

Cooptrade



Profile

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FOREWORD

COOPTRADE was established primarily to promote international co-operative trade. Besides its emphasis on project oriented activities, COOPTRADE also carries out promotional activities to facilitate and strengthen co-operative business organisations opportunities to develop trade ties. The advancement in international co-operative trade augurs well for the co-operative movement for it widens the horizon of economic activities of co-operatives in the region.

The publication of the Cooptrade Profile will therefore serve as a perfect complement to the above efforts since it provides a brief but concise one stop source of information towards identifying trading opportunities between co-operatives and related business organisations worldwide.

I wish to congratulate Mr. Ulf Bergstrom for his efforts and creativity in producing this brochure which is informative and beneficial to co-operatives and associated business organisations.

With Co-operative Greetings.

R. Mathimugan
Chairman
ICA Regional Executive Committee

THE COOPTRADE CONCEPT

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International trade is a key-factor for advancement and prosperity for most nations.

For co-operatives to develop productive business organisations and in its extension, international trade, is similarly a key-factor for co-operative development.

Co-operatives in developing countries are to a great extent engaged in activities at primary level, especially in agriculture. The well intended support from external sources, is too seldom directed towards development from within the organisation, but rather to giving guidelines from outside and above, thus suppressing the natural process of self-generating development.

A successful organisation is always an organisation which has the power to develop a dynamic process by own means.

However, even the most successful business organisations engage external consultants from time to time, to solve specific problems or to give new impulses.

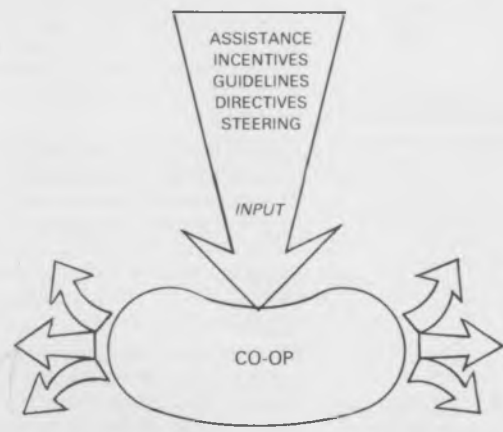
In order for a consultant to be of assistance, he has to know the organisation and the environment in which it operates. To do this, he will team up with the management, division or

department, depending on where his services are required.

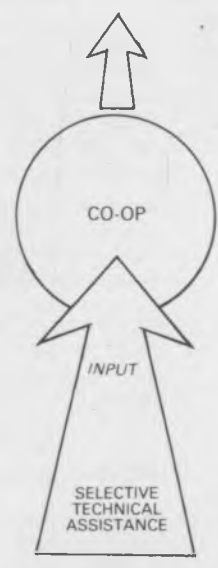
COOPTRADE'S role is primarily that of a business consultant's exclusively for co-operative processing and/or marketing organisations, which have the potential and ambition to develop international trade. Our concept of a result oriented operation is to develop an understanding for the obstacles and opportunities which exist within the organisations we work with, propose-measures to remove obstacles and create possibilities to develop opportunities.

In order to carry out this, a thorough knowledge of the organisation concerned and its line of operation is required as well as of the external market situation. This can only be achieved by working closely with the organisation and by indepth studies of the international supply/demand situation and the short and long-term trends.

The crucial and most important task will be to provide the necessary mechanisms for the organisation to keep going and expand independently once the platform has been established. This however, is the only way to survive in a dynamic and competitive international business environment.



TRADITIONAL MODEL



COOPTRADE MODEL

INTRODUCTION



THE INTERNATIONAL COOPERATIVE ALLIANCE

is the oldest international organisation. It is a world-wide confederation

of cooperative organisations of all types. Founded by the International Cooperative Congress held in London in 1895 it now has affiliates in 72 countries, serving over 500 million members at the primary level. It is the only international organisation entirely and exclusively dedicated to the promotion of cooperation in all parts of the world.

Besides the Head Office of the ICA, which is in Geneva, there are three regional offices, viz., the Regional Office for South East Asia, New Delhi, India, started in 1960, the Regional Office for East and Central Africa, Moshi, Tanzania, started in 1968, and the Regional Office for West Africa, Abidjan, Ivory Coast, started in 1979.

The main tasks of the Regional Office are to

develop the general activities of the Alliance in the Region, to act as a link between the ICA and its affiliated national movements, to represent the Alliance in its consultative relations with the regional establishments of the United Nations and other international organisations, to promote economic relations amongst member-movements, including trading across national boundaries, to organise and conduct technical assistance, to conduct courses, seminars and conferences, surveys and research, to bring out publications on cooperative and allied subjects and to support and supplement the educational activities of national cooperative movements.

