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*REVIEW OF INTERNATIONAL CO-OPERATION*

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INTERNATIONAL CO-OPERATIVE ALLIANCE

## ANNUAL REPORT 1998-1999



**Review of International Co-operation**  
**Volume 92 No. 3 / 1999**

Editor: Mary Treacy

CONTENTS

<i>ICA President's Review of 1998-1999</i> .....	1
<i>Director-General's Report</i> .....	3
<i>ICA Board</i> .....	5
<b>ICA Secretariat Activity Reports</b>	
<i>Membership/Special Projects</i> .....	11
<i>Administration</i> .....	15
<i>Communications</i> .....	16
<i>ICA and the United Nations</i> .....	22
<i>Development</i> .....	24
<i>Regional offices</i> .....	27
<b>Reports of the Specialised Bodies</b>	
<i>Agriculture</i> .....	45
<i>Banking</i> .....	47
<i>Consumer</i> .....	50
<i>Fisheries</i> .....	53
<i>Health</i> .....	55
<i>Housing</i> .....	58
<i>Insurance</i> .....	60
<i>Tourism</i> .....	65
<i>Trade</i> .....	67
<i>Workers</i> .....	68
<i>Communications</i> .....	72
<i>HRD</i> .....	75
<i>Research</i> .....	78
<i>Women</i> .....	83
<i>Financial Statements Audit and Control Committee</i> .....	85



## ICA PRESIDENT'S REVIEW OF 1998-99



*Dear Co-operative Friends,*

*In this Annual Report you will read about the many activities which have been carried out during the last year by the ICA's Head Office, Regional Offices, and Specialised Bodies.*

*The members of the ICA Board, who were elected at the General Assembly in September 1997, have also been busy, both collectively and individually. Our major initiative during this period has been to launch a comprehensive Organisational Review of the ICA. We felt that, in a period when all co-operative organisations are facing a new and difficult operating environment, we should see if the ICA's structure and activities are adequate for these new challenges.*

*I very much appreciate the positive way in which ICA members, regions, and Specialised Bodies responded to our request for ideas and reactions. This enabled the Board to have a very detailed discussion of all the issues involved at our October 1998 meeting in Paris, and to finalise our conclusions and recommendations at our April 1999 meeting in Stockholm. The results of this review will be presented to the General Assembly in Quebec City later this year, and will form the basis for the ICA's new five-year strategic plan.*

*If I were to summarise the results of this extensive consultation process in one sentence, I would say that our members do not want to change the ICA structure, based on its combination of global, regional, and sectoral bodies, but that they want it to act in a more coordinated and effective way. This will require change in a number of areas, and the Board will be working very closely with the ICA management as these changes are implemented in the months ahead.*

*For my part, I have done my best to respond to the many invitations extended by ICA members. During this last year I have visited 33 countries, several more than once. I hope that my presence has been useful in delivering messages to government leaders and in opening doors to new opportunities which ICA and its members can pursue.*

*I have tried to share some of these experiences with you through the new President's Page on the ICA web site.*

*I have been struck, during my travels, by the similarity of the situation facing co-operatives everywhere. In spite of regional and sectoral differences, all co-operatives are facing new and serious competitive challenges. Most are responding actively to these challenges by strengthening their links with their members, introducing new services, rationalising their structures, and developing joint ventures and strategic alliances.*

*But we cannot ignore the fact that some of our members face grave problems. In some countries of Latin America, for example, the financial co-operatives have lost 40 per cent of their assets because of the economic crisis facing the region.*

*On the other side of the coin, we know that co-operatives have always developed and grown when there is a need for new kinds of economic and social services. I find it tremendously encouraging to see the hundreds of new co-operatives which have been established recently in countries around the world, as well as the growing collaboration in many areas between «new» and «old» co-operatives.*

*During our Congress and General Assembly in Quebec City, we can anticipate many positive developments. We will see at first-hand one of the world's great co-operative success stories, the Desjardins savings and credit movement. We will hear examples of «best practice» from many sectors and regions, and we will have an opportunity to explore possibilities for increased commercial collaboration during the three business forums.*

*At Quebec City we will also say good-bye to some co-operative friends. Bernard Wolimbwa of Uganda is stepping down as Vice-President for Africa, and Ousseynou Dieng of Senegal has been nominated by the region to succeed him. I am sorry to report that Belinda Portillo of Honduras has been unable to continue as a co-opted member of the Board due to changes within her own organisation following Hurricane Mitch. I will have an opportunity to say more about them, and other Board members, in Quebec City.*

*Finally, I wish to thank my co-operative colleagues in Brazil for their continued support to my work as ICA President. I am proud to represent such a strong co-operative movement which, in spite of the many economic problems presently facing the country, is responding vigorously to the new challenges and opportunities.*

*Roberto Rodrigues*

*May, 1999*

## DIRECTOR-GENERAL'S REPORT



*Dear Co-operative Colleagues,*

*When I look back on the activities of the last 12 months, which are described in detail in the following pages, I believe that ICA can report two major successes, one area of important improvement, and one growing problem.*

*The first success is the significant strengthening of the ICA's regional structure. The strategic decision made in 1992 to increase the policy-making as well as the operational responsibility of the regions is, in my view, being increasingly vindicated as each year goes by.*

*All four regions now have effective and representative governing structures, the Asia-Pacific region having made some further adjustments at last year's Regional Assembly. The Regional Assemblies themselves have become significant events in the regions, with all of last year's Assemblies combining discussion of the necessary statutory business with useful seminars and conferences. There are indications that the Regional Offices are increasingly involving their members in positive ways, with last year's experience in the European region being particularly noteworthy. The offices all have realistic work programmes, developed in close consultation with the members and, in most cases, also with ICA's development partners. There is also more coordination between regions, and between Head Office and the regions, than ever before, with all parts regarding themselves as part of an integrated structure.*

*The other area in which significant success can be reported is in ICA's international representation work. ICA, both directly and through its membership in COPAC, contributed to the Secretary-General's report on co-operatives that will be presented to this year's General Assembly. This report focusses on the crucial area of legislation, and includes draft guidelines aimed at creating a supportive environment for the development of co-operatives, which should be of considerable help to many co-operative movements in their dialogue with their own governments.*

*In March of this year the ILO's Governing Body decided that co-operatives would be one of the priority topics for the annual ILO Conference in the year 2001, which means that many ILO programmes in favour of co-operatives will be strengthened. Many of these activities will be carried out in collaboration with ICA. Also, as a result of a visit to FAO headquarters led by the ICA President, an ICA-FAO agreement for future collaboration has been prepared.*

*Two of the major international forums in which ICA is presently involved are the UN Commission on Sustainable Development and the follow-up to the Copenhagen Summit on Social Development. The informal strategic alliances which ICA has formed with the International Federation of Agricultural Producers and the International Confederation of Free Trade Unions means that our common message about the importance of people-based organisations is presented with greater force than in the past in the international forums where important policy decisions are taken.*

*The area in which we can identify important improvement concerns the stronger working relationship between ICA and the Specialised Bodies, and in particular the sectoral organisations. ICA now provides full or partial secretariat services to seven of the ten sectoral organisations, and to all four of the specialised committees. This in turn has resulted in improved collaboration in areas of mutual interest such as development, UN relations, meetings, and communications. As the Organisational Review has emphasised, further improvement in this area is one of the most necessary steps for strengthening the world-wide co-operative movement.*

*The subject of finances has, unfortunately, returned to the ICA's agenda as a problem area. After a decade of growth, ICA's subscription income dropped slightly last year as a direct result of the financial problems experienced by co-operatives in many countries. As problems continue in many movements, we can foresee an even larger decrease, in the order of 10 percent, for this year. Quick adjustments to the budget were needed in order to avoid a year-end deficit last year, and this year's budget has already been revised to take into account the declining income. The entry of several new members this year and last has compensated in part for this development, and there are good prospects for future growth in membership. Nevertheless, for both this year and next, ICA's budgeting will continue to be done on a conservative basis, and some changes in activities will inevitably be required in order to keep costs in line with anticipated income.*

*Finally, on behalf of the ICA staff at Head Office and in the Regional Offices, I would like to express our appreciation to ICA members for their active support and participation in ICA activities throughout the year.*

*Bruce Thordarson*

*May 1999*



**PRESIDENT**  
**Roberto Rodrigues**

Roberto Rodrigues was born in Brazil in 1942 and became Director of a sugar cane planters co-operative in 1971. In 1985 he was elected President of the Organization of the Brazilian Cooperativas (OCB) for two consecutive mandates (1985 to 1991). He founded and presided over the EXIMCOOP (1990-1993), a co-operative trading company. Elected Vice-President for the Americas in 1992, he was also Chair of the ICA's Agriculture Committee from 1992 to 1995.



**VICE-PRESIDENT - (EUROPE)**  
**Lars Hillbom**

born 17 February 1946, was elected ICA Vice-President for the European Region in 1995. Board member of several ICA specialised organisations, he is also Chairman for the ICA European Council. Mr. Hillbom has been Head of the Swedish Co-operative Union's International Relations Department since 1987.



**VICE-PRESIDENT - (AMERICAS)**  
**Miguel Cardozo, Uruguay**

Miguel Cardozo has been a leader of the co-operative movement of Uruguay since 1977. He was a founding member of the Savings and Credit Co-operative CACDU and President of COFAC (Federation of Savings and Credit Co-operatives) from 1984 to 1993. Mr. Cardozo was President of CUDECOOP (Confederation of the Co-operatives of Uruguay) from 1988 to 1996 and Honorary President of CUDECOOP since 1997. Member of the Executive Committee of ICBA and Chairman of the ICBA Regional Committee for the Americas, he is now also the Acting Vice-President of the ICA for the Americas.



**VICE-PRESIDENT - (ASIA & PACIFIC)**  
**Yang Deshou**

is Vice-President of the Supervisory Committee of the All China Federation of Supply and Marketing Co-operatives where he has worked in various capacities since 1950. He has been a member of the ICA Board since 1986 and served for the last two years as Chairman of the Executive Council of the Asia and Pacific Region.

## **VICE-PRESIDENT - (AFRICA)**

### ***Bernard Wolimbwa***

was born on February 2 , 1939 in the Mbale District of Uganda. Since his graduation in 1969 has been a teacher, a coffee farmer, co-operative leader and a politician. A Board member of the Uganda Co-operative Bank Ltd and Chair of the Uganda Co-operative Alliance Board (UCA), he is also Chairman of the Regional Council for the ICA Regional Office for East, Central and Southern Africa.



### ***Hon. Senator Rahaiah binti Baهران***

holds various positions as Vice-President, Chairperson and Director of Co-operative Organisations in Malaysia. She is a member of the ICA Board, Executive Member of the ICA Global Women's Committee & interim Chairperson of the ICA Regional Women's Committee for Asia & the Pacific. She attended consultations and conferences as a participant and resource person and presented papers on gender integration & development in various countries. She has also participated in the ICA General Assembly since 1992. She is a Member of Parliament, a member of the Senate and of various Councils in Malaysia.



### ***Claude Béland***

born in Montréal, Québec, in 1932, he has been President of the Mouvement des caisses Desjardins since 1987. He is also a member of the ICA Board and President of the International Co-operative Banking Association since 1995.



### ***Ousseynou Dieng***

was born on 16 February 1954 in Saint-Louis (Senegal). Received an MA in Co-operation from Sherbrooke University in Canada and subsequently acquired a solid experience in the management and administration of co-operatives. Mr. Dieng is Director of the National Union of Agricultural Coops in Senegal and Chairman of the Regional Council of ICA Regional Office for West Africa.







**Valentin F. Ermakov**

born in the Rostov Region of Russia in 1929. Mr. Ermakov graduated from the All-Union Institute of Soviet Trade in 1960. He has been President of Centrosoyus of the Russian Federation since 1982. Previously, Mr. Ermakov has held several positions in the consumer co-operative movement including as instructor-auditor, bookkeeper, and chairman of the board for both district and regional consumer co-operative organisations. He has participated in ICA General Assembly and is a member of the ICA European Council since 1995.



**Jens Heiser**

born 30 September 1938, is Chairman of the Executive Committee of Baugenossenschaft Dennerstrasse-Selbsthilfe eG and Member of the Executive Committee of Gesamtverband der Wohnungswirtschaft (GdW), the Federation of the German Housing Industry. He is also Chairman of the Labour Unions of the Hamburg Housing Industry.



**Hiroshi Kohno**

is Executive Director, JA Zenchu, Japan. He joined the Central Union of Agricultural Co-operatives in 1990 as Managing Director and is now Administrator of the International, Agricultural and Political Departments. Mr. Kohno began his career with the national federation of agricultural Co-operative Association (JA-ZENCHU) in 1958 after graduating from Kyusuy University in 1958 where he majored in agricultural economy.



**Stefania Marcone**

was born in Rome in 1959. She is currently Director of International Relations Office for Legacoop in Rome. She joined Legacoop in 1987 as liason officer with the ICA and other international co-operative organisations. From 1983 to 1987, she served as Officer of External Relations at the Italian National Bank, and from 1987 to 1992 she was President of "Women in Co-operative Societies" and was involved in organising congresses and related services. Ms. Marcone graduated from Rome University with a degree in Political Science.

## ICA BOARD

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### **David O. Miller**

is a Director of the Nationwide Insurance Company. He is on the boards of several other Nationwide affiliates and subsidiaries, including Farmland Insurance Company. A Director of the National Cooperative Business Association and Cooperative Business International, he has been a member the ICA Board since 1993. In 1998 he was elected Chairman of NCBA.



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### **Cyril Moravcik**

was born on 19 July 1940. After completing agricultural studies at the University of Brno he started working in Slovak agriculture as an economist and then became President of the agricultural co-operative (1985). Now he is the Vice-President of the Association of the Employers Unions and Associations of Slovak Republic. Since 1993 he has been a member of the Executive Committee of the Agricultural Organisation of the ICA and became a member of the ICA Board in 1997.



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### **Yehudah Paz**

was born in Brooklyn, New York, on 27 September 1931, and has lived in Israel since October 1950. For many years Director of the International Institute of the Histadrut, he is also Chairman of the ICA Global Committee on Human Resource Development.



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### **Etienne Pflimlin**

was born 16 October 1941. He has served as President of Crédit Mutuel Centre East Europe and of the Banque Fédérative du Crédit Mutuel (BFCM) since 1985 as well as President of Crédit Mutuel since 1987, Vice-President of Groupement National de la Coopération since 1991 and Vice-President of IRU (International Raiffeisen Union) since 1992. He is President of the European Regional Committee of the International Co-operative Banking Association (ICBA) and Vice-President of the European Association of Co-operative Banks.





***Ivan Prikryl***

was born on 31 January 1949. He graduated from the Law Faculty of Charles University in Prague. From 1979, he was in charge of legal matters of the co-operative housing society of Litomerice. In 1991 he was elected President of the Union of Czech and Moravian Housing Co-operatives. Mr. Prikryl is currently President of the Co-operative Association of the Czech Republic. He is also a member of the Executive Committee of ICA Housing Co-operatives.



***B.S. Vishwanathan***

was born in India in 1934 and has held a number of high offices in the co-operative movement at State and National levels. He became Vice-President of the Governing Council of the National Co-operative Union of India in 1974 and served as President from 1978 till 1981 and then from 1990 till the present. He is also First Chairman of the National Co-operative Bank of India. Mr. Vishwanathan is currently Vice-Chair of ICBA and CICOPA and also serves on the Board of the International Raiffeisen Union.



***Lloyd Wilkinson***

is Chief Executive and General Secretary, Co-operative Union Ltd., United Kingdom, a position he has held since being appointed in 1974, previously having served as the Union's Research Officer and Assistant General Secretary. Since 1974 he has been extensively involved with the Alliance on behalf of the UK Movement, having served on the Research Officers Group and the Consumer Committee. From 1983 - 1988 he was an elected member of the Executive Committee (now the Board) of the ICA. He is also an Executive Committee member of the ICCO and a Vice-Chairman of EUROCOOP.



***Churll-Hee Won***

was born in 1938 and is currently Adviser of the National Agricultural Cooperative Federation (NACF) of South Korea. Previously, he represented the national co-operative movement as Chairman of the National Cooperative Council of Korea (NCCK), which serves ten national level co-operatives representing 14 million members. Mr. Churll-Hee Won has been Vice President of the International Co-operative Agricultural Organisation (ICAO) since 1995, and is currently its President.

### ***Béatrice Padonou Pede***

was born on 30 August 1937 in Ouidah. After completing a teacher's degree in 1964, Ms. Padonou was elected as Secretary General of the Savings and Credit Co-operative of Ouidah in 1988. She was then elected to the Control Committee of the Regional Union of the Atlantic (URCLCAM) in 1988 and two years later became Chairperson of the Board of the Regional Union of the Atlantic Region. In 1993, Ms. Padonou was elected to the Board of the National Federation of Savings and Credit Co-operatives of Benin (FECECAM).



### ***The ICA 1999 Congress & General Assembly will be held in Quebec City – August 1999***



*The idea for the caisse populaire, launched in 1900 by Alphonse Desjardins from his home in Lévis, gave rise to a vast cooperative network of financial services in Québec, symbolized here by the towers rising from the Complexe Desjardins in Montreal.*



Mats Ahnlund

### **Member and Sectorial Services**

*Most of the activities undertaken by the ICA staff, both at Head Office and in the Regional Offices, are services directed to the ICA membership.*

*The role of the Member and Sectorial services department is to improve services, which might have fallen between the existing ICA departments, with the goal of "Providing good services to both Specialised Bodies and National Members so the ICA should be able to hold on to existing members and increase membership" (ICA Board 1996).*

*Before detailing the Members Services activities during 1998, we can say that the two goals were attained; members have, with very few exceptions, paid their dues in 1998 and we have recruited 25 new members, two being associate. During this period, thanks mainly to efforts by our Regional Offices.*

### **Direct Member Services**

#### **Improve ICA meetings**

*Work on the **1999 Congress and General Assembly** has been implemented with the Canadian host organisations, the Canadian Co-operative Association (CCA) and the Consul Canadian de la Coopération (CCC), and an agreement was reached concerning responsibilities and costs. The theme is "Adding Value to Co-operative membership". We will use more audiovisuals and for the first time the Congress will be divided into three Business Forums, each having its own theme:*

- I. *New Financial services in the Global Market*
- II. *New Challenges in the Food Sector*
- III. *Co-operative Services in the Face of Deregulation and Privatisation*

### ***Provide an annual global opportunity to meet***

*The Global Forum called “Doing co-operative business – Asian Experiences and Global Opportunities”, was held in conjunction with the Regional Assembly for Asia in 1998. All ICA members were invited and around 200 participant attended the forum.*

### ***Continuous re-evaluation of membership fees***

*In 1997 and 1998, members’ fees were scrutinised according to the subscription formula, in some cases leading to an increase for 1998. The complicated formula for the housing members of the ICA was still under revision in 1998.*

### ***Regional member services strategies including recruitment of new members***

*Regional Member Services strategies were presented at the beginning of 1998. As a result, a joint Head Office and Asian Regional Office members recruitment tour will be made in Australia during 1999 and a follow-up of the American recruitment tour of 1997 will be made by the ICA President in the summer of 1999.*

### ***Sectorial Services***

*The annual consultation with all Specialised Bodies was held in March 1998.*

*ICA is increasing its services to Specialised Organisations as a part of the overall Members Services Strategy. This includes the provision of full secretariats for IHCO, CICOPA, TICA and INTERCOOP and supporting secretariats for ICBA and ICAO. Decisions made during the year mean that the ICA will also take over the merged INTERCOOP/ICCO secretariats from mid 1999.*

### ***Non ICA members in the Specialised Organisations***

*At its General Assembly in 1997, ICA decided that the SBs having less than 50 % of their members as ICA members have to develop a policy and timetable as to how the non-ICA members could become members of the ICA. Discussions have been held with the four Specialised Organisations having less than 50% of their members in membership with ICA (Insurance, Housing, Fishery and Banking). Housing and Banking have so far asked for ICA assistance in developing such policies and work on this has already begun.*

### ***Agricultural Adviser***

*Thanks to a secondment from the National Agricultural Co-operative Federation (NACF), (Republic of Korea), and the ICA has had the services of Mr. Won-Sik Noh as an Agricultural Advisor at the Head Office in Geneva during 1998. Mr. Noh has also been a resource in general member’s services helping with membership fee follow-up and support at ICA meetings. Mr. Jo Si-Hyung replaced Dr. Noh in March 1999.*

### **Clustering – Sector services by ICA**

The ICA Board at its April 1999 meeting accepted the idea that sectorial services in the future should be done in “clusters”. The ICA SOs could be divided into three such clusters: Co-operatives dealing with food (Consumer, Agriculture and Fishery), Co-operatives dealing with financial services (Insurance, Banks and Credit unions) and service co-operatives (Health, Tourism, Energy and parts of Workers). The Service from ICA, which is to be “more sectorial”, without competing with the SOs, will be handled mainly through a cluster approach. The three Business Forums during the ICA Congress in Quebec City will be the first real test of the idea.

