

P. E. WEE RAMA

AGENDA NOTES

**Agricultural Sub-Committee
for South-East Asia**

Fourth Meeting

Venue Seoul, Republic of Korea

Dates 4th and 5th May, 1970

**International Cooperative Alliance, Regional Office
& Education Centre for South-East Asia,
43 Friends' Colony, New Delhi-14, India**

INTERNATIONAL COOPERATIVE ALLIANCE
Regional Office and Education Centre
for South-East Asia
43 Friends Colony, New Delhi. 14

G / 5th April 1970

FOURTH MEETING OF THE ICA AGRICULTURAL SUB-COMMITTEE
FOR SOUTH-EAST ASIA

Seoul, Republic of Korea, 4th and 5th May, 1970

PROGRAMME AND AGENDA

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- Item No. 1 Welcome by ~~Dr Bong Kyun Suh~~ *Mr Hye Chul Ahn*, President, National Agricultural Cooperative Federation, Seoul
- Item No. 2 Remarks by Mr P.E. Weeraman, Regional Director, ICA Regional Office and Education Centre for South-East Asia
- Item No. 3 Election of Chairman and Vice-Chairman of the Sub-Committee for the term 1970-72 - See note annexed. 3
- Item No. 4 Confirmation of the Minutes of the last meeting of the ICA Agricultural Sub-Committee for SE Asia, held at New Delhi, India, on February 24, 1969. - see note annexed. 3
- Item No. 5 Matters arising from the Minutes - see note annexed. 4
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 - ii. Proposal to form a Fisheries Group
 - iii. World Conference on Agricultural Education and Training, Copenhagen, July / August 1970. -
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- Item No. 7 Proposed Survey of Cooperative Agricultural Marketing in South and East Asia - see note annexed. 8
- Item No. 8 Statistical Information of Agricultural and Agricultural Cooperatives in South and East Asia - see note annexed. 13
- Item No. 9 Programme of the ICA RO & EC for 1970-72 in respect of technical assistance and international cooperative trade in the field of Agricultural Cooperation: 14.
- i. Possibility of evolving an alternate channel of finance for Trade and Aid
 - ii. A Working Group for Trade Promotion
 - iii. Cooperative Trade Exchange
 - iv. Work on the Projects - see note annexed.

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Item No. 10 Venue and dates of the next Sub-Committee Meeting
- see annexed note

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Item No. 11 Any other matter with the permission of the Chair.

Item No. 12 Discussion on "Production Credit and Farm Guidance"
led by Mr Hyo Chul Ahn, Member for Korea.
Please see ~~annexed~~ background papers on:

- ⊕ i. Farm Guidance Activities in Japan
- ⊕ ii. Personnel Requirements and Training for
Agricultural Extension Work in IADP in India
- ⊕⊕ iii. Production Credit and Farm Guidance in Korea.

Appendix I - Work of the Agricultural Sub-Com for S-E Asia
(Chairman's report to Congress) 20

" II - Financing of Trade and Development
Projects in the S-E Asia Region 22

⊕ sent separately

⊕⊕ to be provided by Mr Ahn.

AGENDA ITEM No. 3

ELECTION OF THE CHAIRMAN AND THE VICE-CHAIRMAN OF THE
SUB-COMMITTEE FOR THE TERM 1970 - 1972

The Election is for the period between two Congresses of the ICA. The next Congress is expected to be held in about August 1972. Members are invited to elect a Chairman and a Vice-Chairman.

AGENDA ITEM No. 4

CONFIRMATION OF THE MINUTES OF THE LAST MEETING OF THE
SUB-COMMITTEE HELD IN NEW DELHI, INDIA, ON FEBRUARY 24, 1969.

The Minutes of the Third Meeting of the ICA Agricultural Sub-Committee held in New Delhi, India, on 24th February 1969, were circulated and are submitted for confirmation.

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MB *include copy of last minutes*

AGENDA ITEM No. 5

MATTERS ARISING FROM THE MINUTES OF THE LAST MEETING

5.1 Report on the Study of Multi-purpose Cooperatives in Ceylon
(5.ii of last minutes)

The study was conducted by Prof. Hsieh of Nanyang University, Singapore, in 1968 and his report was expected by the end of 1968. The Regional Director personally met Prof. Hsieh in November 1969 and reminded him of the report. Prof. Hsieh has since written in that the first draft of the Report is being typed and will be submitted to the Regional Director early for his comments.

