a range and price image and it should look better and serve better than private traders.

3. Self-reliance : Furniture, fixtures, equipment and building (if owned) require capital. This capital is blocked. Capital is also necessary for stock holding (50% of the stock can be by way of credit purchase from suppliers) and to meet monthly committed expenditure, like wages, rent, telephone and electricity bills etc. Capital requirement can be correctly estimated and raised from the members. Even a mini Super Market of 200 sq. m. requires a minimum capital of about a million Baht or Rupees. As 200 or 300 members cannot contribute even 1/10th of such capital requirement, thousands of members should be enrolled. One-third of the capital requirement may be borrowed from a Bank, preferably from a cooperative Bank. If more money is borrowed, cost of interest will go up, which may effect the viability. There is no harm in getting govt. assistance in the form of loan, equity or subsidy. It should, however, be treated as bank loan and re-paid in time. Unless the stock rotates, at least 15 to 18 times in a year, a Store cannot be viable. So, Special care should be taken in this regard.

4. Autonomy : The Management of a Consumer Cooperative Store should have its autonomy. It should be able to take its own decisions without any external interference. Government assistance often leads to Government interference. Government officers are also sent as Chief Executives to these Stores along with Govt. money. This leads to officialisation of the Cooperative Movement. Such things should be discouraged.

5. Service : Since service is the basic motto of cooperatives, the services of the Consumer Store should

also be available to non-members. All sale in a Consumer Store should be strictly on Cash basis.

For the purpose of viability and service as well, the objective of a cooperative society may be single purpose or multi-purpose. Credit business can very well be linked with consumer business. However, in such a case non-members should not be given any loan.

6. Good Service : Apart from Consumer Cooperatives, there are the private retailers who are the competitors. A member customer must be given better services in comparison with the private retailers, otherwise, he may go to the private shops. The shop, stock and the people working in the cooperative shops should be neat and clean and presentable. The arrangement of the shop and the display of the goods should have aesthetic sense and it should be appealing and convenient to the member customers.

In retailing, apart from the quality of goods and competitive price, the customers usually expect services like packaging for bulk buying, shopping bags, return/exchange facilities, easy movements of trolleys to carry their purchases near their vehicles. Some handicapped customers may require additional help. A few may like guidance, clarification and demonstration about the usage and quality of the product in respect of their purchases. These services have to be arranged/provided to the member customers with due courtesy and decency.

7. Stock Productivity : In retail business, the entire gross profit is earned by the cross force of margin and stock turn. In every stock turn, there is a gross surplus (difference between sale and cost of goods sold). This gross surplus is usually equal in comparison with the private retail shops. However, if the cooperative store sells its goods at a cheaper rate, the margin will be slightly less. This can be compensated by a higher rate of stock turn. If the average margin of a super market is 7% and the stock turn is 20 times, the stock productivity is (7×20) 140%. Since margin can be improved only marginally by controlling the trading charges, shortages and mark-down, higher rate of stock productivity can be achieved by achieving a higher rate of stock turn. Higher rate of stock turn can be possible by efficient purchasing and rationalizing stock holding.

In simpler terms, stock productivity can be said to be the ratio of gross profit to stock holding. The formula can be defined as stock turn x margin. The other formula can be G.P. divided by margin.

All the successful consumer cooperatives of the Indian subcontinent invariably achieve a stock productivity of 150% and above. This is the secret of the success.

Hence the Management of Consumer Cooperatives should appreciate this concept and plan accordingly.

8. Financial Analysis : At the end of every month, before the Board meeting, it is advisable to prepare the Trading Account, Profit and Loss Account and Balance Sheet. The contents of the Balance Sheet should be interpreted with reference to liquidity ratio, current ratio, structural ratio and norms in this regard, so that performance can be judged and problems, if any, can be identified. This apart, the following core data should be compiled and studied for performance appraisal.

- a) Sale : Monthly sale at the end of every month should be compared with the sale of the corresponding period of the previous year and the inflation rate. Increase in sale should be at least 5% higher than the inflation rate. If not, sales policy has to be checked, analyzed and suitable remedial action, including sales promotion measures, should be taken.
- b) Purchase : Monthly purchase should never be more than the monthly sale, except during the first few months of a new store. It should be less by the percentage of margin. Reasons for major variations, if any, is to be analyzed and rectified.
- c) Stock Holding : There should be an overall stock holding policy and section/department-wise policy. It is also advisable to formulate stock days for each commodity groups. Reasons for variation in actual performance and norms should be analyzed and necessary remedial action taken.
- d) Area (Floor Space) : Sale per sq.m. or sale per sq.ft. in respect of different section/departments should be analyzed and compared with the norms as well as past performance. Such an analysis may be help to increase or decrease the store face of different sections to increase the productivity of the floor space.
- e) Staff : SPMD (Sale per man day) will reveal over staffing and under staffing. Rapid increase in sale in a particular section may require recruitment of a few part time employees. Conversely, if sale of a particular section is poor, the same may be combined with some other section.
- f) Customer : Customer is a big asset of a cooperative store. With the increase in population and per capita income, the customer flow should increase month by month and year after year, may be marginally. Declining customers flow is the first sign of decay. Any symptom in the fall of customer traffic requires detailed analysis and rectification measures. Fall in customer traffic is an indicator of missing inventory, stock-out or wrong pricing or wrong lay out or service.