### **Environmental strategy**

During 1998 the unit investigated the interest among ICA membership to form a separate Working Group on Environment of issues and the possibility of an ICA Specialised Committee on Green Issues and Ethics. The interest shown from ICA members at a meeting in Paris in autumn 1998 gave reasons to re-evaluate the timing of such a strategy.

### **Change in membership**

Further to the Board meetings held in Paris (October 98) and Stockholm (April 99), the following co-operative organisations became members:

#### **Africa**

- Bénin, Union Départementale des Producteurs du Bourgou (UDP-BOURGOU),
- Burkina Faso, Union Régionale des Coopératives d'Épargne et de Crédit (URCBAM),
- Côte d'Ivoire, Société Coopérative Abgenville (SCAGBO),
- Côte d'Ivoire, Union des GVC Djiboua-Divo
- Ghana, Ghana Co-operative Council.

#### **Americas**

- Argentina, Federación de Cooperativas de Telecomunicaciones (FECOTEL),
- Argentina, Colegio de Graduados en Cooperativismo y Mutualismo (CGCyM),
- Bolivia, Cooperativa de Ahorro y Crédito “Jesus Nazareno” Ltda. (CJN),
- Colombia, Cooperativa Union Popular de Crédito (CUPOCREDITO),
- Colombia, Cooperativa Integral de Trabajo Medico Asociado (FEMEC),
- Colombia, Entidad Promotora de Salud, Organismo Cooperativa (SALUDCOOP),
- Colombia, Cooperativa Medica delle Valle y de Profesionales de Colombia (COOMEVA),
- Costa Rica, Consorcio Cooperativo Industrial de Palma R.L. (CIPA),
- Nicaragua, Union Nacional de Agricultores y Ganaderos (UNAG),
- Paraguay, Federación de Cooperativas de Produccion (FECOPROD),
- Puerto Rico, Cooperativa de Ahorro y Crédito de Arecibo (COOPACA),
- Uruguay, Federación Uruguaya de Cooperativas de Consumo (FUCC),
- USA, National Co-operative Bank (NCB),
- Venezuela, Fondo de Cooperación y Financiamiento de Empresas Asociativas (FONCOFIN).

## **Europe**

- Romania, Foundation for Rural Association (F.R.A),
- Spain, Confederación Española de Cooperativas de Trabajo Asociado (COCETA),
- Spain, Federación de Cooperativas Madrileña (FECOMA)

*And the two following African organisations became associate members:*

- Mauritania, Terre Vivante, ONG de Développement Holistique,
- Republic of Namibia, Co-operatives Advisory Board, Ministry of Agriculture, Water and Rural Development.

*However, as the full membership status is granted following the first subscription payment, only 13 out of 26 are presently full members or full associate members.*

*During the reporting period, two member organisations asked to be withdrawn from ICA membership, five members were expelled following non-payment of membership subscriptions for two or more consecutive years and 2 members ceased their activities.*

*Var Bank AS, Norway, is the new appellation of Samvirke Insurance Group.*

*There are presently 241 national members plus 4 international members in 94 countries*



## ADMINISTRATION



*Claes Thorselius*

*The following changes occurred within the Head Office during the last 12 month period:*

*Two long-serving staff members retired - Laurie Wilcox, Communications Officer, and Arsenio Invernizzi, who had been working both with Special Projects and ICA Europe.*

*The Communications Department has three new staff members: Amélia Monteiro Morgado, Fanja Rasolomanana, and Patricia Vaucher who is working on a part-time basis.*

*Martina Donahower, who served as Administrative Assistant in 1998, has moved to a similar position with ICA Europe. Luc Balourdet's secondment to ICA Europe from Crédit Mutuel has been continued. They, like Regional Director Gabriella Sozanski, share office space and facilities with the Head Office.*

*The support function of Special Projects was re-named "Sectoral/Member Services and Special Projects". Won-Sik Noh completed his secondment from the National Agricultural Co-operative Federation of Korea and was succeeded by Si-Hyung Jo.*

*Björn Genberg left Head Office in the second half of 1998 to become Senior Advisor to the Regional Office for East, Central and Southern Africa. Jan-Eirik Imbsen has assumed the new position of Head of Development.*

*The documentation service of Head Office was transferred from the Information and Communications unit to the Administration section at the beginning of 1999.*

*As of mid-1999, the total number of Head Office staff is 13, representing 11 different nationalities (7 from Europe, 2 from North America, one from Asia, and one from Africa)*



Mary Treacy

### **Communications Strategy**

*During the reporting period, the Department continued to implement the four-year strategy adopted by the ICA Board in 1997. The “Communications Policy and Procedures” was finalised, including an Internet Policy, and Departmental Guidelines drawn up to orient new members of staff.*

*The Communications Strategy contains different components, which are designed to be flexible and multi-usable. The ICA takes full advantage of new technologies, but maintains a balance between these and more traditional media, thus ensuring that less technically developed movements have equal access to information disseminated by ICA.*

*The second quarter of 1999 was a period of intense production, as the department had to deal with a backlog of 1998 publications, while at the same time producing more issues than usual for the first half of 1999 in order to satisfy the documentation needs of the ICA Centennial Congress. Within the same three-month period, documentation for the International Co-operative Day and audiovisuals for the two events were also produced, in addition to the on-going work of the department. By the end of July, 1999, the publications schedule should be completely up to date.*

### **Publications**

*During the reporting period, seven issues of the ICA News were published in three versions: English, French and Spanish. A special issue on the Kenyan Bombing Solidarity Fund was also published, in English only. English and French versions of the ICA News are published in Geneva, and Spanish versions in Buenos Aires. A special issue of the ICA News on Communications issues, partially financed by the ICACC, was also published during the period. It is a model that could be copied by other Specialised Bodies in the future.*

Five issues of the ICA Review (including the Annual Report) were published during the reporting period. The first issue for 1999 was produced in close collaboration with the Research Committee, with its Chairman, Roger Spear, acting as Guest Editor. The second issue for 1999 is a special issue on the host organisations, published for the ICA Centennial Congress. This issue also includes the Congress and General Assembly agendas, meeting documentation, and messages from the Prime Minister of Canada, Jean Chrétien, and the Prime Minister of Quebec, M. Lucien Bouchard

ICA Review is published in Geneva in English, and a Spanish version is published and distributed as a service to the ICA by Intercoop Editora, ICA member organisation in Argentina.

During this period, the ICA rules were also published, with the English, French, Spanish, German and Russian texts in one volume.

The Co-operative Day message on “Public Policy and Co-operative Legislation” was published in the official ICA languages. A press pack for the International Day of Co-operatives was also published and disseminated, in collaboration with COPAC, to coincide with the day.

## **Meetings**

The Communications Department participated in several meetings during the reporting period, including the ICA Regional Assemblies in Paris and Montevideo; meetings of the ICACC in Paris, Manchester, and Montevideo (including the organisation of a Seminar on Lobbying); ICA Research meetings in Paris and Cork (Ireland); Plunkett Editorial meetings in London; ICA Board in Paris; and the Specialised Bodies in Paris and Geneva. The Director of Communications also represented ICA at the Brainstorming Session for the Group 21 Project in Manchester in January 1999, and represented ICA Europe at a Scoops (school co-operative project) meeting in Malta, where she met with government representatives. The Co-operative Board of Malta, a government body, has offered to host a pan-European or international meeting on school co-ops in January 1999. Interested organisations should contact the ICA Secretariat.

## **Internet Projects**

The ICA Web environment is called the Co-operative Information Superhighway. It is accessed at the following URL: <http://www.coop.org> and has links to the ICA's institutional web site, the President's web site, the Virtual Community for Co-operators (an interactive site for the whole co-operative community), Co-operative Information Centre, a joint project with the University of Wisconsin Center for Co-operatives (UWCC), ICA Research Site (including the Co-operative Research Register, a joint project with the Society of Co-operative Studies UK) ICA Guest Sites Page (with links to the different sites hosted by the ICA) Co-ops 4 Kids, and a new site called Newspaper (with links to the Interactive Newspaper and other ICA publications on-line). Coming soon on the Co-operative Information Superhighway will be links to ICA database information on line and a new trade site for co-operatives to post demands and offers for imports/exports.

*The ICA was able to use the new communications technology at its disposal to the advantage of members in Kenya. This enabled the organisation to respond rapidly to the news of the disaster.*

*Only minutes after the bomb ripped through the UFUNDI co-operative, raising it to the ground and badly damaging the co-op bank next door, leaving in its wake a trail of dead and badly injured co-operators, ICA was alerted to the disaster by a member in the United Kingdom, part of the co-op movement's network of communicators. This information was quickly confirmed using the CNN web site, and an e-mail immediately went out on the coopbus listserver, alerting co-operators worldwide and stimulating a series of organisations to offer help. Within hours of the disaster, the ICA President had been informed and a Disaster Fund set up. A press release went up on the site also within hours of the blast, and new information was added to the web site and circulated on the listserver as it came available. Work immediately began creating a web site to give information on the disaster, numbers of killed, needs of the organisations, and funds collected. The site was eventually turned into a publication.*

*The Department worked closely with the Communications Department of WOCCU and other co-operative organisations in order to co-ordinate efforts from the movement. It was able to arrange for the various ceremonies to be filmed by Kenyan Television, with the assistance of Susanne Wise, a freelance co-op journalist who has also been hired by the department to assist with other communications projects in the region.*

*ICA members, and other co-operative organisations in the Americas, donated CHF 165.202 (part of which has already been presented to the Kenyan organisations, and the British Government pledged up to a million pounds sterling. Co-operative organisations worldwide also made individual contributions directly to the Kenyan organisations affected by the blast.*

### **ICA Web Site (<http://ica.coop.org>)**

*The ICA web site is regularly updated. New sections added during the reporting period include a section called Newspaper (with links to the VCC interactive newspaper: ICA News Bulletins, ICA News, Review and press releases), and pages on the ICA Congress, which are updated as new information is provided, and include information on all Specialised Bodies' events.*

### **ICA/UWCC Co-operative Information Centre**

*Publications and other information are also sent to the Co-operative Information Center (formerly the ICA/UWCC gopher site) on a regular basis.*

### **Virtual Community for Co-operators**

*As the ICA does not have a special budget for internet development, the Communications Department initiated a programme designed to promote the President's proposal to develop a system improving communications within the Co-operative Movement, including a forum for the different ICA sectorial organisations and committees to dialogue. The programme aims to set up web sites for the ICA Specialised Bodies and, at the same time, further develop the Virtual Community for Co-operatives. The fund-raising campaign has been supported by the following organi-*

sations: ILO Co-operative Branch, ICBA, ICAO, ICA Housing, ICACC, HRD Committee and Global Women's Committee, Intercoop, and by an individual donation from Norway. So far, web sites have been set up for the ICA Agricultural Organisation and the ICA Banking Organisation. The sites for ICACC, ICA Housing and HRD are still being finalised. ICA has provided technical support to the programme, in addition to hosting the various sites. The ICA Communications Committee agreed to manage the funds and to cover the costs of a portable computer, purchased in 1998, to promote the VCC.

The VCC has been financed mainly from outside of the ICA budget, with personnel costs and training being ICA's contribution. The first phase of the VCC development was supported by donations from Apple Computers, the EOE Foundation, Saskatchewan Center for Co-operative Studies, IPROLINK, and Trademark.

The ILO contribution has been used to provide the VCC Spanish version, which will shortly be updated to include the latest developments of the site. These are sections where ICA member organisations and other co-operative organisations can input press releases, research papers or abstracts thereof, or include the URL (web address) of pages where the papers can be located, and an interactive newspaper where co-operators can contribute news items. Each of the web sites is designed and hosted by ICA (see Guest Sites <http://www.coop.org/hostedsites/>).

Existing sections of the VCC are People (where visitors can become members of the VCC at no cost, and add their details so that they can be contacted by other members), and Resources (where co-operators can add links to resources such as web sites, on-line materials, hard-copy publications or audio visuals, available from their respective organisations in the form of an e-mail, telephone number, mail contact or URL).

### **Co-op Database Development**

The Communications Department was responsible for a group comprised of members of the ICA Secretariat and ICA Europe, and worked with consultants during 1997 - 1998 to develop a database designed to fulfil the needs of ICA staff members, as well as providing mailing lists and statistics on ICA members and the wider movement. Information from the database was used to publish the ICA Europe Statistics book, which we hope to make available on the Internet later this year.

COPAC is providing support to further develop the database, and we hope to make it available on the Internet in searchable format (subject to available funding from the ICA budget).

### **Targeted TV Strategy**

A video news release (VNR) on the Co-operative Response to the Kenyan bombing was released to all main TV news agencies, to coincide with International Co-operative Day. It is hoped that this will attract additional donations to the Kenyan Bombing Disaster Fund.

We hope that the VNR for 1999 will be as successful as those produced in previous years, which were widely distributed to TV stations by major news agencies and had an estimated audience of 300 million in 1997 and 342 million in 1998

*A video on ICA activities during the past two years is being prepared for release at the ICA Congress.*

### **Trade Project**

*A project to develop a portal site and digital certification authority, called CoopKey, was proposed by the department to the Specialised Bodies meeting and the ICA President and Vice-President for Europe in February 1999, and received an enthusiastic response. A small group was set up at Secretariat level, and has studied the project and advised on the signing of a memorandum of understanding with the partner organisations.*

*While the necessary funding is being sought, the department continues to investigate available alternative projects and possibilities. In May, the Director of Communications had meetings with the head of the UNCTAD Trade Point project and its legal advisor and the two organisations have agreed to work together at the regional level. The Trade Point Project Co-ordinator, Peter Froehler, World Trade Point Co-ordinator, advised ICA to work with various different Trade Points. The Director of Communications is presently negotiating project proposals for global agreements with Trade Points in two different localities.*

*In the meantime, the first issue of a new newsletter on E-Commerce was published and distributed. This Bulletin was written by Byron Henderson, Leader of the Sub-Committee of the ICACC on Network Technology for Trade and Communications, and will be published on an ad hoc basis.*

### **Services to Member, Specialised Bodies, ICA Departments**

*The department provides documentation to ICA members for ICA General Assembly and Congress, and published reports from ICA meetings.*

*The department continued to provide services to members and specialised bodies, including the provision of information, news and photographs and the production of publications and Internet based materials.*

*The department provides a Secretary for the ICA Communications and ICA Research Committees.*

*The department is in the process of setting up simple web pages on ICA member organisations, and publishes information provided by ICA members in the ICA News and on the Co-operative Information Centre (Joint Project with the University of Wisconsin Center for Co-operatives).*

*In addition to the web pages on all the specialised bodies, the department has designed and hosts web sites for ICBA, ICAO, ICACC and other specialised bodies, as mentioned under Internet projects. The department also provided visiting cards to Chairmen and Secretaries of Specialised Bodies.*

*The department publishes information on the work of the regional offices and specialised bodies. The department also provides services to other ICA departments within the Secretariat.*

*In 1998 the department designed and published a leaflet for ICA Europe, provided editorial assistance for the ICA Europe statistical report and assistance in the production of graphics, set up a web site for ICA Europe, and trained ICA Europe staff in basic html so that they could update their own web site.*

## **Staffing**

*The Department increased from 3 people in 1997/98 to 3.5 people in 1998/99. Our Communications Officer, Laura Wilcox, returned to the office on a part-time basis in December 1998, after several months' absence for personal reasons, but decided to take early retirement from March 1999. Laura was a great asset to the department and we miss her expertise and good nature.*

*During her last months in the office, Laura drafted guidelines and assisted with initiating the following new staff members: Amelia M. Morgado, who joined the ICA staff in January 1999 and will be assisting with ICA publications and Communications projects, and Patricia Vaucher, who will be giving Secretarial Support to the department.*

*A further staff member, Fanja Rasolomanana, joined the Communications Department officially in January 1999 and will be responsible for assisting with the further development of the web environment, as well as updating the web site on a regular basis. Starting from the second half of 1999, Fanja will also be working with the ICA database. She will also act as Secretary to the Research Committee.*

*Alina Pawlowska continues to take care of the Co-operative Information Centre, Library and Archives, which now comes under administration. The Centre responds to requests for information, ICA publications and promotional materials, and offers assistance to ICA members, researchers and students.*

*Purushothaman Nair, from the Regional Office for Asia and the Pacific, has also been assisting the Head Office on a part-time basis, preparing information for the International Co-operative Information Centre (formerly the ICA/UWCC Co-operative Gopher) and, more recently, has been assisting with typesetting of ICA Publications. We also were lucky to have the assistance of two interns in the summer of 1998 to work on various internet based projects.*

## **Future Development**

*The department will continue to keep ahead of new trends in communications technology and methods, and to reflect this advantage in its workplan and the development of its communications strategy. ICA publications will be revised for the new millennium, in order to respond to suggestions from ICA members and the organisational review. The ICA web environment will continue to be developed, and the organisation is to consider setting up an Intranet in order to promote communications. The ICA database will be further developed if funding can be found, and the Department will continue to develop trade technology adapted to co-operatives, with imminent plans to set up a trade site where co-operatives can input and access import/export offers.*