5.2 Financing Cooperatives at the International Level
(5.ii of last minutes)

This question was brought up at the 2nd meeting of the Sub-Committee held at Kuala Lumpur in November 1968 and it was suggested that the governments of developing countries should be requested to guarantee the repayment of loans which may be given by external agencies to the cooperative movements of their countries.

To pursue the matter in more specific terms a letter dated 21st July 1969 was sent to the Members of the Sub-Committee requesting them to supply the secretariat with information in this regard. However, the response to this was very poor. It will be very necessary for us to have documentation supporting the view expressed in the last Sub-Committee Meeting regarding government reluctance to guarantee the repayment of loans given to cooperative projects if we are to pursue this matter further.

In this connection the progress made on "the Study on Guarantee Funds to Promote International Financing of Cooperative Enterprise - Ways and Means of, and Outline for, International Financing of Cooperative Business Activities", by the ICA headquarters is stated below for the information of the Members.

The preparations for this study by the Head Office are in progress. The study will be completed by the end of 1971, while a short term report on "A Study of Specific Credit Needs of Agricultural Cooperatives in Developing Countries and the Possible Use of Guarantee Funds to promote International Financing of Cooperative Enterprise" will be submitted by June 1970. Three persons have already been assigned the task of undertaking the study.

5.3 Seminars and Conferences to be organised by the ICA Regional Office and Education Centre during 1970
(Last minutes on Agenda Item No. III of last meeting)

At the Third Meeting of the Sub -Committee an order of priority was suggested for the subjects of seminars in the field of agricultural cooperatives to be held in 1970. They were "Cooperative Credit with special reference to Production Credit", "Marketing of Fruits and Vegetables" and "Personnel Management and Training".

The ICA RO & EC has organised a Regional Seminar on Marketing of Fruits and Vegetables to be held in May 1970 in Tokyo. The ICA RO & EC was not able to accommodate other subjects in the 1970 programme.

A Conference on Trade in two groups of Commodities viz. (i) Fruits and Vegetables and (ii) Animal Feedstuffs, will be held in May 1970 prior to the Regional Seminar mentioned above. It is expected that cooperative organisations engaged in the import and export of these commodities will attend the Conference. Both the above events will be hosted by the Central Union of Agricultural Cooperatives of Japan and will be located at the IDACA, Tokyo.

5.4 Advanced Technical Training
(Last minutes on Agenda Item No. V)

The Australian Movement had invited the Indian Movement to send two persons for advanced on-the-job training in Australia in the field of processing, marketing and productivity. A firm offer from the Cooperative Federation of Australia has now been received by the NAFED for receiving two technical trainees in Australia for a period of one year. The local expenses in Australia will be covered by the Australian Cooperatives through salaries paid to the trainees during their stay whilst the international travel costs will be borne by the sponsoring cooperatives in India.

5.5 Contribution to the ICA RO & EC for the Activities of the Sub-Committee
(Last minutes on Agenda Item No. VI)

A letter was issued to the member organisations in the Region requesting them to take necessary steps in pursuance of the decision made at the last meeting to contribute towards the expenses of the Sub - Committee.

The ICA Regional Office & Education Centre has received contributions from Australia, Japan and Korea in terms of the Sub-Committee's recommendation.

The Central Union of Agricultural Cooperatives, Japan, has offered to contribute a sum of Yen 4.5 million (US \$ 12,500) to assist the activities of the Sub-Committee and the ICA RO & EC in the form of a Survey of Agricultural Cooperation in some countries of the Region. In this connection, a representative of the Central Union of Agricultural Cooperatives, visited New Delhi and had discussions with the RO & EC in February 1970. Details are given under item No.6 of the Agenda.

5.6 The Place of the Sub-Committee in the Regional Set-Up
(Last Minutes on Agenda Item No.VI)

In the last meeting of the Sub-Committee it was felt that the Sub-Committee should in effect function as a part of the ICA Regional set-up and for this purpose should be regarded as a Sub-Committee of the Advisory Council as well. This proposal was endorsed by the Advisory Council Meeting held in Teheran in March 1969.