In the sales day book, it is, therefore, advisable to have an exclusive column to record the daily flow of customers.

- g) Trade Creditors : With the gradual stability in retail business, Trade Creditors payable should go on increasing each month till it is equal to stock holding and trade debtors (if credit sale system, which is discouraged) is there. By increasing Trade Creditors payable, Bank borrowing requirements are reduced and interest cost is saved. This aspect is very important in retail management.
- h) Bank position : If there is a loan i.e. Cash-Credit Accommodation from the Bank and the Store is in profit, loan amount should reduce every month. If there is no borrowing, bank balance should be increased, which may be invested as per the decision of the management. Reasons for deviations should be analyzed, identified and necessary rectification measure taken.
- i) Gross Profit (margin) : When sale, purchase and trade expenses particulars are available, the gross profit can be ascertained, including its percentage (margin), to sale. It should be compared with the budget, norms and past performance.
- j) Total Expenses : If expenditures are more than the income, there will be a loss. Profit accrues only when expenditures are less than the income. Most of the expenditures like salary, wages, rent, interest, electricity and telephone charges etc. are almost fixed. This should be at the finger tips. The variations is very minor. Monthly expenditure should be compared with the monthly budget and norms. Reasons of variation should be analyzed and necessary steps taken.

After knowing the total income and expenditure, even a lay man can understand the profit or loss. If there is a loss, the expenditure has to be cut or sale has to be increased to get more income. If there is a profit, where did it go should be known. Normally, it goes to increase in stock or bank balance or decrease in loan or trade creditors. It should go where the management wants to and it should not be left to chances and accidents.

The aforesaid ten points are just like ten switches to analyse the monthly operations and result of a cooperative store. This should, therefore, be Standing Agenda Item No. 1 in the monthly meeting of the Board of Directors. All the Directors may not have the detailed knowledge in this regard. They can, however, be trained for this purpose.

9. *Market Intelligence* : In cooperative retailing, market intelligence has four aspects viz. (a) consumer, (b) suppliers, (c) products, and (d) competitors.

- (a) *Consumers* : Since repeat cliental is the root of success, from time to time both formal and informal surveys should be undertaken to ascertain their likes and dislikes, their buying habits and requirements and also the fashion trend. Customers are the best teachers, they can provide a lot of feedback. The simplest procedure in this regard can be to put a suggestion book and also to talk to a few representative customers (who are not in a hurry) every day and the feedback may be recorded for necessary action.
- (b) *Suppliers* : Suppliers come out with various schemes from time to time to boost the sale of their products. Such schemes affect the demand of the competing brands. All such schemes have to be known well in time for evaluation and timely decision. Belated knowledge and decision will not only affect sale but also the competitive strength.
- (c) *Products* : Every product has a life cycle which is not uniform. A new product/brand may suddenly be a market leader which may or may not have a lasting effect. Some products have seasonal demands and some others have peculiar purchase systems. All these, including the changes, have to be known and the knowledge updated and implemented.
- (d) *Competitors* : The sales policy with reference to assortment, promotion, pricing and services of the nearby competitors have to be constantly watched. Because services of a cooperative have to be better than the competitor and not inferior to it.

Suddenly a competitor may come out with a sales promotion programme to switch over the loyalty of the customers to his shop. Such threats should be predicted by the management and well in advance suitable strategies to meet such eventualities should have been formulated for implementation without losing time.

B. Democratic Guidelines

1. *Open Membership* : Membership of a Consumer Cooperative should be open to one and all and it should be purely voluntary. There should be no compulsion or coercion. There should not be any discrimination for membership or otherwise on the basis of caste, creed, sex, religion and politics. Religion and politics should not be mixed with cooperatives.

2. *Equality* : All the members, rich or poor, male or

female should be treated on the basis of equality. All should have an equal say. The basic principles of "one member-one vote" differentiates a cooperative from a company, where unlike a cooperative one share has one vote.

3. *Elected Management (Election of the Members of the Board)* : Election is the very basis of democracy. A cooperative has to be managed by the elected representatives of the members, who are known as Managing Committee Members or Directors. Election has to be regularly held at an interval of every three years, as has been agreed upon by the Members in the bye-laws. The Managing Committee along with the Chairman (who is elected by them) is answerable to the General Body of the Members. To discharge the trust reposed upon them, there should be regular monthly meetings of the Managing Committee, wherein they can discuss and approve business plan, budget, review progress, lay down guidelines, consider problems including the solutions. Monthly evaluation/appraisal of the performance, review of the growth rate, and formulating suitable policy and strategy for viability and growth is very essential. For this, they require training. It is, therefore, advisable to have regular training programmes for the Directors also.

4. *Members Involvement* : Thousands of members cannot be Directors. However, all of them can use the services, can make their purchases, can provide useful feedback to the Management with reference to stock range, quality and price of the goods sold in the cooperative. They have also to participate in the meetings. There may be various sub-committees. All these require proper member-relation, communication and education.

5. *Members' Education* : All the members, including prospective members of cooperative have to be educated about the principles, gospel and benefits of the cooperatives and how they can contribute to the success of the cooperative movement.