The Regional Office now operates on behalf of 15 countries, i.e. Afghanistan, Australia, Bangladesh, India, Indonesia, Iran, Japan, Republic of Korea, Malaysia, Nepal, Pakistan, Philippines, Singapore, Sri Lanka and Thailand.



THE ICA/COOPTRADE project

is a project under ICA with the objective to promote

international co-operative trade through technical assistance to co-operative business organisations. COOPTRADE started as a joint project by the Swedish International Development Agency (SIDA) and the International Labour Organisation (ILO) in 1978, based in Bangkok.

In December 1982, the project was handed over to the International Co-operative Alliance (ICA) and relocated to New Delhi from where it was jointly operated by ICA and the Swedish Co-operative Centre (SCC). In August 1984, COOPTRADE was relocated to Kuala Lumpur and from July 1986, the project operates exclusively under ICA, hence the present name: ICA COOPTRADE project.

Review of activities

Project activities under ILO/SIDA (1978-82) are summarised in a booklet "Final report on the ILO/SIDA Regional project on strengthening of inter co-operative trade relations —

COOPTRADE". Which can be requisited from the International Labour Office, Geneva (ref. ILO/SIDA/74/RAS/6).

Since the project start under ICA in December 1982, COOPTRADE has established contacts with more than 100 organisations worldwide. This contact net-work has provided the project with valuable information on the supply/demand situation for a great variety of commodities in which co-operatives are engaged and which have an export/import potential.

COOPTRADE has provided technical assistance to co-operatives in the region. The assistance has included feasibility studies, result oriented consultancies and training in international marketing. Training has been provided through international seminars and individually for selected organisations, with emphasis on the latter.

As a result of the above activities, a number of co-operatives in the region have entered into international trade in the following commodities: rattan furniture, desiccated coconut, copra, fresh coconuts, coir yarn, spices, canned food, rice.

HOW WE WORK

The main objective of the COOPTRADE project is to promote international co-operative trade. This can be co-operative to co-operative, co-operative to non co-operative or non co-operative to co-operative.

COOPTRADE is primarily assisting co-operative exporters/importers in S.E. Asia. COOPTRADE also assists co-operatives in other parts of the world in business development with importers/exporters in S.E. Asia.

Services offered by COOPTRADE include:

- Trade information
- Establishment of business contacts
- Feasibility studies
- Technical consultancies
- Export marketing training

One of the most important elements in the overall activities is identification of development

projects and implementation of result oriented training and action programs for trade development. Basically, this process consists of five elements:

- Project concept
- Feasibility study
- Project proposal
- Implementation
- Follow-up

In selecting products, we are looking at the long term international demand, as well as at the importance for the specific supplying countries co-operatives to develop trade in that particular commodity through economics of scale or through development of unique products allowing high profit margins.

In selecting co-operatives for development of export oriented projects, we are looking at their status as bona-fide co-operatives and their possibilities to develop international marketing on a long-term continuous basis.

Apart from the project oriented activities, an important function of COOPTRADE is to carry out promotional activities to facilitate and strengthen co-operative business organisations' possibilities to develop international trade. Continuous contacts with international organisations, government ministries and departments as well as with national co-operative organisations constitute the basis for these activities. As an example could be mentioned when the government of Sri Lanka decided to abolish the floor-price for export of desiccated coconut, which made it possible for the co-operatives to compete on equal terms with other exporters. This move was initiated by COOPTRADE.



TRAINING SESSION AT ACFT, BANGKOK
COOPTRADE CONSULTANT S.P. SRIVASTAVA



"THE COOPTRADE MOLECULE"

OUR PROJECTS

Although COOPTRADE covers the same region as the ICA Regional Office in New Delhi, i.e. South, South east and east Asia, it has been necessary for practical reasons to concentrate on a limited selection of countries with the ambition to establish reference projects for future further expansion. We are presently involved in the following projects/ countries.