*MariaElena Chavez-P*

### ***ICA and the United Nations (UN) - 1998 Activities***

*Work continued to ensure that information on co-operatives, their contributions and importance to major issues was transmitted to the UN system. In order to accomplish this, representation and document submissions were made to the UN bodies and meetings. Excellent collaboration continued with a number of UN agencies including the Food Agriculture Organization FAO, International Labour Office ILO, the UN Centre for Human Settlements (Habitat), the United Nations and its commissions especially the UN European Commission for Europe. Contacts were renewed with the United Nations Research Institute for Social Development UNRISD, the United Nations Conference on Trade and Development UNCTAD and the World Bank. ICA was invited to participate in an international task force on Commodity Price Risk Management in Developing Countries. The ICA also increased its monitoring of the work of UN agencies with regard to trade issues participating in the NGO meeting organized by World Trade Organization WTO as well as meetings of UNCTAD. Finally, new contacts were taken with the United Nations Volunteers UNV.*

*Follow-up to the COPAC initiative on UN Guidelines aimed at creating a supportive environment for the development of co-operatives continued to be a major area of work (follow-up to the UN General Assembly resolution 51/58). Work was also undertaken to assist the Communications Department in preparing a press pack for the 5th UN International Day of Co-operatives.*

*Services continue to be provided to the ICA specialized bodies to assist them in bringing their expertise to UN agencies and making contacts with other non-governmental organizations working in their sectors. The ICA increased its participation in meetings of the FAO/WHO Codex Alimentarius, United Nations Industrial Organization UNIDO and*



*World Health Organization through the participation of representation designated by specialized organizations.*

*Information has been provided on an ad hoc basis to other specialized bodies including ICBA on micro-finance issues, ICMIF on insurance matters within UNCTAD, IHCO on areas of potential interest addressed by the World Health Organization WHO, IFCO on the FAO Committee on Fisheries, and ICA Housing on UN Habitat follow-up.*

*ICA continued its participation in NGO networks. It participated in the International Agri-Food Network IAFN providing input to both ICAO and ICCO. The Director of UN/NGO Relations was also invited to participate in the International Steering Committee for the preparation of the World Civil Society Conference WOCSOC where NGOs will propose changes and take action for new global governance partnerships and create a wider support base for a stronger United Nations. Participation in the work of the Conference of NGOs in Consultative Status (CONGO) and the Fédération des Institutions Internationales Etablies à Genève (FIIG) has also been ensured by the UN Section.*

*Another major area of work undertaken by the Director in 1998 was participation in the design of the ICA Databank. The Director of UN/NGO Relations and the Director of Communications acted as co-administrators of the Databank.*

*The Director of UN/NGO Relations is also responsible for IT administration at head office including coordinating interventions, contacts with IT service providers and providing basic assistance to staff.*

*Finally, the Director in her capacity as environmental focal point, provided input to discussion on the possible formation of a specialized committee to deal with green issues.*

*As gender focal point and Secretary of the ICA Global Women's Committee, she collected and disseminated information to ICA bodies and inputs were provided to ICA publications.*



*Jan-Eirik Imbsen*

### **Head Office**

#### **Structure**

*The development function at head office underwent a change at the end of the year, when development became part of the administrative function of head office.*

#### **Advisory Board**

*The Advisory Board held its third meeting in conjunction with the European Regional Assembly in Paris. Items on the agenda included The ICA Development Policy and its Implementation and Resource Mobilisation Strategies. The following day, the Advisory Board was given the opportunity to report to and discuss with the ICA Board.*

#### **Development Policy**

*The draft policy was amended according to the advice of the Advisory Board, and the ensuing draft, with its emphasis on a more focused development programme, was approved in principle by the ICA Board at its meeting in Japan. The final version was presented to the Board at its meeting in Paris on October 17.*

#### **Central Asia**

*A delegation from ICA ROAP and head office visited Kazakhstan and Kirghizistan last May. The purpose of the mission was to study the possibilities of establishing a regional support programme for the Central Asian region. The mission concluded that co-operatives in Kazakhstan and Kirghizistan have a role to play in the continued development of their countries' economies, provided they manage the adjustment to open market conditions. An ICA development programme could facilitate the process of change and adjustment of these movements.*

## **Europe**

*Having participated in ICA Europe's Development Workshop, which was held in conjunction with the European Regional Assembly in Paris, ICA Development was co-opted onto the ICA European Development Task Force, which was established as a result of the meeting. ICA Development also assisted in the formulation of a draft strategy on Central and Eastern Europe.*

### **Resource mobilisation and contacts with partners**

***Resource Mobilisation Study:** Resource mobilisation continues to be a priority. To this effect, a Resource Mobilisation Task Force was set up at head office. A study was also commissioned to map out funding possibilities and suggest how to approach them. Funding for the study came from Coop Network Scandinavia, and KOOPI contributed to the expertise of Ola Nord, who wrote about the European Union. Edgart Parnell was the other consultant. The first draft of the study was discussed at the meeting of the Advisory Board in Paris.*

***UK Department for International Development (DfID):** ICA Development was the international member of a steering group, drawn from co-operative organisations in the UK, which last year developed a policy framework proposal that advocates an increased emphasis on supporting co-operation through self-help organisations within international development policy. The document was submitted to the Secretary of State for International Development, Clare Short. One significant outcome of a meeting between the Minister and representatives of the British movement was that the Minister instructed DfID field staff to establish contact with all ICA Regional offices, with a view to drawing on their expertise and possibly seeing where collaboration could be considered. DfID has already been supporting our rural finance initiative in the ECSA region.*

***SCC, NORCOOP:** In our efforts to consolidate and expand collaboration with existing partners and pursue alliances with new ones, a meeting with the SCC and NORCOOP was held in Paris in order to discuss the possibilities for closer ICA/SCC/NORCOOP collaboration in the ECSA region. It was agreed that exchange of work plans and other information is vital, and that we will, when deemed useful, participate in one another's planning meetings.*

*SCC has reconfirmed its commitment to continue supporting the ICA and put emphasis on programmes which benefit both organisations. The SCC contribution to ICA development programmes will be gradually reduced, but both parties intend to maintain a close project-based collaboration in East, Central and Southern Africa and the Americas after the discontinuation of the block funding.*

*NORCOOP has been the main partner and funding source of the Regional Office in West Africa ever since its inception in 1981, providing technical support (in the '80s), and funding for activities as well as for administration. This block funding will be discontinued when our agreement expires in the year 2000. A project-based collaboration is envisaged.*

*NORCOOP has indicated that it intends to give more priority to East Africa in future. A review planned for early 1999 will provide guidelines for ROWA's work after the year*

2000. We have also started discussing the modalities of a closer collaboration in the ECOSA region between NORCOOP and ROECSA.

**ILO, FAO, HABITAT:** Close collaboration with the ILO Co-op Branch continues to strengthen the service delivery to our members in the regions. As a result of the ICA president's visit to FAO, a memorandum of Understanding was signed. Following the signing of an MoU last year, plans are underway for a comprehensive, joint housing initiative with HABITAT in the ECOSA region.

**CICOPA:** ICA Development has sought to establish and facilitate contacts between CICOPA's development structures and ICA's regional offices, with a view to enhancing co-ordination between the development activities of CICOPA and the ICA. Various CICOPA structures have agreed that their regional interventions should be carried out in close co-operation with ICA's regional offices. Several new projects are currently in the pipeline.

**COOP Network Scandinavia:** ICA Development has been asked to chair a steering committee for COOP Network Scandinavia/INTERCOOP's new project in the Caucasus.

### **Priorities ahead**

**Resource mobilisation and contacts with partners:** The final version of the study will be shared and discussed, both internally and with partners. We also need to establish an internal ICA strategy for resource mobilisation based on the study. We will prepare submissions for next year's collaboration with current partners, and explore possibilities for collaboration with new ones. One potential partner is the NCBA. A meeting with the NCBA President and CEO in Montevideo has resulted in further contacts. They have expressed a keen interest in becoming more involved with the ICA, and discussions will continue both at central and regional levels.

**Brochure:** A new information brochure on ICA Development will be published in 1999. The brochure will be an important tool in our resource mobilisation efforts.

**POBA and FOPROPE:** With the retirement of A. Invernizzi at the end of the year, the project offices in Buenos Aires and Bolivia will now be supported by ICA Development.

**Europe:** ICA Development helped to organise the first meeting of the European Development Task Force in Geneva in April, and will continue to collaborate with ICA Europe.

**Advisory Board:** The next meeting of the Advisory Board will take place in Germany after the Quebec Conference. An agenda for the meeting is currently being prepared.

## REGIONAL OFFICES



Juan Diego Pacheco

### **Regional Office for the Americas**

*During 1998, ROAM continued with the implementation of activities in the areas of Co-operative Identity, the Development of Human Resources, and Business and Co-operative Trade, which are included in the Strategic Plan approved for the region in 1996. For the 1999 Program, based on the agreements reached by the Assembly, the following key areas will be emphasized: Integration, Capital Formation, Legal Frameworks and Leadership.*

*In November 1998, the Third Regional Assembly was held in Montevideo, Uruguay, with the participation of 95 delegates from 51 of the 74 member organizations of ICA-Americas. Reports from the President and the Regional Director were presented, as well as reports from leaders of sectoral business networks. Presentations from the World President, the Director General and the Deputy Director General conveyed global concerns from ICA. The Assembly approved and endorsed the appointment of Miguel Cardoso as Vice-President of the Americas, and approved the proposal to focus the activities of ICA-Americas on the following areas: Integration, Capital Formation, Legal Frameworks and Leadership. The joint programming mission of HO and ROAM adjusted the 1999 Working Plan accordingly. The next Assembly will take place in Rio de Janeiro in November 2000.*

*The Regional Conference on Commercial Blocs was held immediately after the Assembly, with the participation of more than 600 delegates from 27 countries. This activity is an important meeting point for members of ICA-Americas (more than 90% of participants are managers or members of the Administration Committee), as well as for representatives from 18 International Development agencies.*

*In the area of Co-operative Identity, an instrument on Social Output for the use of ICA-Americas' organizations to report on their performance, as well as the first multimedia presentation on co-operative identity, were developed. Both products are currently in use in the Continent. In 1999, in response to the crisis of the financial sector and to a request from members during consultation meetings, ROAM will focus its efforts on the defense, and promotion, of the co-operative identity. A far-reaching project with diverse products and actions at the national, subregional and continental levels has been prepared.*

*In the area of human resource development, in addition to the work carried out in the area of gender, an important opportunity for working with young people arose in 1998. A Continental Committee of Young Co-operators carried out a series of actions during that year; and its representative takes part in the Committee and reports to the Assembly. In 1998, a Continental Youth Forum was organized in coordination with UNDP, with the participation of 250 young people from 15 countries, to discuss Employment, Education and Opportunities for Participation. Work in gender and university networks will be continued.*

*Co-operative business networks have been in operation, supported and promoted by ROAM. The networks are not just formal structures, but are essentially contact networks for the exchange of experiences and information. Emphasis should be placed on the work carried out in the areas of Banking, Consumers, Coffee (Agriculture), Housing and Labor. For 1999, the activation of the forestry sector has been agreed upon.*

*Due to damage caused by Hurricane Mitch, ROAM made efforts to support members in presenting proposals for the consideration of international donors. In addition to hired consultants, both the President and the Regional Director visited the countries affected by the Hurricane. This work is being continued with the identification of projects and the coordination of actions with governments and agencies.*

*In 1998, collaboration with the following organizations was maintained: SCC, CCA, DID, ILO COOPNET, ILO COOPREFORM, IADB, UNDP, CWS-U.K, Coop Italia, Confederacion Madrilena de Cooperativas and HABITAT. For 1999, a strategy to identify, and develop relationships with, new donors will be implemented.*



*Robby Tulus*

### **Regional Office for Asia and the Pacific**

#### **Lessons from the Asia Crisis**

Throughout 1998, ICA ROAP continued to monitor the Asian economic crisis, especially the extent to which co-operatives are exposed to the severe repercussions it has on markets and communities. At first glance, co-operatives seemed to have suffered relatively little damage because of their strong equity status built over time. By the end of 1998, however, factors that distinguished the survivors and the doomed were becoming clearer. Co-operatives which were financially healthy and well-managed before the crisis showed greater resilience to withstand the crisis. These have much greater chances of thriving in the coming years. The problems of co-operatives that were formerly government-sponsored and state-controlled have been much harder to solve, even in the best of times. The ability to master technology was also a key success factor in the service co-operative sector.

#### **Increased services to members**

Lessons from the crisis led the ICA to believe that there is, indeed a real and perceived need for servicing co-operatives in the region more effectively and efficiently.

Planning therefore began to set up a Business Office of ICA ROAP in Singapore, with the official opening now scheduled for July 10, 1999, in conjunction with the holding of the ICA 5th Regional Consultation (i.e. a preparatory segment of the Fifth Asia Pacific Co-operative Ministers' Conference scheduled for Beijing). This office will enable ICA to

provide more tailor-made services to co-operatives in South-East Asia, Northern Asia, and the Pacific, without adversely affecting the main Regional Office, which will continue to be based in New Delhi. The establishment of this new office would not have been possible without the strong support of the Singapore National Co-operative Federation.

### **The Regional Assembly**

The **Third ICA Regional Assembly** for Asia and the Pacific, held in Seoul, Korea, on 28th and 29th October 1998, and hosted by the NACF, was another important event in 1998. Unlike previous Assemblies, it was highlighted by the inclusion of a Co-operative Forum with the theme “**The Role of Co-operatives in the Face of the Asian Economic Crisis**”. The Co-operative Forum was upbeat, as three keynote speakers raised viewpoints on the theme from different perspectives: the Chief Economist of the Asian Development Bank was followed by speakers from the UN-ESCAP, FAO and ILO. Also unique to this Third Assembly was the fact that no less than 17 other events/meetings were held prior to, and after, the Regional Assembly proper.

### **Other activities**

The ICA ROAP organised a **joint workshop on Co-operative Support Services** in collaboration with the ILO and the National Co-operative Union of India in New Delhi, on April 20-24, 1998. It was attended by more than 30 delegates from Co-operative movements and governments in Asia, including international organisations such as ILO, FAO, and the Afro-Asian Rural Reconstruction Organization (AARRO).

Initiated and sponsored by JA-Zenchu, ICA conducted a brief **survey on agricultural co-operatives** and farmers' organisations in selected developing countries in Asia to identify the status and trends of agricultural development vis-à-vis food safety in these countries. Under the same important initiative, ICA ROAP also provided the means and infrastructure for the Norinchukin Research Institute (NRI) to conduct a study on the agricultural sector in India.

With regard to **Gender and Development activities**, the 3rd Asian Conference of Women Farm Leaders' from Agricultural Co-operatives was conducted at IDACA in late August, with the active participation of ICA ROAP. A Pro-tem Regional Women's Committee Meeting was held in Kuala Lumpur, Malaysia, hosted and chaired by Senator Hjh. Rahaiah Baهران. This Committee discussed in detail the preparation for the Regional Women's Forum, to be held prior to the Regional Assembly of the Asia Pacific region in Seoul.

JCCU and ICA ROAP conducted a **Regional Workshop on “Joint Buying”** in Bangkok from 05 to 09 August. Joint Buying is a powerful tool for co-operatives in weathering the Asian economic crisis because of its cost-efficiency model and its adherence to the principle of Co-operation among co-operatives. The successful experiences of JCCU were highlighted, for potential emulation and adaptation in other Asian countries.



ICA ROAP staged an **International Seminar on “Value Based Professional Management”**, hosted by the National Co-operative Union of India, and co-sponsored by CCA and DID. This Global Seminar was held at the Vaikunth Mehta National Institute for Co-operative Management in Pune, India. It was attended by 28 participants from countries in Asia and the Pacific, Africa and Eastern Europe (Russia).

A study on **“Strengthening Partnerships between Co-operatives in Asia and Canada”** was conducted jointly by DID, CCA and ICA ROAP, with sponsorship from CIDA. The result of the study, along with recommendations emerging from the Round Table Meetings, was printed and presented by CCA and DID to CIDA for their response.

The annual training programmes for managers and women leaders of agricultural co-operatives in Asia, conducted in collaboration with ICADA, JA ZENCHU, AND MAFF of Japan, were again successfully completed.



*Ada Souleymane Kibora*

### **Regional Office For West Africa**

#### **General Situation**

*The situation of co-operatives in the region is marked by political and co-operative legislation adjustments, the drive of privatisation processes and by the adjustments of co-operatives to these new environments.*

#### **Co-operative Policies and Legislation**

*The overall situation in 1998 is as follows:*

*The new law was promulgated in Côte d'Ivoire in December 1997.*

*In Burkina Faso, a new policy and a new legislation have been drafted and submitted to the Government for review. Both documents were submitted to the Parliament in October 98, for consideration and adoption.*

*In Benin and Cape Verde, the new laws are in the process of going through parliament. In Ghana and Guinea Conakry, the process of studies, consultations and amendments are ongoing.*

*In Niger, consultations are being undertaken in order to develop a user guide for the new law.*

*In the other countries, adjustments are ongoing, with the exception of Liberia, Sierra Leona and Bissau Guinea, which are, or have recently been subject to, political and military unrest.*

*Since January 1st, 1998, 14 Francophone countries have adopted a common business law, which does not contain any reference to co-operatives. The impact of this new supra national law on co-operative legislation has yet to be established.*

### **Privatisation and Co-operative Adjustment**

*The coffee, cocoa, cotton and peanut sectors have been fully or partially privatised in Côte d'Ivoire, Benin, Ghana, Guinea and Senegal.*

*In Côte d'Ivoire, the National Union of Cotton Co-operatives participated unsuccessfully in an international bid for tenders for the privatisation of a cotton processing plant. Even though its objective was not attained, this was a good try and bears a symbolic value.*

*In the coffee and cocoa sectors, co-operatives in Côte d'Ivoire got together to establish several apex organisations or associations to export their members' produce. Some regional unions have established commercial alliances with private companies. The World Bank provided important financial support to co-operatives through the Government of Côte d'Ivoire. In general, such support is oriented toward co-operatives dealing with large-scale exports.*

*In Benin, agricultural co-operatives and farmers' organisations have established a national co-operative union to purchase inputs in bulk following the privatisation of this sector.*

*In Benin, Burkina Faso, Mali and Senegal, agricultural co-operatives have entered into partnership with farmers' organisations in order to establish strategic alliances for lobbying and protecting their interests.*

*These new organisations in Benin and in Senegal represent true strengths in the talks with governments and donors. In Benin and Côte d'Ivoire, farmers' and co-operative organisations have organised demonstrations to protest against some of the governments' decisions regarding the privatisation and price liberalisation.*

*In the Gambia and in Niger, the governments of these countries have dissolved both National agricultural co-operative Unions.*

*In conclusion, one can say that savings and credit co-operative continue to enjoy continued growth and prosperity thanks to their members' mobilisation and external support. Many co-operatives are taking adjustment and restructuring measures because they are well aware of the fact that their salvation will not come from outside, but from within.*