6. *Communication* : Management of Consumer Cooperative have to establish regular communication with the members, employees, customers, suppliers, various govt. agencies and tax authorities. Often problems are created on account of lack of communication, communication gap or lack of clarity in the communication. Communication require honesty, sincerity, clarity, humility and objectivity.

Apart from attending to the correspondence, there should be bulletins, house journals, hoardings, signboards and suggestion book to establish purposeful communication.

7. *Group Representation* : In Consumer Cooperatives, where the membership is in terms of thousands, participation of thousands of members and direct communication

with all of them may not be possible. So, neighbouring members of 30 to 50 may form groups and the leaders elected by them should represent them to participate in the meetings and also to work as a communication link with the management and the members.

C. Guidelines towards the Movement

Success of one cooperative is not enough. Since cooperative Movement is people's movement, special care has to be taken in respect of the following points:

1. *Accounts and Accountability* : A cooperative society is like a glass house. There should be some transparency in its accounts to show the trust relation of the management and the members. All books of accounts should be upto date. Annual accounts should be prepared, audited and published well in time. Accounts provide a lot of feed-back. It is a tool of management. It should be properly interpreted to make better targets and to get better results.

2. *Involvement of Youth and Women* : women constitute half of the citizenship and they are all de-facto family teachers. They being the housewives are also the real customers and patrons. They should, therefore, be encouraged to be members of Consumer Cooperatives in larger members and to take active part in the affairs of the cooperatives.

If the youth are not associated, the life of a Consumer Cooperative as long as the life of its original members. It is the youth who provide link between generations. The youth spend more, but more and bring new fashion, design and demand. So, to avert generation gap and to take advantage in sale and growth, more and more youth should be encourage to become members.

3. *Non-Members* : On the basis of open membership and religious and political neutrality, any person who is not a member of a cooperative today, may be a member tomorrow. So, everybody is a prospective member. Hence the business of a cooperative should be open even to non-members. There should be some indirect communication to encourage them to join the cooperative as members.

4. *Employees' Commitment* : All the employees of a cooperative should be thoroughly trained to have the necessary knowledge, skill and aptitude to improve their personal efficiency and professional competency. This apart, they have to know the difference between the private sector, public sector and the cooperative sector and the devotion required in cooperatives. They have to develop their commitment to the cause of the cooperative movement. They are required to be humble, tolerant and caring for the members/consumers.

There should be high standard of morale and discipline among the employees. For this purpose, they should

be given a moderate salary and other staff benefits. Modern day competition calls for professionalization of management. This can be achieved by conducting need-based training programme from time to time.

5. *Cooperation among Cooperatives* : Management of Consumer Cooperatives should share its experience and expertise with sister organizations. When a new Consumer Store is organized in a new town or even in a separate country, the cooperators of the new cooperative society may visit the successful ones and learn from them. Management of such successful stores should appreciate this and help the new cooperatives. Some times, it may cost them some time and money. However, in the larger interest of the cooperative movement, this should be treated as necessity.

D. Social Guidelines

Every individual and every organization, apart from its success, has a duty to the society. So, is the case with a cooperative. It is quite good for a cooperative society to be economically viable, self-reliant, autonomous, democratic and caring for its members' needs. However, that is not all. It cannot be in-different to the under-privileged or to the environment or to the society.

As a part of the social obligation, Consumer Cooperatives may also consider to do the following:

- a) Not to sell goods which are hazardous to life and property, such as liquor, cigarettes and tobacco, etc.
- b) To raise contributions for victims of natural calamities, like cyclones, earthquake, flood, drought and riots.
- c) To contribute something for the development of local area in the form of construction of schools, roads, hospitals and the like.
- d) To encourage and participate in environment protection programmes, such as planting of trees, protecting the rivers from pollution and to take part in other activities to maintain ecological balance.
- e) To mobilize public opinion in non-controversial national and international issues like literacy drive, family planning, child care and communal harmony.

E. Legal Guidelines

1. *Cooperative Law* : Every country has its Cooperative Legislation. There are also Rules made under the Act. When the members of a cooperative society prepare the bye-laws, they should see that they do not violate any provision of the Act and Rules. If there are, however, any

obnoxious and out-dated provisions in the Act and Rules, the cooperators should unite and discuss and request the Govt. to amend such provisions.

The Bye-Laws which are drafted by the organizers themselves should have, however, clarity, flexibility and dynamism. There should be clear provisions about the Board Manager relationship and about the rights, duties and responsibilities.

Various reports and returns which are to be submitted to the Cooperative Department should be sent regularly.

2. Labour Laws : In every country there are Labour Laws, like Minimum Wages Act, Provident Fund Act, Gratuity Act, Bonus Act and Shop and Commercial Establishment Act, etc. These laws aim to protect the interest of the employees. Copies of these legislation should be kept in the Cooperative Society and the provisions thereof should be complied with.

3. Taxation Laws : There are various Taxation Laws. Business organizations have to pay various taxes, like Sales Tax, Turnover Tax, Professional Tax and Income Tax, etc. In some countries, some tax concessions have been provided in the law for cooperatives. Management of Consumer Cooperatives have to keep themselves abreast with these laws and comply with the provisions. Taxes have to be paid in time and reports and returns required under these laws filed timely and regularly. Violation of these provisions often entails penalty.