Rattan furniture and related products, Philippines

Rubber-wood furniture and table-top items, Malaysia

Textile and leather articles, Indonesia

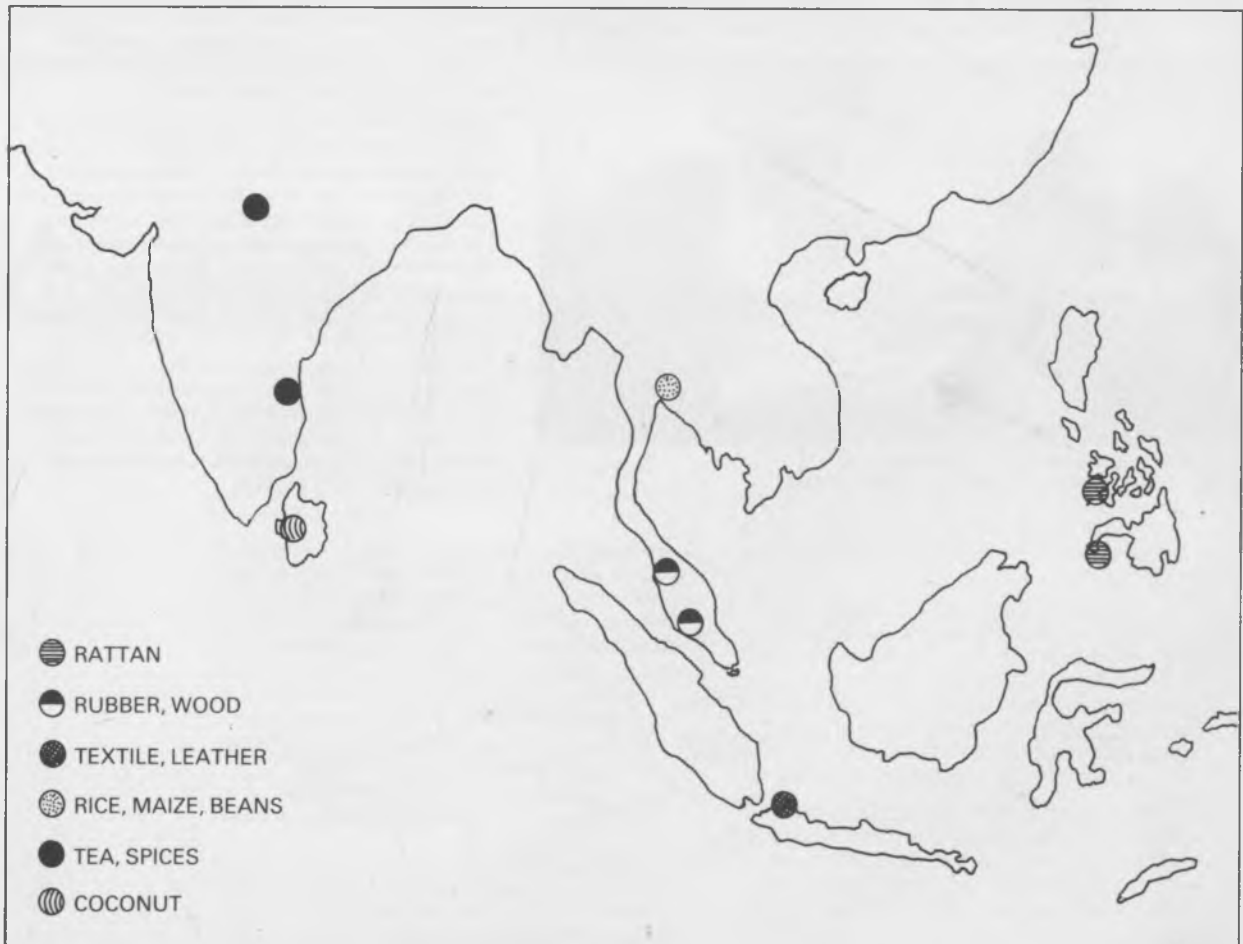
Rice, maize, beans, Thailand

Tea and spices, India

Coconut products, Sri Lanka

COOPTRADE projects are long-term engagements (2-3 years) with co-operative producers, processing and/or marketing organisations, with whom we are in continuous contact for advisory services, technical consultancies, training programs, foreign trade contacts and follow-ups.

Our ambition is to concentrate on projects which are expected to generate a direct impact on the standard of living of the members at the primary level and which are resource based and labour intensive to benefit the maximum number of individuals.





DINING SET "ZAMBOANGA" PRODUCED BY ZAMBOANGA WOOD
AND RATTAN INTEGRATED CO-OP, ZAMBOANGA, PHILIPPINES.
TABLE TOP (NOT SEEN IN PICTURE) MADE OF CAPICE SHELL.



LIVING ROOM SET "BACOLOD" PRODUCED BY K-CUBE WOODWORKERS
CO-OP, BACOLOD, PHILIPPINES.
TABLE TOP MADE OF COCONUT SHELL



"RATTAN WEAVING"
K-CUBE
WOODWORKERS
CO-OP BACOLOD,
PHILIPPINES

OUR ASSOCIATES

COOPTRADE has continuous contacts with a number of organisations at the national, regional and international level, for planning and coordination of activities. Through the Co-operative Development Unit of the ICA Regional Office, overall regional level project programming is coordinated.

Of special importance is the ICA Subcommittee

for Trade and Industry, which main function is to identify potential projects for industrial and trade development. This committee is composed of representatives from co-operative business organisations and trade committees of national co-operative apex organisations in the region. The SCTI meets twice yearly and constitutes COOPTRADE'S primary advisory body.

The members of the SCTI are simultaneously COOPTRADE'S counterparts in their respective countries, where their main function is to coordinate and follow up current activities. The national organisations of several countries have set up special trade committees, chaired by the SCTI representatives, for this purpose.