*Both Northern and Southern co-operatives must take advantage of the opportunities offered by the current privatisation processes in the sectors of processing and export, to establish alliances, partnerships, economic, marketing or financial joint ventures. For the time being, only private companies or multinationals benefit from current opportunities offered by privatisation in Africa.*

## **Rowa's Activities**

*In 1998, ROWA's main activities focussed on the creation of a favourable environment for co-operative development, poverty control programmes through primary co-operatives, the development of human resources and the development of new strategies.*

### **Improvement of the environment for co-operative development**

*In response to a request from the Burkina Faso authorities, ROWA provided technical and financial support for the analysis and definition of a new co-operative policy and legislation in Burkina Faso. The processes involved co-operators, NGOs and consultants and resulted in the drafting of a policy paper and a legal document which are more liberal and flexible.*

### **Poverty Control**

*Primary co-operatives and women's groups are carrying out poverty control programmes in The Gambia and Senegal. The main activities of this program are training, saving and credit, and income generating activities (handicrafts, small-scale animal rearing, local trading initiatives, etc). These programmes have a two-fold purpose: i) the integration of the Gender and Development (GED) approach into co-operatives and ii) the fight against poverty through the generation of women's income and their acquisition of knowledge (literacy) and know-how (technical training).*

### **Development of Human Resources**

*Since September 97, ROWA has been trying out a new approach within three member organisations: the co-operative unions of Djiboua, SCAGBO and UCAO in Côte d'Ivoire, which have set up training and sensitisation units for their members. ROWA supports activities carried out by these units, and has entrusted them with the following responsibilities: i) promoting good relationships among individual members; ii) strengthening members' loyalty to their co-operatives; iii) facilitating in-house training sessions which address endogenous needs and the constraints of their socio-economic environment; iv) improving the brand image of unions vis-à-vis members and the environment.*

*The programme covers thirty primary co-operatives and will run over three years (1997 – 1999). Besides this experimental program, ROWA has provided support for the training of:*

- sixteen staff members of INC (Cape Verde) and DOPAG (Côte d'Ivoire) in the areas of financial analysis and co-operative audit ;*
- fifty Board members of five rice co-operatives in Côte d'Ivoire.*

*ROWA has supported training activities in Benin for 1,860 members of FECECAM, and in Senegal, Burkina Faso and Côte d'Ivoire for forty trainers from UNCAS, UCOBAM, SCAGBO and UCAO.*

## **Development of Strategies**

### Inter-co-operative and Commercial Exchanges

*In November and December 1997, ROWA organised a regional study in five member organisations in Benin, Burkina Faso, Cape Verde and Côte d'Ivoire. The goal of this study was to collect and analyse data with the view to developing a mechanism and a strategy for inter-co-operative and commercial exchanges. The promotion of inter-co-operative and commercial exchanges has become essential as a result of the on-going process aiming at the suppression of customs barriers by 2001. From 25 to 29 January 1999, ROWA organised and held a regional bilingual seminar on inter-co-operative exchanges in Bassam (Côte d'Ivoire). Fifty participants from West, East and South Africa attended the seminar. The major outcome was a recommendation for the establishment of an African co-operative Commodity Exchange (ACCE).*

*The objectives of the said commodity exchange will be:*

- to identify actual outlets and suppliers for agricultural producers at all levels (national, regional and international);*
- to seize the new opportunities offered by global markets;*
- to reinforce technical capacities;*
- to mobilise funding, and facilitate access to funding and the use of modern financial tools for marketing;*
- to expand the food industry.*

*Its functions will be to provide:*

- an African commercial information system;*
- an African network for technical assistance; and*
- African financial assistance.*

### Gender and Co-operatives

*In March 1998, ROWA and the ILO organised a small regional workshop in order to develop a guide for the training of trainers in gender and co-operative issues. The guide has been tested and validated at the local level (Benin, Senegal and Burkina Faso) and will be made available to primary co-operatives as a sensitisation and training tool.*

### Setting up of Training Units

*From August 31 to September 3, 1998 ROWA and ILO jointly organised a regional workshop for experts and co-operators, in order to define strategies and mechanisms for the setting up and running of the unions' and federations' own training units.*

*Following this workshop, ICA and ILO will define a programme to support the emergence of a few units within our member organisations.*

## **Statutory Meetings, Planning Session and Rowa Review**

### Executive Committee

The ROWA executive committee convened on August 18, 1998 in Lusaka, Zambia. Further to this meeting, 3 major resolutions have been taken:

- Each member of the Executive Committee has been invited to undertake lobbying activities in his country in order to recruit at least one new ICA member per year.
- The organisation and implementation, on an experimental basis, of a trading exchange programme between three co-operative organisations in Benin, Burkina Faso and Senegal.
- The setting up of a system to self finance ROWA Office through the deduction of a commission from the trading exchange programmes, and through the use of ROWA's staff as consultants in the conduct of studies and evaluations financed by donors for members co-operatives.

### Annual Planning Session

The ROWA annual planning session was held from August 24 to 28, 1998 in Ouagadougou. It was decided that a review of ROWA activities should be conducted in 1999 in order to define strategies and programmes to support the development of co-operatives after the year 2000.

## **ICA President's Visit to West Africa**

The President of the International Co-operative Alliance, Mr. Roberto Rodrigues, undertook an official visit to West Africa from November 10 to 15, 1998. The aim of the visit was to establish contacts, and have working sessions in Senegal and Benin. He met with co-operative movements and the highest political authorities of both countries, including President Mathieu Kérékou (Benin) and Prime Minister Mamadou Lamine Loum (Senegal).

## **Membership Development**

There are nine member co-operative organisations, including five agricultural co-operatives, one health co-operative, two credit and savings co-operatives, and one which is multidisciplinary. ROWA is presently in negotiation with four potential members in Ghana, Mali, Benin and Mauritania. The only constraint that prevents new memberships relates to the financial capacity of the applicants to pay the annual contributions and fund their participation in ICA statutory meetings at the international level.

The co-operative sector, which is financially strong enough to pay membership fees, is that of savings and credit. At this level, we have the feeling that their main development partners are not encouraging them to become ICA members. The fear might stem from the opening up to the outside world that ICA would entail.

## **Planned Activities**

*During 1999, ROWA's activities will focus on the consolidation of current programmes and the starting up of new activities.*

### **Consolidation of Current Programmes**

#### **Co-operative Legislation**

*Based on submitted requests and negotiations, ROWA will provide support to Burkina Faso and Côte d'Ivoire for the implementation of new co-operative legislation. This support will consist in the drafting of two user's guides and the implementation of two training sessions for trainers on the new co-operative laws.*

#### **Poverty Control**

*The on-going ROWA review will make it possible to identify consolidation activities in the field of training and income generating activities in Senegal and The Gambia.*

#### **Human Resources Development**

*Two activities have been scheduled for 1999. One is the strengthening of training and awareness-raising activities for the training units set up in three unions in Côte d'Ivoire. The other hand is, in collaboration with ILO/COOPNET, the elaboration and testing of a guide/manual for the establishment of human resource development units within co-operative unions and federations.*

#### **The African Co-operative Commodity Exchanges**

*Further to the January 1999 meeting, ROWA should undertake the following activities within the framework of the establishment of the Commodity Exchange:*

- Set up and run the secretariat of the follow-up committee;*
- Finalise and disseminate the report of the regional seminar;*
- Draft terms of reference of the feasibility studies for the establishment of the Commodity Exchange;*
- Seek partners and negotiate funds to finance the feasibility studies;*
- Co-ordinate the various feasibility studies;*
- Report the progress of the studies to member organisations;*
- Undertake lobbying and endeavour to obtain funding;*
- Present the outcome of the feasibility studies to potential shareholders;*
- Eventually call a constitutive General Assembly.*

#### **Gender and Co-operatives**

*The new regional gender package for the training of trainers on gender issues will be published and distributed in collaboration with COOPNET/ILO.*

## **New Activities**

### Co-operative Self Adjustment

ROWA and ILO/COOPNET agreed on a partnership to implement a support programme for co-operative self-adjustment to co-operative reconversion. This programme covers several activities, including needs assessment studies (diagnostics) and training sessions.

### Review of ROWA's Activities

An evaluation of ROWA's activities will take place from February 26, 1999 to March 23, 1999. It aims to appraise and assess the impact of ROWA development activities, draw lessons and collect and treat information that will enable the office to draw up a new programme for the period after the year 2000.

Professor Muenkner, of Marburg University, will conduct this evaluation mission Planning Session.

After the evaluation of ROWA's activities (February 26 to March 23, 1999), ROWA will draft a project proposal to be submitted to the Executive Committee for Consideration during a planning session that will be held in Ouagadougou from June 21 to 25, 1999.

### The Role of Co-operative Apex Organisations

ROWA and ILO/COOPREFORM programme agreed to organise a regional workshop on "The Role of Co-operative Apex Organisations in a changing environment". The workshop aims to:

- facilitate exchange of experiences on the impact of the disengagement of government from co-operatives;
- identify internal strategies and plans, and external support services to be implemented or provided to make up for the government disengagement;
- identify and analyse the strengths and weaknesses of Apex organisations;
- to develop a plan of action for strengthening and revitalising co-operative apex organisations in a changing environment.

### International Health Co-operative Organisation

Doctor Shoji Kato, Chairman of the International Health Co-operative Organisation, will visit Benin health co-operative movement from March 2 to 5, 1999.

Doctor Kato will be accompanied by Mats Ahnlund from ICA Head Office in Geneva and Ms Yoko Miyoshi, Secretary of the Health Co-operative Association of JCCU.

This mission aims to present Benin health co-operatives to Dr Kato, and to discuss the possibilities for collaboration between both movements.





Vincent Lubasi

### **Regional Office for East, Central and Southern Africa**

#### **Introduction**

*The main events during the first half of the year included the evaluation of the Regional Office development programme; field surveys in the region towards the formulation of a programme to support agricultural primary co-operatives; preparation of a draft proposal for a Gender and Organisation Development Programme at the Regional Office; a Planning and Consultation Meeting with the SCC and the ICA Head Office; a workshop on Participatory Methods for Co-operative Development; and the external audit of the 1997 Final Accounts. In addition, two workshops were organised, one on Information for the 21st Century and the other a Media Workshop for Journalists in Tanzania.*

*Implementation of most of the plans and ideas developed during the first half of the year started during the July - September quarter. A landmark activity of the period was the holding of the 3rd Regional Assembly for Africa in Lusaka, Zambia. Work on the planning process for ICA support to agricultural co-operatives moved beyond the study phase into report writing. At the same time, the study of Kenyan rural Savings and Credit Co-operative Societies was carried out. The long awaited agreement with the Kenyan Government was signed, thereby setting a framework for the presence and operations of ICA in Kenya.*

*The final steps to move the Regional Office from Moshi to Nairobi were taken between October and December. Formal notice of the intended action was given to the Tanzanian Government as well as the Kenyan Government.*

## **Bomb Blast in Kenya**

*A massive bomb went off in Nairobi on the August 7, 1998 and caused extensive loss of life and property. Co-operatives were particularly badly affected. The Ufundi Savings and Credit Co-operative Society Head Office, a seven-floor building, was reduced to rubble. Fifty employees of the society were killed. The adjacent twenty-two-floor Co-operative Bank House was severely damaged. Four employees of the bank were killed. The Regional Office provided information on the situation to the rest of the co-operative world. Co-operatives in the US and Canada contributed funds for the rebuilding effort. The ICA established its own Solidarity Fund, which has to date collected more than CHF 120,000.*

## **Planning of Support to Agricultural Co-operatives**

*Field visits were made to five countries in the region to gather case study material on primary agricultural co-operative societies. The field survey covered primary co-operative societies, co-operative unions, national co-operative organisations, government ministries, farmers' organisations, development agencies and NGOs. Kenya, Swaziland, Tanzania, Uganda and Zambia were visited. A Regional Workshop on Planning of Support to Agricultural Co-operatives was subsequently held.*

## **FAO-ICA Workshop**

*The FAO-ICA Workshop on Co-operative Capital Formation and Management Training in Eastern Africa, originally planned to take place on 1-7 November 1998, was rescheduled to 18 - 23 January 1999.*

## **Rural Finance Initiative**

*Preparatory work was carried out to get this initiative started. The initiative involved a study of rural Savings and Credit Co-operatives (SACCOs) in Kenya to establish the key features of the co-operative approach towards the provision of financial services in rural areas. A second objective was to assess the relevance of the Kenyan experience for the design of national strategies in Tanzania and Uganda. Other phases of the initiative, planned to come after the field surveys, include a sub-regional workshop, design of national strategies for Tanzania and Uganda, and the formulation of specific national projects / initiatives and of an ICA Regional Programme to support national strategies.*

## **Housing Sector**

*Taking advantage of the partnership agreement recently made with Habitat, discussions between the two organisations were held during the second part of 1998, in order to identify a common action plan for 1999. The need for more data on the co-operative housing sector, on which to base future promotional activities, was recognised by ICA and Habitat. A tentative programme to address this need was drawn up with the*

following main components: five country studies in Kenya, South Africa, Zambia, Zimbabwe and Uganda are to provide basic data on present status of co-operative and co-operative-like initiatives within housing and shelter. Based upon this data, a regional report will address the main issues and provide recommendations for improvements, addressing central governments, local governments, researchers and co-operative practitioners. The report will also include an outline for an ICA long-term support programme in the region.

### **Stakeholders Workshop for NCASA**

The Regional Office organised and held a workshop for stakeholders of the National Co-operative Association of South Africa. The workshop was held on September 28-30, 1998 and brought together NCASA board members and senior staff, senior staff of the Canadian Co-operative Association in South Africa and Ottawa, and the Registrar of Co-operatives. ILO COOPNET/COOPREFORM helped by co-facilitating. Five strategic and important potential partners of NCASA in policy research, SME development and finance took part. These organisations undertook to pursue closer partnerships with NCASA.

### **National Co-operative Workshops**

Similar meetings of stakeholders were organised in Rwanda in November 1998 and in Ethiopia in December 1998, in partnership with ILO COOPNET/COOPREFORM.

### **Third ICA Regional Assembly for Africa**

The 3rd meeting of the ICA Regional Assembly for Africa took place in Lusaka, Zambia on August 20, 1998. President Fredrick Chiluba of the Republic of Zambia officially opened the meeting.

The Regional Directors for the two ICA Africa Offices gave reports on progress since the Dakar meeting of 1996, and presented their future plans. Amendments were made to the Rules to enable the formation of two Executive Committees to replace the current Regional Councils. The new Executive Committees will have decision-making authority, in accordance with the powers vested in the Regional Assemblies, instead of merely advisory functions as before.

The meeting elected Ousseynou Dieng as its candidate for ICA Africa Vice President at the 1999 ICA General Assembly. Mr Dieng is currently a board member of the ICA. An invitation to hold the next meeting in Benin was accepted.

## REGIONAL OFFICES



Gabriella Sozánski

### **Regional Office for Europe**

#### **Regional Assembly**

*The major event of the year was the Regional Assembly for Europe, which was hosted by GNC in Paris on October 15-18, 1998. 240 delegates and observers as well as high-ranking officials of the French Government and Parliament attended the meeting. The main items on the agenda were the modification of the Rules and Standing Orders for the European Region and elections. Lars Hillbom was re-elected as chairman. The two new vice-chairpersons are Moira Lees and Marian Rybar. Together with ten other members they constitute the European Council. The Regional Assembly discussed and adopted a Plan of Action on Gender Equality. This has been prepared with the aim of facilitating the inclusion of a gender aspect in all European activities.*

*After the statutory business, a one-day seminar took place on the future of co-operation "Opportunities and Threats for European Co-operatives". The speakers represented various sectors: Graham Melmoth - consumers, Etienne Pflimlin -financial, Bent Claudi Lassen - agriculture, Margita Lukkarinen - new co-operatives and Pál Bartus - Central and Eastern Europe. In their presentations the speakers analysed the external and internal risks facing the co-operative movement and offered some responses. They all demonstrated that co-operative enterprise, far from being old-fashioned, brings up-to-date answers to the concerns of people today on the condition that co-operatives remain faithful to their founding principles.*

## **Project activities**

*As regards projects, focus in 1998 was laid on implementing the statistical survey. Replies to the questionnaire have been received from 95% of the members. An electronic database has been installed for processing the incoming information. A workshop, organised in Geneva for the national co-ordinators, helped to validate the statistics received, compare methods of data collection as well as identify the different classification of co-operatives regarding their relations to members (users/consumers; entrepreneurs; workers). The final report has been sent to DGXXIII of the European Commission, which co-financed the project.*

## **Strengthening Co-operatives in Central and Eastern Europe**

*The first European Development Workshop was held in October in collaboration with ICA Development, with the aim of better understanding the needs of co-operative movements in transition and facilitating ICA's catalytic role in co-ordinating assistance. The 30 participants identified five priority areas where assistance was most needed. These were:*

- 1. Management training*
- 2. Lack of capital*
- 3. Government co-operative policy and legislation*
- 4. Co-operative identity and image*
- 5. Marketing know-how*

*Based on the above core problems, ICA Europe decided to elaborate a development strategy. A task force was set up to facilitate this work.*

## **Improving the Image of Co-operatives**

*As from January 15, 1998, ICA as an international NGO has been granted consultative status with the Council of Europe (CoE). ICA has been participating mainly in the work of the NGO liaison committee of the CoE which has created special schemes of co-operation with Central and Eastern European countries to help them establish their democratic reforms and involve them in the CoE activities. Today 16 CEECs are members of CoE and some others are permanent invitees.*

*ICA Europe representatives met for the first time with the European Commissioner in charge of co-operatives as well as other high-ranking officials and members of the Commission and the European Parliament. These meetings provided ICA with the opportunity to explain the specific role it plays in co-ordinating the contribution of co-operatives to the social and economic development with particular attention to the questions of the enlargement process and employment. The visit laid the ground for future lobbying in the interest of co-operatives. Pauline Green, leader of the Socialist Group of the European Parliament, also received the delegation. Further important meetings took place with the cabinets of the Commissioners responsible for employment and social affairs and for the enlargement of the European Union. Guy Crauser, Director-General of DG XXIII and his staff also met the ICA group.*

## **Meetings**

*The European Council met twice (Helsinki and Paris) while the European Presidium met five times during the reporting period.*

## **Sectoral collaboration**

*Attention has been paid to inter-sectoral and pan-European co-operation in order to avoid overlapping activities with other similar organisations. Close liaison continued with the Brussels sectoral associations, particularly with COGECA (agriculture), CECOP (workers), EUROCOOP (consumers), the Groupement (banking) and ACME (insurance).*

## **Information and communication**

*ICA Europe published a leaflet on its activities and set up a Website.*

## **Membership**

*At the end of 1998, ICA had 88 member organisations from 35 countries in Europe and one international member.*



*Churl-Hee Won*



*Shil-Kwan Lee*

### **Executive Committee**

- President:** *Won Churl-hee (Korea)*
- Vice Presidents:** *Dijandir Dalpasquale (Brazil); Mohamed Idris (Egypt)*
- Secretary:** *Lee Shil-kwan (Korea)*
- Associate Secretary:** *Noh Won-sik (Korea)*