4. Licence Laws : A Consumer Cooperative has to take a number of licenses to commission its Super Market or Department Store. Such licenses include Shop Licence, Food-grain Licenses, Drug Licence and the like. There are normally different forms and different authorities for these purposes. These formalities have to be compiled with before commissioning a Cooperative Shop.

5. Safety Laws : For the safety of the people, a number of laws are enacted. They have to be complied with. For construction of buildings, there are provisions for FSI(Floor Space Index), size and number of staircase, emergency exist, lift etc. There are also provisions for fire-fighting equipments. If a Consumer Store deals in inflammable articles, like cooking gas, kerosene, petrol and crackers, there is a separate set of safety laws. The concerned provisions of these laws should be adhered to.

Conclusions

By not following the above-mentioned guidelines, a number of Consumer Cooperatives face serious problems including liquidation. On the contrary, study would reveal that by following the aforesaid guidelines, several Consumer Cooperative Stores have been working successfully and serving their members and customers.

The Management aspect for the successful operation of a consumer cooperative store can be summarized with just 10 lines, details of which in the form of "10 Commandants" is given below :

TEN COMMANDMENTS FOR CONSUMER COOPERATIVES

1. Sell at least Rs. 5.00 lacs (half million) in retailing and Rs. 50.00 lacs (five million) in wholesaling per employee per year.
2. Achieve an annual gross profit of at least 80 to 100% of the closing book.
3. Restrict investment in fixed assets within the limits of owned fund plus term loan, if any.
4. Never keep a stock holding of more than one months sale better to have 50-75% of monthly sale.
5. Never borrow more than 60% of (cash balance plus bank balance plus stock holding minus trade creditors).
6. Pay as much as possible to the staff within the limit of 50% of the gross profit.
7. Restrict interest, insurance, bank charges within the limit of 1% of sales or 15% of gross profit, whichever is less.
8. Keep your rent and depreciation cost within the limit of 1% of sales and 15% of the gross profit.
9. Restrict all other costs within the limit of 1% of the sales and 15% of the gross profit.
10. Sell full range of Grocery, Provision, Toiletries, Cosmetics (2000 items, if not more) under active price with good behaviour.

and

Make Your Shop a Talk of the Town



Environmental Activities of Japanese Consumer Co-ops.*

by Masao Ohya

Executive Director, Japanese Consumers' Co-operative Union



Many speakers were representing the industrial side so far, but I am from the consumers' side and I am happy to be able to present our humble but peculiar experiences of grass-roots in the Japanese community.

I. The Current Status of Japanese Consumer Co-ops.

Let me introduce, first of all, a little bit about the consumer co-operative movement.

Consumer co-ops were first born in 1844, amid the turmoil of the Industrial Revolution, in Rochdale located north of Manchester in England. They are retail organizations managed and used by member consumers who have invested share capitals in them. The idea of co-ops has spread all over the world and has been introduced to Japan in the late 19th century.

Consumer co-ops developed rapidly in Japan after the war, especially at the time of economic rapid growth, and we now operate some 2,400 stores in communities, working places and even in schools and universities. Our total aggregated turnover of nearly 700 independent primary societies, including non-store retailing that means home delivery and catalog sales, is nearly 3.2 trillion yen (32 billion US \$), comparable to that of Japan's largest retail chains.

We can say the co-ops form one of the largest domestic consumer organizations, because 26% of 43 million households in Japan belong to co-ops.

Consumer Co-ops exist in every Asian country, so do in Thailand too. I know some of them like "Pranakorn Co-op," "Krunthep Co-op," "Chiang Mai Co-op" and some co-ops in universities.

The reasons behind the development of the Japanese co-ops are our ongoing activities that protect and expand the rights of consumers, and our emphasis on safety for products provided to consumers.

II. Environmental Policies

During the 1960s and the 1970s, the Japanese economy posted remarkable growth. It was also during this period that the downside of such high growth emerged to threaten the lives of consumers.

* Presented at "Asia & the Pacific: Merging Business & the Environment", Bangkok, December 2-3, 1993

In the 1960s, when pollution was beginning to affect people's health, Japanese co-ops initiated a movement calling on the government to prevent the spread of pollution. At the same time, we became one of the first organizations, I might say, to deal with the water pollution issue with its members, and worked to spread the use of soap and detergent with alternative surface-active agents that was more friendly to the environment, instead of hazardous general chemical detergents. With mounting worldwide interest in environmental issues in recent years, these activities, as well as business and member activities, have now entered a new phase.

To reaffirm its social responsibilities as an entity protecting the rights of consumers and as an organization conducting retail activities, the JCCU established a committee to draw up environmental policies in the fall of 1990, and set forth in March 1991 the concepts and guidelines of co-operative activities in this field.

In conjunction with this policy, JCCU adopted a three-year mid-term (1993-1995) plan at its Annual Congress in 1992, and embarked on its action program.

As I told you already, 26 percent of all Japanese households belong to co-ops. So if we conduct well and change the members' way of thinking and behaviors, it would be possible for us to influence the economy and society to give more consideration to the environment.

III. Details of Activities

So specific activities are now being implemented in accordance with the mid-term action programs.

I would like to inform you some of our activities.

A. Members' activities

A large number of members take part in (1) activities to review their lifestyles, (2) fact-finding environmental surveys of the community where they live, and (3) they also engage in recycling activities. Because the consumers are end-users who pollute environment to a certain extent, they learn lots through these activities and foster awareness for environmental protection.