The Agricultural Committee of the ICA has no objection to this. It was suggested to the Regional Director (while at Hamburg for the ICA Congress) that the position may be stated in a letter to the Chairman of the Agricultural Committee by the Chairman of the Agricultural Sub-Committee for South-East Asia.

AGENDA ITEM No. 6MATTERS ARISING FROM THE ICA AGRICULTURAL COMMITTEE MEETING
IN HAMBURG6.1 Briefing by Mr H Yanagida

The Executive Meeting of the ICA **Agricultural** Committee held in Hamburg on 25th August 1969 was attended by Mr H Yanagida, in his capacity as Chairman of the Sub-Committee. He reported the work of the Sub-Committee to the Committee. A precis of his report is given in Appendix I.

6.2 Proposal to form a Fisheries Group

It was suggested by the Chairman of the Fisheries Sub-Committee of the ICA that a Fisheries Group should be formed within the Agricultural Sub-Committee.

There is a great need and much scope for the development of fishery cooperatives in the Region but the problems of fisheries and fishery cooperatives have not been given their due attention yet by way of technical meetings etc.

Therefore Members of the Sub-Committee are requested to consider the formation of a Fisheries Group which will report to the ^{Agriculture} Advisory Council similar to the arrangements existing between the Agricultural Sub-Committee and the Advisory Council.

6.3 World Conference on Agricultural Education and Training,
Copenhagen, July/August 1970

Member governments of the FAO, ILO and UNESCO have been invited to send delegates to the above Conference. Since the theme of the Conference is of vital importance to farmers, the members organisations of the ICA **are** requested to approach their governments to include their representatives in their government delegations.

In this connection, the ICA and IFAP will convene a joint study session on cooperative education in Malmo, Sweden, immediately before the above Conference with a view to formulating their policy and coordinating their representation at the Conference.

Mr J.M.Rana, Director (Education) of the RO & EC has been asked by the Director of the Alliance to read a paper on "Institutional Structure of Vocational Training Activities" at this Conference.

AGENDA ITEM No. 7SURVEY OF COOPERATIVE AGRICULTURAL MARKETING IN SOUTH AND EAST ASIAIntroduction

The ICA Regional Office and Education Centre will be celebrating its 10th Anniversary in 1970. In these ten years, the Cooperative Movements in the Region have made considerable progress and they are playing a vital role in developing the economies of their various countries. However, there is much scope for improving the efficiency of the cooperative societies so as to ensure the best possible economic returns to the farmers. The problems of the movements and the assistance they would require from abroad vary from country to country.

It would be opportune for the ICA Regional Office and Education Centre to give special attention to further developing the cooperative movements the Region in the second decade of its existence, in pursuance of the programme envisaged for the Cooperative Development Decade (1970s) by the Alliance. The development of field projects would be a most appropriate approach in this regard as successful implementation of such projects would serve as good examples for emulation.

In view of this, the ICA RO & EC proposes to conduct a survey in the field of cooperative agricultural marketing with a view to selecting projects for developing them into full-scale cooperative enterprises. On the basis of such a survey, it will be possible for the ICA RO & EC and the ICA Agricultural Sub-Committee to undertake more project-oriented activities.

The Central Union of Agricultural Cooperatives, Japan, has given considerable thought to this question and has offered to contribute a sum of Yen 4.5 million (US \$ 12,500) to the ICA RO & EC for conducting such a survey. The Regional Director consulted the Director of the ICA in this regard on his recent visit to the Head Office and the Director was in favour of the scheme and thought that assistance could be given from the Development Fund of the ICA to the same extent as is offered by the Central Union of Agricultural Cooperatives of Japan.

Agenda Item No. 7 (contd)

A Scheme for the Survey of Agricultural Marketing in Selected Countries to select projects for Development into full-scale Cooperative Enterprises

Objective

The objective of the Survey is to select cooperative projects for further development after studying the current situation and the problems of selected agricultural cooperatives in selected countries of South and East Asia with special reference to marketing and export potential.