### **New Members**

*Membership has increased steadily during 1998. Four agricultural co-operative apex organisations and one international organisation were enlisted as new members, increasing the total to forty-eight members from thirty-seven countries. New members include the National Co-operative Council of Sri Lanka; CEBECO-Handelstraat (The Netherlands); National Association of Mongolian Agricultural Co-operators; Asia-Pacific Rural and Agricultural Credit Association (APRACA); Land Bank of the Philippines.*

### **Meetings**

*The Organisation co-sponsored the FDC international seminar on «Experiences and Perspectives for Agricultural co-operatives worldwide» during the period of June 8-10 at Kollekolle, Copenhagen. This international seminar was held as part of the celebration of the 100 years anniversary of the Federation of Danish Co-operatives (FDC) in collaboration with IFAP, COGECA and CEA.*

*The 1999 General Assembly of the Organisation will be held in Quebec, Canada, on August 29 in conjunction with the ICA Quebec Congress and General Assembly. The major focus of the meeting will be placed on updating the Rules of the Organisation, which were enacted in October 1985 and amended in October 1992.*

*In the meantime, the 1998 General Assembly was held on May 28 in Manila, the Philippines, in conjunction with the IFAP Congress for World Farmers. The meeting allocated adequate time for discussion about the ICAO's proposal on the IFAP position papers on trade, and seventeen delegates participated.*

### **ICAO on the Internet**

*ICAO has joined the connected world of Internet in which communication and publicity has become generalised for all kinds of NGOs and enterprises these days. Located in the ICA apex Website with its own address (HYPERLINK <http://www.coop.org/icaio>), the ICAO site contains members' information, activities and general information. This is one area of improvement, where the support and collaboration of members is welcomed.*

### **Other events**

*The Organisation is placing utmost importance on promoting and encouraging the agricultural co-operatives in the developing countries, and also on transitional economies as stated in its Rules. As well-trained and competitive staff is essential for their development, the organisation will host a training programme which will be open to them during the year, after consultation with members in the ICAO GA in Quebec.*





*Claude Béland*



*Ghislain Paradis*

### **Executive Committee**

**President:** *Claude Béland (Québec, Canada)*

**Secretary:** *Ghislain Paradis (Québec, Canada)*

**Vice-Presidents  
and Regional Chairmen:** *E. Pflimlin, France (Europe); E.K. Mureithi, Kenya (East  
Central and South Africa); M. Cardozo, Uruguay (Latin  
America); J.A. Niño, Panama (The Americas); B.S. Vish-  
wanathan, India (Asia and the Pacific); M. El Haloui,  
Morocco (North Africa and Middle East); vacancy (West  
Africa -representative to be elected); vacancy (Com-  
monwealth of Independent States - organisation in  
progress)*

**Members:** *M.K. Pedelty (U.K.); C. Heller (Argentina); T.O. Olupitan  
(Nigeria); J. -C. Detilleux (France); E. Laskiewicz (Poland);  
C. Snyder (USA); S. Mahmud (Malaysia)*

**Associate:** *C. Baker (WOCCU, USA)*

*The International Co-operative Banking Association was set up by national co-operative  
banks and financial organisations:*

- *To exchange information;*
- *To promote co-operation among co-operative banks;*

- *To promote the development of new co-operative banks through advice and assistance;*
- *To research and study subjects of common interest, i.e. capital formation, co-operative values as applied to banking, etc.*

*Membership is open to all banks and central thrift and credit organisations through one of the eight Regional Committees, or by direct membership of the Central Executive Committee. At present there are 90 members from 43 countries.*

*The ICBA Central Executive Committee maintains close contact with the World Council of Credit Unions (USA), the European Association of Co-operative Banks (Brussels) and the International Raiffeisen Union (Bonn). The ICBA is a true global and democratically elected Specialised Organisation of the ICA, representing the views of co-operative financial institutions all over the world.*

### **Meetings and issues**

*A Central Executive Committee meeting of the ICBA, a Seminar, and a Plenary Session took place on October 18 and 19, 1998, in Paris, France. More than 50 participants attended the Seminar, on the theme "A Capital Co-operative Market: Utopia or Possible Reality?". On that occasion an official from Deloitte & Touche (Toronto, Canada) made a presentation entitled "Capital and Co-operative Banks". Representatives from the Netherlands, Argentina, Canada, the UK and France were invited to share their views on this topic. The presentations made on that occasion appear in the tenth edition of the ICBA Journal (available by contacting the ICBA secretariat). At this meeting, it was agreed to set up a small working group under the leadership of Crédit Mutuel combining the efforts of the ICA and the ICBA to participate in two microcredit and microfinance projects.*

*At the ICBA Seminar in October, 1998, Mr Daniel Côté was invited to present the directory PROFIL DES INSTITUTIONS BANCAIRES COOPERATIVES DANS LE MONDE, a study on the profile of financial co-operative institutions world-wide. Mr Côté announced that a translation of the directory into English and Spanish was being considered. This survey is carried out by the Ecole des Hautes Etudes Commerciales, Centre de Gestion des Coopératives, Montréal, Canada (available by contacting the ICBA secretariat or HEC).*

*At the ICBA Seminar, it was also suggested that a working group be set up with the mandate to produce a common discussion and framework document dealing with the various avenues for making capital available to co-operatives. The meeting was being held in Geneva in February 1999.*

*At the regional level, ICBA carried out activities in relation to issues facing co-operative banks. In Europe, the regional ICA committee, chaired by Mr Etienne Pflimlin, dealt mainly with two issues: the transition to the Euro, and equity capital (demutualization). In North America, the committee hosted by Mr Miguel Cardozo was interested by exchanges on best practices, regulatory framework and training. In Asia, the committee directed by Mr B.S. Vishwanathan devoted its energy mainly to strengthening the*

*Regional Co-operative Banking Association, which is now an integrated component of ICBA. In East, Central & South Africa, all the energy of Mr Erastus K. Mureithi was invested into the reconstruction effort after the bombing of the Kenyan Embassy, which devastated co-operative buildings. In North Africa and the Middle East, the committee, hosted by Mr El Haloui reflected on the capitalisation of the Banque Centrale Populaire du Maroc, while protecting its co-operative identity.*

**Other events:**

*Over the past 12 months, Mr Béland, as President of the ICBA, and Mr Paradis, as Secretary, attended various international conferences.*

*In October 1998, Mr Béland was invited to make a presentation, entitled “Financial Co-ops Going Abroad” at the ICA Global Forum, in Seoul, South Korea.*

*In December 1998, in Montevideo, Uruguay, the ICBA Secretary, Mr Ghislain Paradis, attended a Regional Conference of ICA – Americas, where he made a presentation entitled “EL MOVIMIENTO COOPERATIVO BANCARIO, Un Actor comprometido y poderoso para el desarrollo” (The Co-operative Banking Movement: Strongly Committed towards Development).*

*A Central Executive Committee meeting of the ICBA took place on April 11, 1999 in Vär Gård, Sweden. Another Central Executive Committee, along with a Plenary Session and a Seminar, are scheduled for August 28 and 29, 1999 in Québec City, Canada.*



*Giuseppe Fabretti*



*Mats Ahnlund*

### **Executive Committee**

**Chairman:** *Giuseppe Fabretti (Italy)*

**Vice-Chairman:** *Hisashi Tanaka (Italy)*

**Secretary:** *Mats Ahnlund (ICA)*

**Members:** *Silvester Adamca (Slovak Republic); Sigurd Bak (Germany); Petr Brozek (Czech Republic); Anne Buch Jorgensen (Denmark); Lars Hillbom (Sweden); Patrice Jolivet (France); Lloyd Wilkinson (United Kingdom); Zoltan Zs. Szoke (Hungary)*

### **Meetings**

*The following meetings were held in 1998:*

- *Executive Committee: April 2 (Rome)*
- *Seminar on Fair Trade: October 13 (Paris)*
- *Executive Committee: October 14 (Paris)*
- *Plenary Session: October 14 (Paris)*

### **1998 Activities**

- *Continuation of the project aimed at strengthening consumer co-operatives in Latin America.*

- *Continuation of the co-operative training and education project as the answer to and implementation of the 5th Principle of the ICA Co-operative Identity Declaration. This project should harmonise the diversity of experiments carried out to date in different countries, in different conditions, and with often disparate results.*
- *Seminar on Fair Trade in collaboration with Inter-coop (October 13 in Paris).*
- *Carrying out a project regarding "Electronic Shopping"; informing member organisations of issues and problems and proposing actions to be taken (demands on politicians, legislation); developing a Code of Conduct together with partners (to be adopted by member organisations and to be used as a demand towards suppliers and in other business contexts); informing member organisations about the further development of the EU Action Plan.*

### **1999 Meetings**

- *Executive Committee: February 18 (Manchester)*
- *Executive Committee: August 28 (Quebec City)*
- *Joint Meeting for ICCO and Intercoop Members: August 28 (Quebec City)*

### **Activity programme for 1999/2001**

*In October 1998, work on the merger between ICCO and Inter-coop was completed. It went into effect in August 1999. In view of this merger, the ICCO Executive Committee approved the following activity programme for the 1999/2001 three-year period:*

### **Annual Seminars:**

- *2000 - in conjunction with the ICA Global Forum in Rio de Janeiro and in collaboration with Brazilian consumer co-operatives.*
- *2001 - in conjunction with the General Assembly in Korea in collaboration with Korean consumer co-ops.*

### **Working Groups:**

- *The Food Laboratories*
- *Green Issues and Ethics*
- *Co-operative Training project*
- *Electronic Shopping project.*
- *Creating other groups, (e.g. for heads of finance in national co-operative bodies), will be investigated.*

### **Contacts with other organisations:**

- *Collaboration with other ICA members, mainly with the ICA Specialised Bodies for Agriculture (ICAO) and Fishery (ICFO);*
- *Collaboration with other governmental and non-governmental organisations, mainly the FAO and the UN.*

### **Support to the development of new consumer co-operatives:**

- *A three-year development and strengthening project for co-operatives in Latin America;*
- *A two-year project for management training which addresses consumer co-operatives in Georgia, Armenia and in the Caucasian regions of Russia.*



Shoji Uemura



Masaaki Sato

### **Executive Committee**

**Chairman:** Shoji Uemura (Japan)

**Secretary:** Masaaki Sato (Japan)

**Vice-Chairmen:** Jong Sik Park (Republic of Korea); Antal Csoma (Hungary);  
Prakash Malgave (India); Maurice Benoish (France)

**Honorary Chairmen:** Pierre Lacoure (France)

**Auditors:** Wibisono Wiyono (Indonesia); M.C. Merrill Perera (Sri Lanka)

**Executive Members:** Tuan Hj Shajabudin Shafie (Malaysia); Sawat Saengbangla  
(Thailand); Benedikt Sveinsson (Iceland)

### **Membership**

The International Co-operative Fisheries Organisation has 27 members from the following 23 countries: Japan, Republic of Korea, Philippines, Malaysia, Thailand, Indonesia, Bangladesh, India, Sri Lanka, Pakistan, Vietnam, Fiji, Ghana, Nigeria, Tanzania, France, Iceland, Hungary, Italy, Greece, Canada, Colombia, and Chile.

### **Activities in 1998**

The Executive Committee met on October 26, 1998 at the NFFC (National Federation of Fisheries Co-operatives) in Seoul, Republic of Korea. The plenary meeting of ICFO was held immediately after this.

ICFO held “the First Brazilian Meeting concerning the Development of a Fishery and Aquaculture Co-operative System” from January 11-14, 1999 using ODA funds contributed by the Japanese government. A total of eighty participants from every Brazilian State attended. There were nine lectures covering various aspects of fisheries and fisheries co-operatives including subjects such as: what we can learn from ICA’s 100 years of history, how POs (producer organisations) in France are trying to improve their business management, improvement of fish quality and marketing strategies, etc.

After the lectures, workshops were held on credit assistance for co-operatives, the administration and management of fishery and aquaculture co-operatives, and on fishery commercialisation within the co-operatives.

At the end of the meeting, a “willingness protocol” was signed by the parties concerned, in order to determine the possibilities for co-operation among the OCB (Organisation of Co-operatives of Brazil, the meeting’s host organisation), ICFO, ICA and the Brazilian government’s co-operative development programme. To this end, it was agreed that in the year 2000, ICFO would organise a similar meeting of Brazilian fishery and aquaculture co-operatives in the city of Fortaleza, Ceara State.

Other activities during 1998 included a membership campaign.

### **Current Meetings and Projects**

The Executive Committee and plenary meetings for 1999 will be held in Singapore, instead of Quebec as planned. For this purpose, the secretariat of ICFO is asking for co-operation from ICA’s member organisation in Singapore. These meetings are provisionally scheduled for Friday, October 29, 1999. They will be combined with the 24th meeting of the ICA Committee on Fisheries for Asia and the Pacific.

The “ODA Seminar” on fisheries co-operatives for HRD development, under the Japanese government assisted programme, will be held in two developing countries for 1999, the venues and dates of which are yet to be decided. The secretariat of ICFO is contacting member organisations about the possibilities for hosting the seminars. This will be completed between May and June, and the Memorandum of Understanding will be signed by the ICFO secretary and the representatives of prospective seminar host organisations, depending on the location of the ODA seminars.

As a follow-up to a Zengyoren seminar on fisheries co-operatives, held in Tokyo in March 1999, a booklet on “Pioneers of the Fishery Co-operative Movement in Asia” will be published in 1999.

### **Future Goals**

ICFO plans to increase its membership from the present twenty-seven to at least forty within the next five years. It also intends to expand those of its activities which involve working in collaboration with UN agencies such as the FAO.





Shoji Kato



Mats Ahnlund

### **Executive Committee**

**Chairman:** Shoji Kato, Japan, Chairman of JCCU Health Co-operative Association

**Vice-Chairmen:** Edmundo Castilho, Brazil, President of Unimed; Francisco Carreno, Spain, President of the Espriu Foundation

**Secretary:** Mats Ahnlund (ICA)

**Members:** Per-Olf Jonson, Sweden, Swedcoop; Ismael Roldan, Colombia, FEMEC; Vacancy for Asia and the Pacific region

*In 1998, IHCO developed its organisation, and began various new activities. IHCO was founded in Costa Rica in November 1996. The 2nd IHCO General Meeting was held in Geneva in September 1997, in conjunction with the ICA General Meeting. Its purpose was to develop and strengthen the Board, as the membership increased. The IHCO consists of 14 member organisations.*

*At the 5th IHCO Board Meeting held in Malaga in April 1998, a working group was formed in order to establish the regional structure. The group includes Mr Jonson, a Board member, and Mr Robby Tulus, Regional Director of ICAROAP. Since some IHCO member organisations are in a stage of transformation or do not yet meet the requirements for ICA membership, the working group is aiming to clarify the principles of the regional structure. If necessary, the group will discuss the revision of the Rules. Their proposal, after Board approval, will be submitted to the 3rd General Meeting.*

*Organisational development and increase of membership were also important topics at the regional meetings, e.g. at the 2nd Asia-Pacific Health Co-operative Organisation (APHCO) Board meeting held in New Delhi in January 1998. It was decided that APHCO would support pfect-Nepal, a Nepalese Non-Governmental Organisation currently undergoing a two-year transformation process in order to become a co-operative. At present, the Health Co-op Association (HCA) of the Japanese Consumers' Co-operative Union (JCCU) provides training programmes to a doctor and an administrative staff member from pfect, and has sent a Japanese consultant to Nepal. Since the Co-operative Society Law was established in Korea in 1998, it is anticipated that an organisation of Korean health co-operatives will become a member of ICA. In Sri Lanka, 14 health co-operatives formed a national level union at a seminar held in January 1999. In Kerala, India, the State Government formed a council in order to develop Co-op hospitals. Under these circumstances, there is a possibility that the council will become a member of IHCO, as will MMG and NATOCO in the Philippines. At the 3rd Board Meeting of APHCO, held in Kuala Lumpur in January 1999, it was decided that the 2nd General Meeting of APHCO would be held in October 1999.*

*At the 6th IHCO Board Meeting, held in Nagoya, Japan, in November 1998, the above-mentioned working group presented its interim report. After a long discussion, it was decided that the group would continue to examine the regional structure, and would discuss the revision of the high membership fee, which prevents many organisations from becoming members. It is hoped that the ICA will also review its membership fee.*

*IHCO was invited to a Seminar in Madrid, November 1998, with «Health Care Systems for the XXI century» as its main theme. The Seminar was sponsored by the Espriu Foundation ACISA. At the Seminar, Dr Kato, Chairman of IHCO, and Dr Moliterno, of Unimed in Brazil, reported on IHCO activities. It was reported that IHCO's European regional organisation is organised according to the principles, and that exchanges among the European members are active. It was, however, reported that the American region is in a very difficult situation because of the economic crisis in Brazil, and profitable private enterprises entering the medical care sector. One of the important challenges is to organise health co-operatives in the USA.*

*The most noteworthy IHCO activities underway are the joint projects with WHO and ILO. In particular, IHCO is now collaborating with the WHO's Ageing and Health sector, with projects concerning 1999, designated "The International Year of Older Persons" by the United Nations. In Japan, a "pre-event" was held in Nagano, in 1998, to promote the «Walk Event» proposed by WHO. The union of health co-operatives in Nagano prefecture played an active part in this and, as a result, the event was successful. In addition, the JCCU HCA established a national level NGO network to promote "The International Year of Older Persons". However, not all IHCO member organisations have done enough to celebrate this important year.*

*IHCO reported on its activities at the 4th WHO International Conference on Health Promotion, held in Jakarta in July 1998. In "The Jakarta Declaration", co-operatives were mentioned for the first time as a WHO partner for health promotion. IHCO has maintained close contact with the WHO. For example, Dr Nakajima, WHO*

*Secretary-General, attended the IHCO Regional Meeting in Brazil in May 1997, and Dr O'Byrne, Chief of the WHO Health Promotion Unit, delivered a lecture at the General Meeting of the JCCU HCA in June 1998.*

*The 1st meeting of the WHO/ILO/IHCO joint Nepal project steering committee was held in Geneva in September 1998. The project was established in response to WHO attempts to create model health promotion activities in a developing country, and since the JCCU HCA was already supporting phect in Nepal. In addition, the ILO's social security sector has joined the project to establish a health insurance system in Nepal. IHCO has already paid part of the expenses for the preliminary survey. It was decided that the budget plan and other details would be discussed at the 2nd meeting of the steering committee, to be held in March 1999. The progress of this joint project will be reported at the 5th WHO International Conference on Health Promotion, to be held in Mexico in June 2000.*

*At the next IHCO Board meeting, the health co-operatives' appeal for the organisation of activities for "International Health Day" (April 7) will be discussed. For example, the Board plans to carry out nation-wide medical check-ups (including e.g. the measurement of blood pressure or body fat) in public places, which was trialed in Japan last year, or PR activities.*

*The establishment of an IHCO African regional organisation is an important challenge, as is the development of the other regional organisations. IHCO will visit Benin of Africa in early 1999, and will encourage local health co-operatives to form IHCO Africa. To this end, the IHCO will collaborate with the ICA Regional Office in West Africa. Assistance from IHCO European regional organisation is also necessary.*