1. Activities to review lifestyles

The lifestyles of people living in industrially developed countries are said to be one factor that negatively

affects the environment. Co-ops, as organizations with a large number of members, must directly address the theme of reviewing lifestyles. I would like to mention here some simple and primitive tools that were developed by us for this.

a) "My Environmental Checklist"

This sheet enables members to check 26 items, for example resource/energy consumption, burden on water, discharge of harmful substances, and so on. The checklist is an elementary tool that enables members to identify their own problem areas in their homes. The checklist was used nationwide by a large number of members from the fall of 1992.

b) Eco-Life Guidebook

Composed of two chapters, the guidebook introduces concrete methods for changing consumer's lifestyles in order to reduce the burden on the environment. For example, the book explains that watching TV one hour less per day can save 1.1 kilowatt-hours of electricity. These and other tips show how lifestyle changes can have a positive effect on the environment.

With the guidebook, it is possible to monitor household energy use (electricity, gas, oil), resource consumption (water, paper, plastic), and waste (garbage, recyclable waste, water pollutants).

Released for sale in July 1993, the guidebook has sold 10,000 copies up to now. The book was designed so that it can be used by individuals and groups alike.

In addition, the Environment Household Diary, a more advanced tool for recording energy consumption and waste volume, is currently being developed. The diary surveys environmental impact within the household in more detail and on a continuing basis. The Japanese translation of the book published in UK called Young Green Consumer Guide is also being sold with good reaction among our members.

2. *Fact-finding environmental survey of areas where members live*

One unique activity conducted by members of Japanese co-ops is a fact-finding survey of the environment of the areas where they live. This includes measurement of NO_x, acid rain and river-water quality; a survey of waste-processing plants; and a survey of the natural environment. The activity is a learning experience for participants to familiarize themselves with the environment.

At the same time, since a large number of members take part throughout Japan, the survey generates a huge database covering a broad range of areas in detail, thus providing warnings to the government and municipalities. The project has recently drawn praise from public organizations.

A large participation of members is important anyway because it can give wider and strong impact to the society.

Let's see during fiscal 1993, NO_x was measured at 38,000 locations, acid rain at 22,600 locations, and water quality in 440 rivers and at 1,190 locations by co-op members throughout country. In order to encourage these activities, co-ops produce and sell measurement kits.

Emphasis is also given to children's education. Under the guidance of nature observation instructors, parents and children observe nature to learn the importance of preserving the ecological system and to understand the influence of nature on one's peace of mind. We produce several educational tools for this purpose.

3. *Recycling activities*

No other organization carries out recycling as actively and on as wide a scale as co-ops. The objectives of recycling are to effectively use resources and reduce the environmental burden imposed by wastes.

We have a variety to recycling activities, including collecting paper milk cartons, Styrofoam food trays, and containers such as PET bottles, aluminum cans, and bottles; and collecting used cooking oil and making soap from it. In addition, household kitchen wastes are converted to organic fertilizers. Nowadays, we collect 24% of all paper milk cartons recycled in Japan and 17% of all Styrofoam food trays collected in Japan.

I tell you how we recycle the milk cartons. Members cut and open the used boxes, and after washing and drying them, they bring them back to the co-op. We sell them to the paper manufacturers. Manufacturers take out polyethylene laminated inner parts and reuse the paper for producing tissue and toilet paper.

The collection system consists of recycling boxes installed in stores, to which members bring recyclable materials when they do their shopping. Since Japan has yet to establish systems such as those in Germany and France, much still depends on the members' enthusiasm for improving the environment.

4. *Learning and exchange activities*

Japan's co-ops are characterized by the large number of members who take part in them and by the expansion of activities through opportunities for exchange and learning. Numerous meetings are organized at the primary

level, the secondary level, and the national level to report on member activities.

To further expand environmental activities, emphasis is placed on training people who can instruct other members. Co-ops hold lectures and seminars to teach members to play an active role in creating better lifestyles, preserving the natural environment, and changing the social system.

B. Activities involving co-op products

The core of co-ops' business activities is providing better products. For this reason, co-ops' product policies can exert a major influence on society. We are actively developing co-op branded merchandise and environment-friendly products that bear the "Ecomark".

1. Ecomark products

Up to September of this year, Japanese co-ops had developed 230 Ecomark products that result in a total of 18 billion yen in member sales. We believe that these products have a major educational effect on consumers.

Co-ops' Ecomark products are of three major types: (1) products that have little adverse effect on the environment, (2) recycled products, and (3) resource and energy-saving products. Ecomark products in the first category include soap made of natural oils and fats, non-bleached paper products and non-CFC sprays; those in the second category include tissue and toilet paper containing 40% recycled milk cartons, kitchen garbage bags made from recycled PET bottles, and frying pans made from aluminum cans; and those in the third category include plastic and paper-carton containers of detergents to be used in refillable bottles.

Detergent refills, are extremely popular among co-op members. Using refills instead of a new plastic bottle each time can save 400 tons of plastic a year.

2. Improvement of packaging

For products other than Ecomark products, emphasis is placed in improving the packaging. Various steps are taken, including promoting recycling by indicating the composition of plastics, simplifying containers, using recycled paper for cartons, and avoiding the use of materials that emit harmful substances when burned.