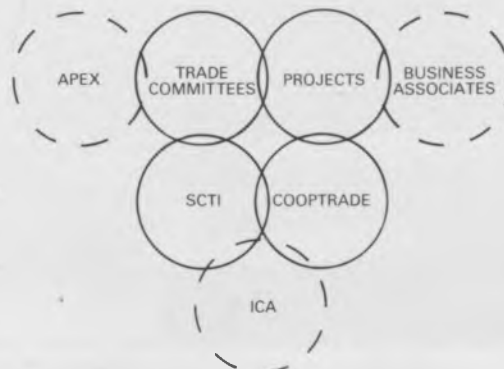
COOPTRADE also keeps continuous contacts with several UN organisations concerned with co-operative development, such as ILO, UNDP and ITC, as well as with government ministries and departments.

In the daily practical work, trade information on international demand and supply is of vital importance for planning of result oriented activities. COOPTRADE has established a net work of international contacts, mainly co-operative business organisations, with whom relevant information is exchanged.

Every second year, the ICA Head Office in Geneva carries out an evaluation of the COOPTRADE project. The evaluation takes into account work methodology and progress. Recommendations from the evaluation constitute the guidelines for future strategies.



ICA SUBCOMMITTEE FOR TRADE AND INDUSTRY MEETING IN KUALA LUMPUR — APRIL 86



COOPTRADE INTERACTING COMPONENTS

WORKING WITH YOU

You may be a co-operative business organisation in SE Asia wishing to expand your marketing activities and go international. You have established your "platform" but would benefit from technical assistance. You may be a co-operative or non co-operative organisation in Europe or USA, interested in importing wood based products or agricultural produce from co-operative producers in South or

South East Asia.

We are at your service and would be pleased to hear from you.

We would be able to assist you in evaluation of your marketing plans, advisory services and in establishing business contacts world-wide.

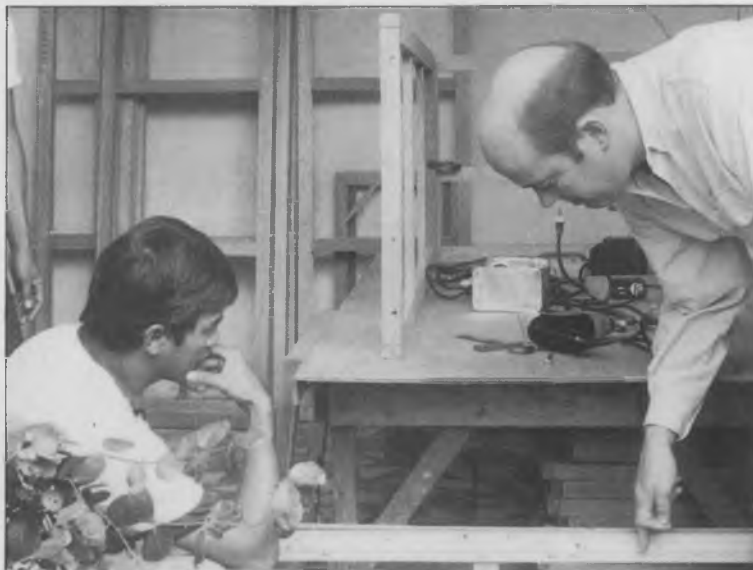
We are looking forward to hearing from you.



INSPECTION OF
FIRST EXPORT
SHIPMENT OF
RICE FROM ACFT,
THAILAND TO
SINGAPORE

*COOPTRADE
CONSULTANT
S.P. SRIVASTAVA*

*COOPTRADE
ASSISTANT
KUAN HONG HOOI*



K-CUBE
WOODWORKERS CO-OP,
BACOLOD, PHILIPPINES

*EUROPEAN BUYER
DISCUSSING A
TECHNICAL POINT WITH
MANAGER ALEX OZOA*

SUMMARY

Cooptrade's project activities are concentrated on two main areas, Wood based and Agro based products, where we are involved in production processing and marketing of finished products. New product lines which are under

development are textile products and ready made garments from in particular Indonesia. Cooperative suppliers assisted by Cooptrade meet international requirements concerning quality, design, price and reliability.

WOOD BASED	AGRO BASED	OTHERS
RATTAN RUBBER WOOD HARDWOOD	COCONUT PRODUCTS CEREAL SPICES COFFEE TEA NATURAL RUBBER	TEXTILE PRODUCTS
FURNITURE TABLE TOP ITEMS	PROCESSED FOOD	GARMENTS
PRODUCTION MARKETING EXPORT	PROCESSING MARKETING EXPORT/IMPORT	PRODUCTION MARKETING EXPORT



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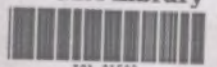
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