*Rolf Trodin*



*Ivar O. Hansen*

## **Executive Committee**

**Chairman:** *Rolf Trodin (Sweden)*

**Vice-Chairman:** *Jens Heiser (Germany)*

**Secretary:** *Ivar O. Hansen (Norway)*

**Members:** *Murat Karayalcin (Turkey); Alexandra Wilson (Canada); Bashir Ahmed Siddiqui (Pakistan); Herbert Ludl (Austria); Mohamed Tantawi (Egypt); Ivan Prikryl (Czech Rep); Vladimir Sekanina (Slovak Rep); Michael E. Doyle (USA); Jonson M. Musau (Kenya); Lois Coelho (Portugal); Jorge Sala Sanhueza (Chile); Bohdan Saar (Poland)*

## **Membership**

*ICA Housing comprises fifty members from thirty-nine countries, and has established four regions with the same geographic structure as the ICA regions. In 1998 we obtained one new member, Alterplan from the Philippines, and have had one withdrawal, the Associazione Nazionale Co-operative di Abitanti from Italy.*

## **Activities in 1998**

*In conjunction with our April board meeting in Cairo, a seminar was held with a presentation of the co-operative housing movement in Egypt. Our plenary meetings were held*

*in Paris in October, in conjunction with a seminar entitled "Social Services of Housing Co-operatives". In addition to this dazzling array of events, the Chairman, the Vice-Chairman, and the Secretary have met twice to prepare the meetings and seminars.*

*A package containing our most important documents was distributed in 1998. Included in these documents were our position paper entitled "Housing Co-operatives and the Co-operative Identity", our constitution and rules, address lists, the statement by the ICA to the Habitat II Conference, and other Habitat documents.*

*In our General Assembly in Paris we will present a book called "Organised Self-help to Solve Housing Problems of Low Income Groups". The book was written for us by Professor Münkner from Marburg University. In addition to the English version, it is now translated into Spanish.*

*A working group under the chairmanship of Claus Hachman produced a report on financing and grants for low income people in Africa which was presented at the Paris meeting.*

*ICA Housing has become a funding member of the Virtual Community for Co-operators (VCC) of ICA in 1998, and has contributed CHF 3.700 for that purpose.*

### **Meetings and projects in 1999**

*The Habitat II follow-up seminar for Asia was held in Manila, the Philippines, early February.*

*Our first board meeting will be held in Faro, Portugal, in April, and in the end of August we will have our board meeting, plenary meeting, and a seminar in Quebec in connection with the other ICA meetings.*

*Material is currently being gathered for a publication documenting the various member organisations of ICA Housing and the different ways in which they are working. Our aim is to present this publication at our plenary meeting in 1999.*

*The board will discuss the possibility of arranging a seminar in UK / Ireland in the autumn of 1999.*



Dimon R. McFerson



Hans Dahlberg

### **Executive Committee**

**Chairman:** Dimon R. McFerson (USA)

**Vice-Chairmen:** Siegfried Sellitsch (Austria); Koichiro Koeda (Japan)

**Members:** Alfredo Gonzales Moledo (Argentina); Terry Squire (Canada); Jurgen Forterer (Germany); Enea Mazzoli (Italy); Lakshmanan Meyyappan (Malaysia); Tan Kin Lian (Singapore); Tore Andersson (Sweden); David Hollas (UK); Jean L. Simmonnet (France)

**Ex Officio:** Hans Dahlberg, Chief Executive

*Despite the fact that 1998 was a year in-between conferences, the ICMIF programme of activities was kept at a high pace. In retrospect, we are satisfied with our accomplishments, especially as the participation of members increases steadily. The main reason for this support is the fact that ICMIF is member-driven. Committees, networks and research projects all deal with topics and business aspects which are of mutual concern to them. ICMIF provides a global platform for co-operative and mutual insurers which primarily operate in domestic markets - a platform where a useful combination of democratic influence and joint business interests exists.*

### **External relations**

*In addition to new partnerships for development with international agencies such as UNCTAD and ILO, we are working closely with the International Co-operative Alliance (ICA) taking advantage of its overall scale and weight to gain the attention of*

*governments and global bodies, and in negotiating business opportunities and better terms with suppliers.*

*We support and participate in the ICA's organisational review. It points to ICA's potential of generating synergies as a more closely knit network of specialised bodies (such as ICMIF) in a broad range of sectors, which can benefit the sectoral bodies as well as the ICA. In the case of ICMIF, the streamlining and rationalisation foreseen by the ICA leadership would be of advantage to members of both organisations - in particular those belonging to both.*

## **Development**

*Our regional association in Europe, ACME, has registered with the European Financial Expertise Network (EFEX), an EU programme which serves as a clearing house for projects of assistance to countries under ASEM (Asia-Europe Summit, held in London in April 1998): China, Indonesia, Malaysia, the Philippines, the Republic of Korea, Singapore, Thailand and Vietnam. As a result, ACME and ICMIF may be called upon to supply experts for specific assignments.*

*In Latvia, the trade union movement is working to start its own insurance company with the assistance of Co-op Network Scandinavia and Folksam.*

*In the Americas, Columna (Guatemala) now has a new building of its own, paid for in cash, and continues to be profitable. The country's other member, Postumo, is being included in the Americas Association's support programme. Futuro (El Salvador) is also profitable and growing. Facach (Honduras) is renewing efforts to obtain a licence, having enlisted the aid, through Seguros Múltiples, of Puerto Rico's insurance commissioner, who is proud of its co-operative insurance sector. In Nicaragua, the credit union movement would like to start a member benefit programme of loan insurance. The US AID mission in the country is positive to our regional association, responding to the request under its overall grant. Tajy (Paraguay), after a year of operations, is faced with the need to boost its capital by 20%. In February it received a technical assistance mission, jointly undertaken by our regional associations in the Americas, Europe and Folksam/SCC.*

*In Asia, a new project is planned using a reinsurance-based model for microfinance insurance. This joint ICMIF/UNCTAD pilot project in the Philippines involves three microfinance institutions and our member, CLIMBS, which has many years of experience with loan protection for small borrowers. The ICMIF-supported unification project, involving CLIMBS, CISP, TUCP and PFCCO, has so far failed to raise the required capital. An option being considered is to set up the planned joint venture under the sponsorship of CLIMBS/NATCCO, with ownership open to other entities for subsequent participation, financial condition permitting.*

*KAI (Indonesia) awaits news on a bailout package from the government, which has been studying its five-year strategic recovery plan. The company's accumulated deficit*

is some INR 60 billion which, even with the severely depreciated rupiah, amounts to USD 6.5 million. Meanwhile, NTUC Income is working with Dekopin, a central co-operative organisation in Indonesia, on the feasibility of a non-life programme.

In Africa, CIS Kenya's preliminary results for 1998 show a small profit, but this is subject to the validity of changes in claims and actuarial reserves, and outstanding premiums. The ICMIF assistance agreement ended on December 31, although the advisers continue to be available for informal consultation. ICMIF has given CIS Kenya's present and prospective shareholders one-year (that is, until December 31, 1999) to repurchase the All-nations-owned preference and common shares. After this deadline, ICMIF may exercise other options to dispose of the remaining shares, including selling them on the open market.

It is expected that the newly established Unique Insurance Company in Ghana will be licensed in May. Hiroshi Okamura will end his assignment in Accra April 30 and return to Zenrosai in May. The ICMIF project office in Accra closed November 15.

Our development function in Africa is completing a turn it started taking two years ago. A new management training initiative in May - based on our business simulation Morotania and involving financial collaboration with the SCC, CCA, ILO and UNCTAD - is expected to be the first step in a more focused approach to co-operative and micro-finance insurance development undertaken jointly by ICMIF and these partners.

### **Shared Intelligence**

Several projects are underway in each of our networks. Key findings will be published and presented at the Quebec Conference.

At its January 1999 meeting, the insurance intelligence network (IIN) reviewed progress in projects including:

**Member Directory** - The 1998 edition was completed and distributed in October. Both the re-usable notebook style and CD ROM versions are available. A work plan for the 1999 edition is ready.

**Pensions** - The second pension network meeting in September focused on product development, including actuarial considerations, marketing, and customer after sales service/support. In April, the group looked at opportunities in global markets, international players/strategies and product offerings of members.

**Marketing and distribution** - The agency best practices report has been completed, and the affinity marketing study begun. The group is updating the bank insurance report by including profiles of members' experiences with this channel.

**Internet/technology** - The network met in February to discuss consumers' views of the Internet, marketing approaches and integrating the Internet and call centre technology. It also looked at the Internet as a training tool, and technology applications in core insurance functions.



**Health care** - The network met in November to initiate a project on Long-Term Health Care, through the changing public and private programmes. Opportunities for co-operative insurers are being identified and explored. The next meeting, in May, will review the work in progress and identify any final material needed in order to complete the study.

**Investment Network** - The sixth annual workshop is to be held in Toronto in May, with speakers on asset liability management, crisis for banks (banks' financial vulnerability world-wide and how this affects global markets) and global trends in equity markets. The workshop will also have a session on the ICMIF Series of Mutual Funds, which enable participating members to cross-invest in one another.

**Customer loyalty** - This project is exploring how customer loyalty is measured, improved and rewarded.

**Assistance** - This network is looking at travel and other assistance programmes: how they provide value to customers, improve product competitiveness and how they can be developed and managed successfully.

**Latin American networks** - A framework for establishing networks in Latin America has been developed. These networks will be hosted by our members in Latin America and conducted in Spanish, in co-ordination with the ICMIF intelligence unit. The first topic is customer satisfaction, and La Equidad (Colombia) is hosting the meeting.

## **Membership**

Since October, there have been six new members, bringing the total to 111 in 64 countries. The new members are the Farmers' Mutual Reinsurance Plan (FMRP) (Canada), FNMF (France), Farmers' Mutual Group (New Zealand), TUW SKOK (Poland), Unique Insurance (Ghana) and NFU Mutual (UK). Among likely new applicants are Sunderland Marine (UK), and Tryggingarfelagig Foroyar (Faeroe Islands). Meetings with Mapfre (Spain), Huk Coburg (Germany), Rand Mutual (South Africa), Group Promutuel and SSQ Vie (Canada), Movir (Netherlands) and LF (Sweden) are being arranged in the next two months.

Membership discussions with NRMA (Australia) have been delayed because of demutualisation issues.

## **Reinsurance**

Although some new business was transacted between members in connection with the 1999 renewal season, reinsurance rates continue to be depressed, affecting the overall reinsurance premium volume exchanged between members. However, a number of new business opportunities are emerging, particularly from Asia.

*The last Meeting of Reinsurance Officials (MORO), held in Banff (Canada) in May 1998, attracted a record participation of 95 delegates and was widely regarded as being the best meeting ever. Preparations for the next MORO in 2000, hosted by Secura, Les AP and P&V in Brussels, are well advanced. One of our existing business simulations will be significantly upgraded to feature catastrophic reinsurance coverage.*

*Among added-value projects, the excess-of-loss rating model is being distributed to selected members for evaluation and eventual purchase. With a number of interesting new features, it should prove to be an invaluable tool for members in evaluating excess-of-loss rates.*

*We continue to provide training seminars. Funded and organised by the Americas Association, the insurance business simulation was run for managers and board chairmen of member organisations from Central America in Miami in December. A second workshop will be held for the same group of members in December 1999. We will also invite the insurance supervisory authorities from a few countries to this, so they might consider using our simulation to help develop their local industry and markets. The Americas Association and ICMIF are looking into developing a stand-alone version of this simulation model. A single user would be able to progress through the tool at his or her own pace, while seeing the effect of decisions and forecasts.*

*AACMS, our member organisation in Argentina, which is the national apex of 19 insurance companies, held a three-day training session in March using the simulation model. Further business simulations will run for members in 1999, including one in Columbus, Ohio. ICMIF has also been approached by non-members with the intention of outsourcing their training needs. A commercial price is applied for non-members.*

*On the reinsurance committee's recommendation, and the board's approval, an additional charge of 0.5% is now applied to all proportional business and 4.5% to all non-proportional business placed and serviced by ICMIF. This additional funding should ensure that the reinsurance service provided by ICMIF is maintained at its current high level, as we pursue our new business plan.*



*Maurizio Davolio*



*Mats Ahnlund*

### **Executive Committee**

**Chairman:** *Maurizio Davolio (Italy)*

**Secretaries:** *Mats Ahnlund (for internal reports and administration); Urbain Claeys (for external relations, BITS - Belgium)*

*At present TICA is undergoing a phase of restructuring. A membership drive has started and is giving promising results.*

*TICA meetings have been held in conjunction with the 1998 ICA Regional Assemblies in Europe (Paris), Asia (Seoul), and the Americas (Montevideo). The Chairman and Secretary attended the meetings and presented the TICA revival plans.*

*Many tourism co-operatives around the world expressed an interest in participating in a reformed TICA at these regional meetings. For this reason, TICA, with the support of LEGA, Italy, organised a seminar in Palermo at the beginning of 1999. Seven organisations participated, and 16 others sent their apologies, but expressed a wish to participate in the future work of TICA. The seminar produced a proposal for an activity plan containing five main areas:*

- *Exchange of experiences,*
- *Support for Business exchanges,*
- *Contacts with other organisations,*
- *Support for the development of new tourism co-ops,*
- *Strengthening of the internal structure - globally and regionally.*

*A vision for a revived TICA was also accepted:*

*“The reviewed ICA Sectorial Organisation for Tourism will have the objective of adhering to most of the larger national or regional (if a national body is not in existence) co-operative tourism organisations in the World.”*

*So far, for historical reasons, the main focus, with a few exceptions, has been on Europe. The recent development of tourism co-operatives in Latin America, some parts of Asia, and the Commonwealth of Independent States has enabled the geographical scope of TICA to be extended.*

*The new body should become a truly global sectorial organisation for tourism co-operatives, or tourism companies owned by co-operatives, and its activities are also relevant to the national and regional management of co-operative bodies.*

*TICA will focus on providing support for business, and facilitating transactions between its members. Its aim is to get a good balance of “sellers” and “buyers” in the TICA membership.*

*TICA operates in close co-operation with the Bureau International du Tourisme Social, in consideration of their common interests and values. A number of co-operative organisations are also members of BITS.*

*If the revival attempts are successful, this will be evident at the TICA General Assembly in Québec.*



## **Activities 1998**

### **The Working groups**

*The Food Laboratories Group had a meeting in England and the Working Group on Green Issues and Ethics was involved in the preparation of the INTERCOOP/ICCO seminar on fair trade, held October 1998 in Paris.*

### **The Caucasus project**

*At the INTERCOOP Members Meeting in September 1997, a decision was made to support the transition of consumer co-ops in the Caucasus region. Coop Network Scandinavia, in partnership with INTERCOOP, managed to get Swedish development aid and started the project at the beginning of 1999. An organisation of the consumer co-ops in Georgia, Armenia and Russia, called Consuminter and based in Moscow, has helped with the preparations. ICA Development is also a partner.*

### **Collaboration and merger with ICCO**

*The Board of the International Consumer Co-operative Organisation reached an agreement to collaborate activities in 1999. The goal is to merge - a proposal now endorsed both by INTERCOOP membership and the ICCO Board. The final decision on the merger will be in Quebec City.*

### **Secretariat**

*At an INTERCOOP Members Meeting on September 17, 1997, it was decided that the Secretariat in Copenhagen would close and that the ICA Secretariat would assume some of the duties. Ole Dueholm resigned as Secretary and was replaced by Mats Ahnlund.*

# INTERNATIONAL ORGANISATION OF INDUSTRIAL, ARTISANAL AND SERVICE PRODUCERS' CO-OPERATIVES (CICOPA)



*Marián Rybár*



*Jan-Eirik Imbsen*

## **Executive Committee**

**Chairman:** *Marián Rybár (Slovakia)*

**Vice-Chairmen:** *B.S. Vishvanathan (India - NCUI), Mohamed Sebaiy (Egypt),  
F. Scalvini (Italy - CECOP)*

**Members:** *Michel Gauthier (France), Yuzo Nagato (Japan), Dumitru Danga (Romania), Agus Sudono (Indonesia), Mrs Prasad (India), Vivian Wooded (UK), Alvarino (Uruguay), Kibora (Africa), Loubasi (East Africa), Daman Prakash (Asia)*

## **Membership**

*CICOPA has 72 member organisations from 52 countries. The membership is increased by co-op organisations from Asia (China, Mongolia) and from Europe (Portugal).*

## **Statutory Meetings**

*A plenary meeting is held every two years, usually to coincide with the ICA Board meeting, and two Executive meetings take place each year. In 1998 the EC held two meetings (one in May in Bucharest, and the other in October in Paris). The most important decisions arising from these sessions were to support the process of regionalisation, with the emphasis on Asia and Africa; to improve the information published about CICOPA (bulletin, update of Web page); and to study the possibilities for implementing development programmes.*

## **Future Meetings**

*The Executive Committee meeting will be held on September 2 in Quebec, followed by the General Assembly session on September 3, 1999.*

## **Regional Organisations**

*In November 1998, the first meeting of producers' co-operatives from the American region was held in Montevideo. At the constituent General Assembly of CICOPA-Americas, the regional committee CICOPA-Americas was established, headed by Walter Tesch from Sao Paulo. The General Assembly elected its bodies, approved its statutes, accepted the Declaration of Principles (Charta Montevideo) and agreed on its work plan. This regional committee will be approved by the General Assembly CICOPA-ICA.*

### **ASIA**

*Representatives of producer co-operatives met, within the Regional Assembly of ICA-Asia Pacific, in Seoul late October 1998. Mr Bruce Thordarson, ICA Director General, attended the meeting, along with Mr Marian Rybar, CICOPA President, B.S. Vishwanathan, ICA Board member and CICOPA Vice-president. Those present were able to familiarise themselves with the CICOPA structure and its development projects. They exchanged views on the activities of, and directions taken by, the committee in this region. The second part of the event included discussions with co-operators from Slovakia.*

### **AFRICA**

*A similar meeting is being planned for the chairmen and their respective co-operative societies, to be held during the ICA Regional Assembly in Africa.*

### **CICOPA DEVELOPMENT PROGRAMMES**

*CICOPA development programmes are implemented through consultants, and with assistance from ICA Regional Offices. They are co-financed by the European Commission.*

### **EUROPE**

*A project supported by ICOSI and Central Union of Bulgarian Co-operatives is in progress. Co-operation between French and Russian co-operators is developing steadily.*

### **AFRICA**

*Ivory Coast: The first programme started in 1992 and ended in February 1998. An application to extend the programme until the year 2001 was submitted to the European Commission, along with a request for co-funding. The important part of this programme is the guarantee fund, which will facilitate access to loans for those co-operative societies that are members of UCOPACI. Once the programme is finished, this fund remains the property of the Union.*

*Burkina Faso: It is expected that this programme, launched in 1995, will end in 2001. The development of partnerships with similar organisations, co-operative societies and Non Governmental Organisations is of primary importance to the future of the Federation of Co-operatives.*