3. Study of containers' life-cycle assessment (LCA)

JCCU has been studying LCA for two years and has been establishing its own qualitative assessment system. For example, for wastes, the amount generated, recycling and reduction, and appropriateness of the disposal process is evaluated, while the presence of harmful sub-

stances is checked to assess the environmental burden.

Using these systems and methods, JCCU has completed an assessment of beverage containers and is now working on detergent containers. After assessments are made, the findings will be applied. A characteristic of Japanese co-ops' LCA is that it aims to find areas of improvement for all containers instead of creating one ideal container.

The results of these studies attracted wide interest in Japan and were introduced in the fiscal 1993 Environmental White Paper published by Japan's Environment Agency.

C. Co-ops' business activities

In addition to stores, Japanese co-ops conduct non-store sales by delivering merchandise in trucks to the home of group members. For this reason, we are currently working on measures to tackle with air pollution caused by delivery in trucks. We are now studying the implementation of an environmental audit system that has already been applied in many European and American companies.

1. Environmental measures at stores

Environmental measures are planned and implemented at various stores. For instance, solar panels are installed at environment friendly stores as a way of saving the energy. The solar system yet only produces 10 KW of electricity, however, JCCU intends to encourage its member co-ops to equip these systems to reduce energy as a whole.

Environment friendly stores should carry the following criteria to:

- a) Promote the saving of energy, focusing on electricity and gas
- b) Ban the use of CFCs by 1995 and switch to HCFC or HFC
- c) Recycle and reduce wastes discharged by stores, such as corrugated cardboard, paper and kitchen waste
- d) Reduce the volume of resources used in stores (shopping bags, wrapping paper, Styrofoam trays, etc.)
- e) Collect and recycle a variety of containers at stores
- f) Promote the sale of Ecomark products
- g) Preserve the environment around the stores

2. Air pollution measures for vehicles

Co-ops throughout Japan conduct non-store sales by delivering products in approximately 10,000 trucks.

We have studied the use of trucks with emphasis on reducing air pollution and have implemented such measures. One example is the joint efforts to develop electric powered vehicles by major co-ops in Japan. Through joint research with an auto manufacturer, that is Isuzu group, we have already succeeded in developing our third prototype car. Unfortunately, the model is not yet to be put into practical use, due to poor battery performance, heavy body weight, high price, and inadequate support facilities such as battery-recharging stations. Yesterday, our friend from Matsuda Japan, pointed out the difficulties confronting the electric automobiles.

Emphasis, therefore, is placed on measures to reduce the NOX produced by diesel fuel (currently the main fuel used by trucks), and on research on trucks using alternative, low-pollution fuels. Of the cars powered by low-pollution fuels, those using LPG are viewed with the most interest, since a distribution system for providing LPG already exists.

Anyway, we wish and expect the new technology would appear as soon as possible in automobile manufacturers in the world.

3. Study of environmental management and Audit system

We have attempted to deal comprehensively with environmental policies for our overall business activities. To do this, we have introduced a management system, with the eventual aim of adopting a system of monitoring the environment by a team of academics and co-op members.

A system that can be implemented is now being studied. We plan to establish a model system this year, and then implement it in as many co-ops as possible after 1994.

4. Construction of an experimental recycling center

Co-ops, as a step towards the establishment of a comprehensive recycling system, became the first retail organization in Japan to build and operate a recycling center that has 1000 square meters in space for interim disposal of waste. The center began operations in March, 1993. You know kitchen wastes amount to 5,000t and industrial wastes to 400 million tons per year in Japan.

Milk cartons, aluminum cans, Styrofoam trays and PET bottles are collected from 92 stores mostly in the Tokyo metropolitan area. Milk cartons and aluminum cans are stored, then passed on to recycling businesses. Styrofoam trays and PET bottles are reduced in volume by heating and pressing, then are stored and finally passed on to commercially operated recycling centers.

Since the recycling center was constructed at the site of JCCU merchandise distribution center, it was possible

to implement a system in which materials for recycling are collected by vehicles on their way back from distribution.

IV. The Goals of Co-ops-ops

As a conclusion of my presentation, I dare to say that environmental issues are indeed difficult and headachy problems, and co-ops can solve only a tiny portion of them, no matter how hard we try. However, having a large membership of consumers and operating retail business, we are in a position to exert substantial influence on society as a whole through our programs and actions.

At the same time, co-ops are in the best position to foster more eco-smart consumers that was the subject given to me to speak today. I believe this is the essence of co-ops' responsibility. We must educate consumers who can recognize these issues, review their lifestyles, and by doing so call on society to preserve the environment.

Another important theme is to transform our communities into better direction so that they will be concerned with these issues. Our country has been developing economically at an alarming rate. Most local cities were developed through city planning with a major focus on industrial and economic efficiency, creating very little in the way of conditions where people can live comfortably and with peace in mind. Our task, therefore, is to take another look at people's lifestyles and create a large body of citizens who will participate actively in improving their local environment. These people and organizations have the potential to exert influence on the policies of local and national government, to influence industrial and economic policies, and to help a society that enables sustainable development. These are our long-term goals for the 21st century.

Thank you very much for your kind attention to my report.

Ms. Akiko Yamauchi joins ICA ROAP staff

Ms. Akiko Yamauchi, a Japanese national, has joined the ICA ROAP as Gender Programme Advisor from 15th March, 1994.

Ms. Yamauchi, prior to joining the ICA, has been working for the Japanese Consumers Co-operative Union in various capacities. She was also associated for a very long period with the Japanese Women's Council. Immediately before joining the ICA, Ms. Yamauchi has travelled to the U.K., Switzerland and Sweden to study and understand the Gender Integration aspects in co-operative movements there.

We wish Ms. Yamauchi all success in her career with the ICA.

CONSUMER NEWS FROM ASIA & THE PACIFIC

FIJI

Study on Consumer Coops.

Between May and June this year the ICA ROAP with the cooperation of JCCU will send a 2-man team of coop. experts (Mr. Pradit Machima, Consumer Advisor and Mr. W. U. Herath, HRD Advisor) to conduct a study and survey on consumer cooperatives in Fiji and the Pacific (Tonga, Vanuatu, Solomon Islands and Papua New Guinea).

The main objective of the study is to collect relevant information on cooperatives and related matters concerning consumer cooperative operations and development within the region and to recommend developmental programmes to the government and the movement.

INDIA

Self Financed Seminar

The ICA with the cooperation of National Council of Cooperative Training (NCCT) had organised 3 self-financed workshops on consumer cooperative in three states - Gujarat, Rajasthan and Tamil Nadu between November 1993 and January 1994. The main objective of the seminar was to promote and develop consumer cooperatives in those states on self-help basis (self-financed, self-education, self-support and member partici-



A Workshop On Development of Coop. Movement in Rajasthan, India

ation). The outcome of the three seminars was excellent. Seventy-eight participants in Gujarat, sixty from Rajasthan and seventy-five from Tamil Nadu attended the seminar at Gandhi Nagar, Jaipur and Madras respectively. This type of seminar will be organised in Lucknow (Uttar Pradesh), Bhopal (Madhya Pradesh), Calcutta (W. Bengal), Chandigarh (Punjab and Haryana) and Bangalore (Karnataka) respectively.



A Self-financed Workshop on Consumer Coops. held at Gandhi Nagar, Gujarat, India. The workshop was inaugurated by Mr. Thakorbbhai Nayak, Minister for Cooperatives, Gujarat.

Sub-Regional Seminar on Consumer Coops in Bombay

The ICA with the cooperation of NCCT, NCCF and Apna Bazaar Coop Department Store of Bombay has been preparing to organise the sub-regional seminar on consumer cooperatives for Indian sub-continent at Tata Institute of Social Sciences, Bombay between 24th April and 3rd May 1994. The main objective of the seminar will be to promote and develop modern management techniques of consumer cooperatives within the region. It is expected that 8-9 participants from Bangladesh, Burma, Nepal and Sri Lanka and 14-16 from India will attend the seminar.

JAPAN

Friends Across Borders : Exchanges with Mongolian coops.

The Mongolian Friendship Mission, mainly consisting of coop members and employees, visited the country last summer. They toured Ulan Bator, met with Mongolian coop members in Selgeiren, a village in the suburbs, and even travelled to the Gobi Desert. The participants returned home both impressed by Mongolia's magnificent natural surroundings and touched by the warm welcome they had received from the Mongolian coop members.

In the autumn of the same year, trainees from the Mongolian Consumers' Cooperative Union (MCCU) came to Japan to learn about the Japanese cooperative movement and travel business. One of the trainees went through on-site training at a university coop travel agency and hotel, and also studied coop management by visiting member coops of the Tokai Coop Consultation Committee and Coop Nagano, the largest consumer coop in Nagano



Against the dramatic background of the northern steppes, Japanese and Mongolian coop. members cement their friendship over a bowl of traditional home-made wine.

Prefecture (site of the next Winter Olympics).

Exchange activities between the JCCU and NCCU began in 1991, when delegations of both organisations conducted mutual visits. In the following year, the Japanese side sent an investigation group, which resulted in a donation of used sewing machines in July 1993, and the mission and trainee programme mentioned above. We hope that exchanges like these will strengthen international ties and training programmes that connect coops in Asia, and help to promote mutual understanding.

Recycling Starts in the Kitchen

In recent years, the popularity of composting kitchen wastes has spread among ordinary households. However compost makers until now have suffered from various problems such as odour, sanitation, and the requirement of soil for disposal.

To overcome these and other problems, a composting method was developed that employs EM (Effective Micro-organisms) - bacteria to accelerate the fermentation process. EM bacteria are known for their ability to dramatically improve water quality and increase harvest yields. In this case rice bran, rice husks, syrups, etc. are added to a liquid mixed with EM bacteria and the resultant mixture is allowed to ferment and is then dehydrated. It can then be sprinkled on kitchen wastes and placed in a sealed container to produce high quality compost. Furthermore, as the method requires no soil, composting can be done even on apartment building balconies.

Offered through the JCCU: From March 1994, the JCCU will begin selling the compost-making set (originally marketed by Coop Kobe in October 1993) nation wide.

Of all households wastes, approximately half are thought to be kitchen wastes. The composting of the latter

will therefore contribute greatly to the realization of a true "recycling society".

- Tetsuhiro Endo, Environment Section.