*Senegal: A long preparatory period, which began in 1994, preceded the implementation of this programme in June 1997. The National Co-operation Union, through which the programmes have been realised, is already in existence in Dakar. Activities include education, training, and the establishment of guarantee fund. Among the benefits offered by the programme is a credit facility available through a private financial institution that offers more advantageous conditions than many other companies. The programme is developing at a slower pace than was originally expected. It was originally to have been finished by the end of 1999.*

## **AMERICA**

*The co-operative programme entitled "Strengthening of Trade and Producer Co-operation" continues in Costa Rica and El Salvador, and it is envisaged that it will be extended to include Honduras, Nicaragua and Guatemala at a later stage. The programme is mainly concerned with the improvement of production, commercialisation of products, and support for higher levels of participation by women in the management bodies of co-operative enterprises.*

## **ASIA**

### **Chinese programme**

*The first programme, the regional consultation centre in Shanghai, was founded to guide the activities of its co-operative societies. The state administration empowered it to fulfil all duties related to the conversion of state-run enterprises into co-operative societies. These activities are undertaken on a contract basis. The main achievements are evident in the socio-economic development: enlargement of the Ximeng co-operative network, which services co-operatives, increased levels of employment, and the on-going process of co-operativisation, especially of small and medium-sized state companies. In the first reporting period of 1998, the programme was 56% self-financed.*

*The second three-year programme hopes to extend activities beyond the Shanghai area to the whole country, and will focus on co-operation between European Union and Chinese co-operatives. It is planned that this will involve the establishment of 4 regional consultation co-operatives.*

### **Programme in India**

*The main feature of 1998 is the expansion of both Programme Units: the New Delhi Unit, which co-ordinates the programme in Rajasthan and Madhya Pradesh, and the Bangalore Unit, which co-ordinates the programme in Karnataka.*

*In 1998, the Rajasthan handloom weavers' co-operative, SAMFED, increased its turnover, number of co-operative societies and labour force.*



*In Madhya Pradesh, the cotton weavers' co-operatives have formed a consortium. In comparison to previous years, a 50% increase in turnover was noted.*

*In Karnataka, the co-operative societies are active in many fields, including silk weaving, printing and woodworking. In 1998, training courses including quality control, management, etc. were organised. These were subsidised by the State.*

### **Future Activities**

*The General Assembly of CICOPA will be held in September 1999 in Quebec.*

*The CICOPA bulletin will be issued in 3 languages.*

*To celebrate its 20th anniversary, CECOP, which is the European Committee of CICOPA, is preparing two publications for edition and is planning its first Congress for October 1999.*

*CICOPA'S fifth World Conference will be held in the year 2000.*

*Prior to the General Assembly, the CICOPA rules will be published in three languages.*

## ICA COMMUNICATIONS COMMITTEE (ICACC)



*Poul Dines*



*Mary Treacy*

### **Executive Committee**

**Chairman:** Poul Dines (Denmark)

**Vice-Chairman:** Iain Williamson (UK)

**Secretary:** Mary Treacy (ICA)

**Members:** Kamal Hamdy Aboul Kheir (Egypt); Tony Luscombe (UK); Zahid Qureshi (ICMIF); Denis Tzarevcan (France)

### **Membership**

*The committee comprises 39 members from 33 organisations and 17 countries, including 21 members of the Working Group on Network Technology for Trade and Communications. The Working Group was set up to receive information on developments in the area of trade and communications networks, advise in the creation of these networks, and inform on advances and support the integration of such networks into co-operatives.*

### **Meetings**

*The ICA Board met in Paris in October 1998, and again in Manchester in January 1999. The main subject of discussion was the ICACC input to the ongoing organisation*

review of the ICA, and the committee's views were conveyed to the ICA President on both occasions. The Committee's participation in the coming ICA Congress was also discussed. The Committee had been requested by ICA to produce a newsletter during the event, and agreed to do so, provided that adequate support was provided by the ICA and the host organisations. Iain Williamson was chosen by the ICACC Executive as Editor for the newsletter.

Prior to the Manchester meeting, Denis Tzarevcan, Iain Williamson, Zahid Qureshi and Mary Treacy participated in the Brainstorming on the proposal to set up a type of World Economic Forum for Co-operatives targeting top Co-operative Leaders. This was an initiative proposed to the Board in Paris in October 1998, by Denis Tzarevcan of the ICACC and Hans Dahlberg of ICMIF. Hans Dahlberg of ICMIF led the session, which was hosted by ICMIF. Kevin Vogt of ICMIF also participated in the brainstorming. A proposal (called «Group 21») drafted by the members of the Brainstorming session was presented by Hans Dahlberg to the ICA Board in Stockholm in April 1999.

In December 1998, the ICACC held a Seminar on Lobbying in Montevideo, Uruguay, with presentations in English and Spanish and simultaneous interpretation in the two languages. The keynote address was made by Zahid Qureshi, of ICMIF who outlined what lobbying is, its purpose and how to be good at it. He also described strategies and tactics, pinpointing the latest techniques lobbyists use - what has worked and what has not. Presentations were made by Paul Hazen, on a recent campaign by the credit union movement in the USA, which enabled them to win a legislative battle when the credit unions came under attack from the private banking sector; Hans Dahlberg, on international lobbying; Mary Treacy, on internet and TV strategies to mobilise the grass-roots; Mats Ahnlund, on Fundraising; and Juan Diego Pacheco, on Lobbying in the Americas region. The Seminar was intended to be one of a series to be held in the different ICA regions. However, the next such seminar will also be held in the Americas, as a peripheral meeting of the ICA Congress on 29 August 1999. Speakers will be Zahid Qureshi, Hans Dahlberg, Paul Hazen, Mary Treacy, Lloyd Wilkinson and Akiyoshi Yoshizawa. The meeting will be in English, with simultaneous interpretation being organised in French depending on advance registrations received.

### **Support to ICA Communications Programme**

As the ICA does not have a special budget for Internet projects, the Secretary had initiated a programme designed to promote the President's proposal to develop a system to improve communications within the Co-operative Movement and a forum for the different ICA sectorial organisations and committees to dialogue. The programme aims to set up web sites for the ICA Specialised Bodies, and further develop the Virtual Community for Co-operatives. The ICACC agreed to manage the funding for the second stage of development of the VCC, including different language versions, as well as design work on the ICA Guest Sites.

In 1998, besides the design of SB web sites, this money was mainly used to create a Spanish version of the VCC in time for the Regional Assembly in Uruguay (funded by

ILO) and to purchase a portable computer for the ICACC Secretary so that she could demonstrate the VCC and other projects at various meetings.

The Committee also agreed to partially fund a special issue of the ICA News on ICA Communications activities. This will be published in July and distributed both to the usual recipients and at the ICA Congress.

The Committee will also assist with the Communications Programme at the ICA Congress by publishing a newsletter on three consecutive days during the meeting. Iain Williamson will be the Editor of this publication, which will be published in English and French and distributed the following morning.

### **Working Group on Network Technology for Trade and Communications:**

The ICA's Working Group on Network Technology in Trade and Communications was formed two years ago in response to the rapid rise in global importance of the Internet. The group's purpose is to assess the development of network technology and its use by co-operative organisations for social and commercial ends. Members have assisted the ICA's Communications Directorate in the development of its new Virtual Co-operative Community web site, and with its creation of an ICA trade point on the Internet. The group has begun to spread knowledge of the potential of the Internet to co-operatives in conferences and meetings, as well as by the introduction, this year, of an ICA E-Commerce Bulletin. The Working Group's membership is open.



Yehudah Paz



Jan-Eirik Imbsen

## Executive Committee

**Chairperson:** Dr. Yehudah Paz (Israel)

**Vice-Chairpersons:** Prof. Ungku A. Aziz (Malaysia), Dr. Gabriele Ullrich (ILO), Prof. Dr. Mohamed Mahdy Asar (Egypt), Dr. Taketoshi Nojiri (Japan)

**Members:** Mr. B.D. Sharma (India), Mr. Vitaliy Teplov (Russia), Dr. Saleh Syafradji (Indonesia), Mrs. Esther Gicheru (Kenya), Dr. Hugo Andrade (Colombia)

**Secretary:** Mr. Jan-Eirik Imbsen (ICA)

## Collaboration

*Interaction with other specialised organisations has improved. We are collaborating with the Communications Committee on the issue of electronic networking, and we had a joint workshop with the Research Committee in Cork. Another joint activity with the Research Committee has been planned for Québec.*

## Activities in 1998

*The following are some of the activities undertaken by ICA Global HRD Committee during the period under review:*

*A workshop entitled Development/Training – Adding Value was organised as part of the Conference organised by the Research Committee in Cork in May, Royal Professor Aziz represented the Committee and chaired the workshop.*

*A global seminar entitled Value-based Professional Management in Co-operatives (VBPM) was held in Pune, India, in September. The seminar was organised with the kind support of the National Co-operative Union of India (NCUI), the Vaikunth Mehta National Institute of Co-operative Management in Pune, the ILO COOPNET programme, and the ICA Regional Office for Asia and the Pacific. The seminar defined a frame of reference for VBPM in terms of tasks for training institutions, etc. The theme of Value-based Professional Management in Co-operatives is also in line with ICA's development priorities as expressed in the Policy for Co-operative Development. The results of the seminar will be operationalised and made available to co-operative HRD institutions.*

*The Secretary was invited to address the meeting of the Americas Regional HRD Committee in Montevideo. The regional committee was informed about the planned HRD web site, and the HRD meetings in Quebec. The regional committee expressed strong willingness to support these activities and to participate at the global level.*

*A meeting of the Executive Committee was held in Seoul in conjunction with the Asia/Pacific Regional Assembly. One of the items on the agenda was the VCC web site and the implications of electronic networking for the role and function of the HRD Committee. An introduction was made of the new VCC web site (, and the plans for a separate web site for the Global HRD Committee. The uses and potential of such web sites were discussed. It was agreed that the committee will facilitate sustainable and demand-driven networking as one of its main purposes.*

*There were also reports from the regions.*

### **Planned activities**

*Work will continue on the HRD web site.*

*Centrosoyuz has offered to organise an international seminar in Russia. They will cover local costs. All other costs, including travel, will be borne by the participants. The theme of the seminar will be a follow up to the Pune seminar on value-based professional management. The number of participants will be around 30, and the duration of the seminar will be 10-12 days. A date has yet to be determined.*

*Quebec: The main event of the year will be the HRD statutory meeting and workshop, which will be held in conjunction with the ICA Congress in Quebec in August 1999.*

*There will be a combined Executive Committee and General Meeting to allow for the election of a new Executive Committee as called for in the Constitution. The agenda also includes a discussion on global HRD programme through electronic communication.*

*Furthermore, there will be a joint workshop of the ICA Global HRD Committee and Research Committee on August 29 on Building Co-operative Advantage through HRD and Research - the view from the other side.*

### **Mission**

*Co-operatives are a dynamic part of civil society in many countries of the world and at the same time successful enterprises in promoting the economic and social objectives of their members. For many decades they have successfully created co-operative advantages for their members, but like other social and economic organisations they have to adjust to the rapidly changing global and local environment of competition, deregulation, decentralisation and privatisation. Out of this “chaos” several questions arise: Can co-operatives maintain and even improve the co-operative advantage, or must they adopt conventional business practices in order to survive? What is the role of co-operative human resource development (HRD) and research in this process of change? Are they a luxury or a productive necessity for invigorating co-operative movements? How do they have to be designed in order to become a relevant element in building co-operative advantage? Does their outlook differ in the various sectors of co-operative activity?*

*Due to the close inter-relation between HRD and research, both committees would like to have a joint discussion on these issues, and also identify areas for future work with particular emphasis on the economic sectors in which co-operatives operate. By including the view of “the other side” in the different economic sectors, we would like to arrive at a more practical application of HRD outcomes and research findings. We would also hope to see more cross- fertilisation between the various co-operative sectors.*

*ICA Specialised Organisations and their global networks may also want to exchange ideas and best practice on how to make co-operative HRD and research relevant and productive in the processes of building co-operative advantage.*

## RESEARCH COMMITTEE



*Roger Spear*



*Fanja Rasolomanana*

### **Executive Committee**

**Chairman:** Roger Spear (UK)

**Vice-Chairman:** Yohanan Stryjan (Sweden), Lou Hammond-Ketilson (Canada), Akira Kurimoto (Japan)

**Secretary:** Fanja Rasolomanana (ICA)

*This has been another good year for the research committee! We have moved ahead with global activities and succeeded in promoting more regionally based organisation and activities. This has been most successful in the Asian Region where we now have a separate Asian Research Committee chaired by Akira Kurimoto, and this has resulted in plans for an Asian conference next year. We would like to see further regionalisation of this kind in future years.*

*The current committee has once again been very active and made important contributions to our international activities.*

*Although we organise activities largely through electronic communication, we meet at our conferences or other international meetings. This year there has been some re-organisation in Geneva, and we now have new research support from Fanja Rasolomanana. We would also like to thank Alina Pawlowska for her support over the years, as well as Mary Treacy (Director of Communications), to whom we are especially grateful.*



## Recent Activities

*The theme of our 1998 international research conference in Cork, Ireland, was of key importance in the modern co-operative world: Values and Adding Value in a Global Context. It was organised with the assistance of the Centre for Co-operative Studies at Cork University, which is very active both in co-op research and in courses. Cork is a lovely city and the venue was ideal: comfortable and functional. Our Irish hosts (Bob Briscoe, Michael Ward, Olive McCarthy, and vice chancellor/well-known co-op researcher Dennis Lucey) made us feel extremely welcome and we thank them and their support staff for an excellent time. Our two days of conference with about 60 participants from 20 different countries was stimulating and of high quality. This year, for the first time, featured a special workshop on Training and Development in conjunction with the HRD Committee of the ICA. We also had a visit to a Dairy co-op, to hear an Irish priest (who had obviously kissed the Blarney Stone several times) wax eloquent about the roots of the highly successful Irish credit union movement and its founder Norah Hurlahey, as well as the chance to enjoy some school children dancing to an Irish country band (downing a few pints of Irish nectar). The warmth of our welcome was enhanced by three days of sunshine!*

*In October 1998 we succeeded in organising a smaller international conference on Women, Entrepreneurship, and Co-ops to coincide with the ICA European meeting. This event was organised by a group of people led by Lou Hammond-Ketilson (our North American board member and vice-chair) and included Elisabet Mattsson (Swedcoop/Koopi), Alina Pawlowska, and myself. We tried to build on current networks (such as the Women's Committee) and previous initiatives (like the Mid-Sweden University's of three years ago), and to provide a bridge between managers, board members, researchers and development workers. We were pleased to have 35-40 participants (from many different countries), who provided a high calibre of papers and debates. Congratulations to all! We hope to continue this (recent) tradition of promoting research meetings and projects amongst international co-operative researchers and development personnel.*

*Each year we produce a RIC Special Issue on research - in 1999 it includes some of the best papers from our Cork conference. It is always difficult to make this selection reflect global activities, different sectors, and different issues, and this always means leaving some good papers out, but this year's Special Issue is well worth a wider readership and I trust you will find it worthwhile and stimulating. In addition, we have our website, and for the Quebec conference (August 28/29, 1999) we have agreed with CIRIEC that the Annals of Public and Co-operative Economics will carry some of the best papers of the conference in their journal.*

*The great improvements to the ICA web pages have been important in increasing our capability for communication and networking. About three quarters of participants (we now have listed over 150 researchers and 50 research institutions from 30 countries) were communicated with by email, web pages, and fax, obviating the need for conventional mailings.*

## **Meetings and Projects Underway**

*In August we will be joining the rest of the ICA for a conference in Quebec City, Canada. We hope it will be a great opportunity for French and English speaking participants to exchange ideas on their current research. This year's theme is Values and Enterprise for Co-operative Advantage, and it is organised with the assistance of the University of Quebec, in Montreal. We are again holding a joint workshop with the HRD Committee as part of the conference.*

*We are also planning an East/West meeting in Weimar later in late October with a research partner from Berlin with themes connected to German unification, EU accession and system transformation.*

## **Strategy**

*We believe that researchers have a vital role in identifying the key trends in generating co-operative advantage through enterprise and values within an increasing global civil society and see the conference as an excellent opportunity to draw out the theoretical and practical lessons. Our main aims continue to be strengthening and internationalising activities, and to make the work of researchers more visible, particularly to ordinary managers and co-operators, and to be a forum for the exchange of ideas between these different groups. We will do this by improving the quality and scope of conferences and publications and by improving our communications and our network organisation. Thanks to the hard work of Akira Kurimoto, we have already seen the development of an Asian Research Committee (with a conference planned in 2000) and we expect to see similar developments in other areas of the world in the future.*

## **Conferences and workshops**

*Our international annual conference will continue to be our major activity, but this may become less frequent as regional research conferences increase and we continue to develop specialist workshops on topical themes; over the last few years, specialist workshops have included social audit, labour markets and employment, women and entrepreneurship.*

**Communications** - *It is a key part of our strategy to disseminate research activity and findings - hence our clear focus on increasing the visibility of research to other researchers (and research institutions) and to co-operators (managers and members) world-wide through electronic communication, an internet web page, regular publications, and more publications in journals such as the Review of International Co-operation. There has been considerable progress in this area with the support of Mary Treacy, Communications Director of ICA Geneva. Clearly, the Internet must continue to be a leading edge of our activities and we have great ambitions for the development of our web page as it provides information about our meetings and publications and has excellent links to other sites and researchers. The International Research Register has now over 100 entries and is a useful source of information on research work.*

*We are continuing to develop this side of our communication capability by compiling our member researchers' database with email and fax addresses - in order to facilitate and speed up future communications. It also reduces the costs, so please include these in future communications!*

**Publications** - *With the support of Mary Treacy at the ICA Geneva, we have continued our series of annual special issues of the Review of International Co-operation. This publication continues to be a major way of making our research findings more widely accessible, and is particularly important for those who do not have access to email/internet. We have also built good relations with a number of journal editors informing them of key papers from our conferences and encouraging authors to submit papers to such journals. Our medium term aim is to establish regular channels for our research output into books and special journal issues.*

**Networking and Collaboration** - *We continue to develop the participant database through national networks and institutions or by developing closer relations with research institutions (such as national societies of co-op studies or co-op research institutes). We continue to expand our lively network of individual researchers globally. The International Register of Researchers helps foster this development; it was initiated by the UK Society of Co-operative Studies, and we have grown together.*

*We are developing our relations with active national research groups and research institutes, which hold regular meetings. We want to ensure that this work becomes globally linked, by helping publicise their meetings (if desired), and stimulating other national groups to become more active. Building good relations with established research networks is vital.*

*We envisage that in future research projects and working groups could be initiated or promoted by the Research Committee, possibly in collaboration with other groups or networks. We aim to ensure the topics are related to ICA priorities and our findings feed into their debates in a co-ordinated manner.*

**Resources** - *In a knowledge based society-research needs to play centre stage, and we want the Research Committee to play a vital role in informing discussions about key issues of governance, management and membership. However, current resources do not match these high aspirations. The Research Committee has a minimal budget (CHF 5000 per annum) and it relies on the goodwill and voluntary labour of many people. Without the financial and in kind support of members, the Research Committee would not be able to continue its current level of activities. Its researchers are often not members of the co-op movement but university employees or contract researchers who work for the Research Committee in their spare time. The success of our work depends on the work of these researchers, the support of national and regional organisers for our conferences, the work of Geneva support staff, and last but not least our committee. In another sense our success also depends on developing our relationship with the co-operative movement, by making our research findings accessible and amenable to members, managers and boards alike. It is not always easy conducting research for both academic consumption and for that of the movement, but developing this kind of strategic alliance between co-ops and universities is something to which we are committed, and will continue to strive for.*

*Success depends on strengthening our resource base. We regularly consider internal and external sponsorship of projects (internal - co-operatives/federations, external - research foundations, EC, etc.) and membership charges, however in each case we will have to increase our level of activity in order to offer something in return. We again stress that we have a good case for a larger budget from the ICA, given the level of activities already undertaken and underway.*

*Our work is highly regarded and enjoys a high level of international support. Our strategy is to strengthen our base for promoting global research activities (partly through regionalisation) and increase the visibility of research, a strategy which we continue to believe is essential to a dynamic co-operative movement.*



Vanda Guilano



MariaElena Chavez-P

### **Executive Committee:**

- Chairwoman:** September 1997 - October 1998:  
*Britten Lagerkvist Tranströmer (KF Sweden)*  
October 1998 - Present:  
*Vanda Giuliano (Lega, Italy)*
- Vice-Chair:** *Galina Kissleva (Centrosojuz, Russia)*
- Secretary:** *MariaElena Chavez- P. (ICA)*
- Members:** *Ana Isabel Solano (Chair, Americas Continental Women's Committee Costa Rica), Rahaiah Baهران (ANGKASA, Malaysia), Nargis Rashid (Sindh Government Employees Co-operative, Pakistan), Hanna Wroblewska (National Co-operative Council, Poland), Marioara Negoită (CENTROCOOP Romania), Britten Lagerkvist Tranströmer (KF, Sweden)*

### **Activities 1998**

*In 1998 the ICA Global Women's Committee began a period of reflection to ensure that the activities of the Committee were assisting the ICA and its members in addressing gender issues in co-operatives. It welcomed the formal establishment of a regional women's committee in Asia and the Pacific as well as the creation of a European Network of Women Co-operators. It also praised the continuing excellent work of the Americas Continental Women's Committee.*

*Activities of the Committee in the first half of the year focused on the exchange of information among members and meeting preparations. The ICA Global Women's*

*Committee collaborated with the ICA Research Committee on its international research conference in Paris on October 12-13, 1998. The conference, whose theme was “Women, Entrepreneurship and Co-operatives”, was attended by researchers and practitioners, and addressed topics including the effects of changing economies and women’s entrepreneurial possibilities, the feminine vs. masculine perspectives in co-operatives and their influence, the changing role of women in the movement, and women in financial co-operatives.*

*Following the Conference, an Executive Committee meeting was held on the future of the Committee. The meeting was prompted by ICA’s Organizational Review “Global Cooperation in the New Millennium - ICA Organising to Serve its Purpose”. The Executive noted that the Global Women’s Committee had an important role within the ICA, organizing meetings to highlight best practice as well as ensuring information exchange on gender issues. It noted that regular meetings of the Committee – in addition to communication technology – were essential in attaining its aims. The Executive Committee agreed that new meeting formats would be necessary to allow increased time for interaction among members. The creation of a web site and support of the ICA initiative «Virtual Community of Co-operators» was also approved.*

*During the Executive meeting, the Chair, Britten Lagerkvist Tranströmer, announced her resignation citing illness and the fact that she was not a staff member of KF but an elected person, and therefore lacked the necessary support to fill the role of Chairperson. She stressed the importance of an active Committee that could manage activities and regularly meet. Subject to confirmation by the Plenary, Vanda Giuliano (Lega, Italy) was proposed as the new Chair of the Committee.*

*The annual Plenary Meeting was held in Paris on October 14, 1998 with over 30 participants from 16 organizations. The Plenary accepted the resignation of Britten Lagerkvist Tranströmer and formally elected Vanda Giuliano as Chair. It also approved the following recommendation of the Executive Committee to provide input (to the ICA Board) on the ICA Organizational Review:*

*The Committee does not support the notion of creating permanent commissions on gender given that the GWC was in itself a body for the discussion of issues relating to gender and co-operatives. Also, grouping gender and youth together in any type of commission is unacceptable. It conceded that temporary commissions might be formed on an ad hoc basis to address specific issues. The GWC also notes with dis-favour the reference to making the Committee more task - oriented given that the aim of the Committee is indeed task-oriented, but addled by financial limitations.*

*The Plenary also received reports on activities undertaken at the regional level, specifically on initiatives taken to improve gender balance and address the issue of equal opportunity in co-operatives in Brazil, the Czech Republic, Finland, Latvia, Pakistan, Romania, and the United Kingdom (Women’s Guild). Written reports were also made available on the GWC web page.*

*Finally, the Plenary approved the 1999 workplan and budget which included organizing two Executive Committee meetings, one in the Spring and one prior to the ICA General Assembly in Québec (Canada), as well as a conference and an annual Plenary meeting in Quebec. Design and input of information for the GWC web site was also approved.*

# REPORT OF THE AUDIT & CONTROL COMMITTEE FOR THE YEARS 1997 AND 1998



Ivar Hansen



Claes Thorselius

## **1. Members of the Committee**

*Mr I. Hansen (Chairman)*

*Mr P. Bartus*

*Mr W. Kaltenborn*

*Ms G-B Mårtensson*

*Mr S. Takemoto*

## **2. Meetings**

*Four meetings have been held:*

- *15 September 1997 in Geneva*
- *16 September 1997 in Geneva*
- *15 May 1998 in Geneva*
- *15 October 1998 in Paris*
- *10 May 1999 in Geneva*

## **3. Organisation**

*The Organisation Chart for the Secretariat in Geneva for 1997 remained the same as in 1996. As from the beginning of 1998, the European Office was officially turned into the Regional Office for Europe. Also, the support function of Special Projects changed name to Sectoral/Member Services and Special Projects. The chart is now made up of three sections – “Information & Communications”, “UN & NGO Relations” and*

*“Development Programme” - plus the two support functions – “Administration” and “Sectoral/Member Services and Special Projects”.*

*The staff changes during the period were the following: At the beginning of 1997, Mr B Genberg arrived as Development Director. After restructuring of the Development Programme, in the second half of 1998, he was redesignated as Senior Advisor to the Regional Office for East, Central and Southern Africa. At the start of 1998, Ms G. Sozanski was appointed as Regional Director for Europe. She is assisted by Mr L Balourdet, who became seconded to ICA Europe by Credit Mutuel, working partly from Geneva and partly from Paris. In the middle of 1998, Ms M Donahower was employed as part-time Receptionist and, at the end of the year Mr A Invernizzi left ICA to go into retirement.*

*The current organisation has been both proper and functional. Given the current amount of tasks, the Secretariat staff cannot be smaller than it is now.*

*As in the past, each individual Section is producing detailed annual Workplans, which are directly linked to and reconciled with the Budget for the year. Progress is regularly reported on and followed up by the respective section and the management.*

## **4. Financial Situation**

### **4.1 Routine Control**

*A financial report for the head office is compiled monthly, giving information on revenue and expenses compared to the Budget for the current month. The accumulation from the start of the year is compared to both the accumulated Budget and the corresponding period in the previous year. The report also includes a regularly updated projection for the full year.*

*As is the current practice, there have been several meetings and contacts between the Secretariat, the Auditors and with the Chairman of the Committee during the period. On these occasions organisational and control issues have been dealt with.*

### **4.2 Membership Subscriptions**

*The minimum subscription in 1997 was CHF 4,500, and in 1998 the minimum was CHF 5,000.*

*In 1997 the total membership subscription reached CHF 2,237,448, which was an increase of 268,849 over 1996. An analysis of this increase shows that CHF 60,000 was a result of the increase in the minimum subscription, CHF 35,000 was a net increase in membership, CHF 63,000 was the so called Assembly-effect (organisations in arrears, settling their dues in order to be able to vote) and CHF 110,000 came from increases among the largest members, calculating according to the formulae. Out of the 110,000, CHF 100,000 was due to improved currency situation and the remaining CHF 10,000 was the total net increase in the calculations.*



The 1998 subscriptions came to CHF 2,233,484; a reduction of about CHF 4,000 compared to 1997. The calculated dues from the big members increased by CHF 23,000. Unfortunately, the same amount was lost in the conversion of their payments into CHF. There should have been an increase of around CHF 60,000 as a result of the minimum-increase, and there should have been an addition of CHF 25,000 from the net increase in membership. This means that the real decrease, or increase in the number of non-payers, was close to CHF 90,000 in 1998.

A total of 33 organisations were admitted as new members and 21 were deleted for non-payment of subscriptions or due to voluntary departure in 1997 and 1998.

### 4.3 1997 and 1998 Annual Accounts

The Financial Statements, 31 December 1997, were the basis for the Committee's Interim Report, as included in the ICA Annual Report for 1997/98, and made available to the membership in conjunction with this publication.

The Financial Statements, 31 December 1998, are attached to this report. The entire Statements, with notes and schedules, are distributed separately for the General Assembly, 1 September 1999.

The ICA Accounts are in conformity with the International Accounting Standards, IAS. On this basis, the Auditors have formed their opinion and issued good and clean Independent Auditor's Reports for 1997 and 1998.

The Committee can report that the overall result for 1997 was a small surplus, of CHF 16,832, which can be compared to the surplus of CHF 1,298 in 1996. The result for 1998 was reduced to a surplus of CHF 821.

In summary, the situation is as follows:

	Actual 1998		Budget 1998		Actual 1997		Budget 1997	
	CHF	%	CHF	%	CHF	%	CHF	%
Head Office Operational Development	<b>2,347,687</b>	<b>29</b>	2,821,300	29	<b>2,460,993</b>	<b>30</b>	2,607,200	28
Programme Cost	<b>5,615,673</b>	<b>71</b>	6,858,000	71	<b>5,865,077</b>	<b>70</b>	6,662,400	72
<b>Total Costs</b>	<b>7,963,360</b>	<b>100</b>	9,679,300	100	<b>8,326,070</b>	<b>100</b>	9,269,600	100

Covered by:

Direct Development Support	<b>5,234,694</b>	<b>65.7</b>	6,769,500	70.0	<b>5,435,397</b>	<b>65.3</b>	6,535,000	70.5
Member Subscriptions	<b>2,233,484</b>	<b>28.1</b>	2,335,000	24.1	<b>2,237,448</b>	<b>26.9</b>	2,200,000	23.8
Interest	<b>103,741</b>	<b>1.3</b>	100,000	1.0	<b>115,131</b>	<b>1.4</b>	85,000	0.9
Sales of Publ./Serv.	<b>96,905</b>	<b>1.2</b>	135,000	1.4	<b>84,987</b>	<b>1.0</b>	85,000	0.9
Other Revenue - net	<b>295,357</b>	<b>3.7</b>	369,800	3.8	<b>469,939</b>	<b>5.6</b>	410,000	4.4
<b>Remaining Surplus</b>	<b>821</b>	<b>0.0</b>	30,000	0.3	<b>16,832</b>	<b>0.2</b>	45,500	0.5

*The expected expansion of activities, and the accompanying costs for the Head Office operations in 1998 could not be realised as a consequence of the reduced income. This restriction in activities is also evident in the reduction in operational costs between the two years.*

*The total turnover for ICA has been reduced by just over two percent over the two-year period. During the same time, the Development Programme has seen a reduction of more than ten percent. This is reflected in both the Development Programme Cost and in the Direct Development Support. The reason for this is found in the reduced block funding from some of the traditional partners, which is also a reflection of the generally increasing difficulty in obtaining funding for co-operative development. Although a considerable amount of work within the Development Programme has gone into resource mobilisation during the two years, this preparatory work has not yet materialised into new activities and funding.*

*All the regional offices remained within their respective allocations from the central budget in both 1997 and 1998. However, in 1998, three of the offices – the Americas (ROAM), East, Central & Southern Africa (ROECSA) and Asia & the Pacific (ROAP) - suffered operational deficits. For ROAM and ROECSA, the deficits were covered by their respective regional special funds (reserves). The deficit for ROAP ended up as CHF 89,348, and was the result of missing support from the owner of the office building in New Delhi, the ICA Domus Trust, who is currently legally prevented from disposing of the building and, therefore, not able to receive the expected funds from its sale. The Committee is pleased to note that a new legal advisor is being appointed in New Delhi in order to settle the issue. The final deficit amount for ROAP came to CHF 89,348, against which there was only CHF 55,702 in regional special funds. The remaining deficit of CHF 33,646 is now being accumulated under the Regional Special Funds in the Balance Sheet and is, consequently, not affecting the ICA's operational result in the Statement of Revenue and Expenses.*

*We have discussed the 1997 Accounts and the 1998 Accounts - activities and results - with the Auditors of ATAG Ernst & Young SA and on the basis of their findings, in both years, we can conclude that the 1997 and the 1998 Financial Statements are correct and complete.*

## **5. The General Reserves**

*The Audit and Control Committee is recommending that the available surplus amount of CHF 17,653 is transferred to the ICA General Reserve.*

## **6. 1999 Budget**

*The Audit & Control Committee has reviewed both an early version and the revised version of the 1999 Budget. The documents include a proper operational breakdown by section, by activity and by office with comparisons to actuals from 1997 plus budget and actuals from 1998. The structure of the budget gives the necessary tool for a*

*detailed budgetary control. The revised version of the Budget is reflecting a surplus of CHF 20,000 for the year 1999. This version was presented to the Board in April 1999 and was referred back to the Management for a new presentation in August. The Committee finds it unsatisfactory that there is no formal decision or approval on the budget until such time. Therefore, the Committee would like to make the following organisational recommendation:*

*That the Board appoints a Sub-Committee for Finance, with the President, Vice-Presidents and a few other Board Members. Such a Sub-Committee should be responsible for meeting before the end of each year to decide on the next year's budget (for approval of the full Board at its next meeting). This body should also be the forum for deciding on the forms and standards for presentation of financial issues.*

## 7. Summary

*As a result of our entire examinations and findings, the Audit & Control Committee submits the recommendation to the General Assembly **that the audited accounts for the years 1997 and 1998 are approved.***

## Independent Auditor's Report

To the Members of the

**INTERNATIONAL CO-OPERATIVE ALLIANCE**

We have audited the accompanying consolidated financial statements on pages 4 to 15 which include the consolidated balance sheet of the International Co-operative Alliance at December 31, 1998 and the related consolidated statement of revenue and expenses and the consolidated statement of cash flows for the year then ended. These financial statements are the responsibility of the International Co-operative Alliance's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with International Standards on Auditing. Those standards require that we plan and perform the audit to obtain reasonable assurance as to whether the financial statements are free of material mis-statement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

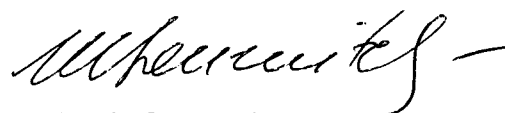
In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of the International Co-operative Alliance at December 31, 1998 and the results of its operations and its cash flows for the year then ended in accordance with International Accounting Standards.

Our examination has been made primarily for the purpose of expressing an opinion on the financial statements taken as a whole. The accompanying Schedules I, II and III are presented as additional information for analysis purposes. While they are not required under International Accounting Standards for a fair presentation of the financial statements on pages 4 to 15, they have been subjected to the tests and other auditing procedures applied in the examination of the financial statements mentioned above.

Geneva, May 17, 1999



**Mark Hawkins**  
Chartered Accountant  
(Auditor in charge)

**ATAG Ernst & Young**

**Maria Sournitcheva**  
Certified Chartered Accountant

## INTERNATIONAL CO-OPERATIVE ALLIANCE

### CONSOLIDATED BALANCE SHEET

December 31, 1998

	<u>Notes</u>	<u>1998</u>	<u>1997</u>
		CHF	CHF
<b><u>Assets</u></b>			
<i>Current assets</i>			
Cash and interest bearing deposits	4	2,594,407	3,139,982
Accounts receivable	5	704,513	534,755
Other receivables and prepaid expenses	7	420,974	351,220
<i>Total current assets</i>		3,719,894	4,025,957
Fixed assets	6	161,280	207,830
Deposits and guarantees	8	39,691	34,612
<i>Total assets</i>		3,920,865	4,268,399
		=====	=====
<b><u>Liabilities, Funds and Reserves</u></b>			
<i>Liabilities</i>			
Membership organisation creditors		387,457	228,502
Other liabilities, accruals and provisions	9	1,031,129	1,120,120
Deferred development support		1,045,518	1,322,815
<i>Total liabilities</i>		2,464,104	2,671,437
<i>Funds and reserves</i>			
Regional special funds	11	28,727	169,749
General reserve	12	1,260,381	1,260,381
Development Trust Fund		150,000	150,000
Balance of surplus of activity		17,653	16,832
<i>Total funds and reserves</i>		1,456,761	1,596,962
<i>Total liabilities, funds and reserves</i>		3,920,865	4,268,399
		=====	=====

## INTERNATIONAL CO-OPERATIVE ALLIANCE

### CONSOLIDATED STATEMENT OF REVENUE AND EXPENSES

For the year ended December 31, 1998

	<u>1998</u>	<u>1997</u>
	CHF	CHF
<b><u>Revenue</u></b>		
<i>Head office operational revenue</i>		
Subscriptions	2,233,484	2,237,448
Interest income	103,741	115,131
Publications and services	96,906	84,987
Other net income	295,358	469,939
<i>Total head office operational revenue</i>	<u>2,729,489</u>	<u>2,907,505</u>
<i>Direct development support</i>		
Head Office 853,750	779,128	
Asia & the Pacific	1,409,818	1,709,310
East, Central & Southern Africa	731,149	867,865
West Africa	405,356	431,113
The Americas	1,834,619	1,647,981
<i>Total direct development support</i>	<u>5,234,692</u>	<u>5,435,397</u>
<i>Total revenue</i>	<u>7,964,181</u>	<u>8,342,902</u>
<b><u>Expenses</u></b>		
<i>Head Office operational expenses</i>		
	2,347,687	2,460,993
<i>Development programme expenses</i>		
Head Office 1,004,731	978,808	
Asia & the Pacific	1,459,818	1,759,310
East, Central & Southern Africa	806,149	942,865
West Africa	460,356	486,113
The Americas	1,884,619	1,697,981
<i>Total development programme expenses</i>	<u>5,615,673</u>	<u>5,865,077</u>
<i>Total expenses</i>	<u>7,963,360</u>	<u>8,326,070</u>
Surplus of activity for the year	821	16,832
Balance of activity carried forward	16,832	226,317
Allocation to the Development Trust Fund	-	( 150,000)
Allocation to general reserve	-	( 26,317)
Allocation to provision for office restructuring	-	( 50,000)
Balance of surplus of activity	<u>17,653</u>	<u>16,832</u>
	=====	=====

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