Merging Business and the Environment in the Asia Pacific Region

The Second Environment Forum was held in Bangkok on December 2 and 3, 1993 under the theme of "merging business and the environment".

The International Herald Tribune and three other companies sponsored the conference, which was designed to promote dialogue between government officials, business leaders, and environmentalists, with a view to harmonizing economic growth and environmental responsibilities.

The JCCU, representing the consumer movement, took part among the many companies and government officials attending the symposium. The JCCU forwarded its own experiences, and stressed the importance of mobilising consumers in its presentation on "Educating the New Eco-Smart Consumer".

National Consumers' Convention Draws over 1000 Participants from throughout Japan

On November 17 and 18, 1993, the 32nd National Consumers' Convention was held in Tokyo.

Against the backdrop of the increasingly complex circumstances facing today's consumers, such as difficulties involved in introducing a product Liability Act, the liberalisation of rice imports, an imminent consumption tax hike, destruction of environment, and the problem of waste disposal, attendance at each of the theme-specific sessions far surpassed the original projections. A total of over 1000 participants took part in heated discussions at the Convention.

Session resolutions : The following stances were confirmed by Session No. 1, whose theme was "For Better Consumer Lifestyles" : opposition to a consumption tax hike; opposition to a utility fare hike; strengthening of the Anti-monopoly Act; construction of reasonably-priced public housing; protection of the Constitution; prohibition of corporate groups donations to politicians; increased deregulation for the benefit of the consumers; and a call for increased access to information.

At Session No. 2, titled, "For the Creation of Sustainable Lifestyles", participants reported on wide-ranging and imminent issues closely related to our everyday lives. Among the topics discussed were waste and recycling, nuclear power generation and nuclear waste disposal, and large scale development projects which cause environmental destruction. Audience interest focussed on a report on EM bacteria, a useful micro-organism.

Those who took part in the "Self-sufficiency in Food and Safety" session exchanged views on ways to maintain the safety of our foods and protect Japan's agriculture amid the rapid changes now occurring with the emergency import of rice following last summer's disastrous harvest and the government's decision to partially liberalize rice imports.

At the session on "Medical Treatment," meanwhile, participants agreed that since patients - consumers - are liable to take on a passive role, it was necessary to establish a patients' rights and call on related institutions to establish a treatment setup supporting consumers' rights and welfare.

On the following day, resolutions adopted at each session were taken up at the plenary session, held in a separate venue, and adopted as convention resolutions. Currently, the opposition to consumption tax hike, a call for self-sufficiency in food production and the establishment of safe and sustainable agriculture were adopted as special resolutions. A proposal was submitted to the relevant ministries.

This was followed by a rally to demand an early enactment of the PL Act for the benefit of consumers. An appeal was made to introduce the legal concept of the "principle of presumption", which, currently the focus of much discussion, is considered vital in protecting consumers from being asked to submit exorbitant proofs of defects. It was also declared that the "development-risk defense," which exempts manufacturers from liability, will not be recognised.

MALAYSIA

National Seminar on Environment

In October 1994 the ICA with the cooperation of ANGKASA (National Coop. Organisations) will organise a National Seminar on Environment in Kuala Lumpur. The main objective of the seminar is to create an awareness among coop. members, leaders and coop. organisations/institutions on the environmental issue and problems and to prepare strategic plans for coop. organisations towards solving the environmental problems and to the protection of environment. It is expected that between 200-250 leaders will attend the seminar.

MYAMMAR

National Seminar on Consumer Coops.

The Central Cooperative Society (CCS) of Myanmar and the Ministry of Cooperatives, Govt. of Myanmar with the cooperation of ICA and JCCU will be organising a National Seminar on Consumer Cooperatives in Yangon in November 1994. The main objective of the Seminar is to review the situation of consumer cooperative movements



A Japanese expert, Mr. H. Amano visiting a Consumer Coop. store in Yangon, Myanmar

in the country and find ways and means of improving and developing them. It is expected that 42 consumer leaders and personnel and government officials will attend the seminar.

SINGAPORE

NTUC Fairprice Coop. opens Supermarkets Abroad

Singapore's leading supermarket retailer, FairPrice Cooperative plans to set up to 25 supermarkets in Malaysia within the next five years.

Through a joint venture with Malaysia's Hong Le Industries Berhad, FairPrice aims to establish a supermarket chain in Malaysia. In fact, its first overseas outlet in Kuala Lumpur, Malaysia, has already begun operation in January this year.

This move is in line with the Cooperative's vision to expand abroad. Apart from Malaysia, FairPrice is exploring business opportunities in Indonesia, China and Myanmar. Being a Cooperative, FairPrice has formed a subsidiary company, FairPrice International Pte Ltd to carry out its overseas venture projects.

NTUC FairPrice presently has a network of 45 branches in Singapore and records the highest sales turnover among local supermarket chain stores. With its experience and success in managing its local supermarket operations, FairPrice is geared up for its overseas expansion plans.

SRI LANKA

24th Meeting of Committee on Consumer Cooperation

The ICA Committee on Consumer Cooperation for Asia and the Pacific with the cooperation of National Coop. Council (NCC) of Sri Lanka and Sri Lanka Consumer Coop. Federation (COOPFED) is preparing to organise the 24th Meeting of Committee on Consumer Cooperation for Asia and the Pacific in Colombo on 25th July 1994.