Conduct of Survey

1. The Survey will be conducted by two Expert Teams. Each team will consist of two or three members, selected by the Regional Director of the ICA RO & EC in consultation with the President of the Central Union of Agricultural Cooperatives, Japan, and one member selected by the Regional Director from among the Officers of the RO & EC. The latter will be the Secretary as well of the Study Team. There will also be a Japanese Interpreter selected by the C.U.A.C. Each team will coopt, with the concurrence of the Regional Director, an additional member, in each country visited by it, for the duration of such visit.
2. Each team will conduct a survey in three countries.
3. Team A will conduct a survey of the marketing potential of selected agricultural cooperatives having regard to production.
4. Team B will conduct a survey of the export-oriented activities of selected agricultural cooperatives with special reference to feeding-stuffs.
5. The selection of agricultural cooperatives for study by each team will be made by the Regional Director on the advice of the relevant member organisation.

Scope of Survey

The scope of the survey will be the following aspects of the selected societies:

1. Present situation and the recent past trends in agricultural production.
 2. Farmers' attitude towards improvement of agricultural productivity.
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Agenda Item No. 7 (contd.)

3. Impact of cooperative marketing and processing on farmers' income in recent years.
4. Economic viability of cooperatives.
5. Market situation.
6. Facilities available for improvement of agricultural production and services extended by cooperatives for this purpose.
7. Existing marketing and processing facilities in respect of agricultural products and possibility of improving marketing practices.
8. Services extended by cooperatives in the field of marketing and processing.
9. Relation with higher level organisations
10. Availability of leadership in cooperatives
11. Problem areas in the field of cooperative agricultural marketing.
12. Possibility of further expansion of marketing activities including export.

Method of Survey

1. Each team of Experts will assemble in New Delhi for instructions from the Regional Director and then proceed to the selected countries for making the survey.
2. In each country, a coopted local expert will join the team for the full duration of their stay in that country.
3. Duration of their stay in each country will be 10 to 14 days.
4. Each team will visit the societies selected, interview knowledgeable persons in the cooperative and public sectors and do all that may be necessary for their survey.
5. When the Survey is completed each team will come back to New Delhi to finalise the report. Each report will be made by the concerned Study Team proper and not by the coopted members as well. The views of coopted members may be annexed to the report if the Study Team so desires.
6. Total duration of the Survey of each Team will be 45 days including the period of stay in New Delhi.

Agenda Item No. 7 (contd)Work Schedule

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|-----------------|-------------------------------|--|
| <u>Team A</u> : | 1. June 1970 | - Nomination of Teams |
| | 2. July & August 70 | - Review of readily available documents by the Secretary |
| | 3. July 1970 | - Selection of societies |
| | 4. First week of August 1970 | - Request specific information and data of these societies |
| | 5. Middle of September 1970 | - Assemble in New Delhi |
| | 6. September & October | - Conduct Survey in the selected countries. |
| | 7. Last week of October | - Finalisation of the Report in New Delhi. |
| <u>Team B</u> : | 1. July 1970 | - Nomination of Experts |
| | 2. August & September | - Review of readily available documents by the Secretary |
| | 3. August 1970 | - Selection of Societies |
| | 4. First week of September | - Request specific information and data of these societies |
| | 5. Middle of November | - Assemble in New Delhi |
| | 6. November and December 1970 | - Conduct Survey in selected countries |
| | 7. Last week of December 1970 | - Finalisation of Report in New Delhi |

Criteria for Selection of Societies

1. Geographical location
2. Economic viability
3. Marketing Performance
4. Marketing/export potential
5. Availability of Good leadership.

Financial Arrangements

1. The ICA will pay travel costs and daily allowances at US \$ 20 per diem to the Experts (except the coopted experts) and the Secretaries of the Study Teams.
2. ICA will pay the costs of the local experts in connection with the survey, if the member organisation so recommends and in consultation with it.

Agenda Item No. 7 (contd.)

3. No payment will be made to the Members or the Secretaries of the Study Teams for doing the Survey.

Local Assistance Required

In view of the limitation of time available for the Survey, the member organisations of the ICA in 12 countries to be visited will be requested to extend their assistance in the following matters -

1. Selection of societies
2. Nomination of local expert
3. Collection and supply of documents and statistics that are available locally.
4. Arrangement of interviews and discussions with knowledgeable persons and leaders.
5. Other necessary arrangements to enable the Team to visit societies and to complete the survey meaningfully.

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AGENDA ITEM NO. 8STATISTICAL INFORMATION ON AGRICULTURE AND AGRICULTURAL
COOPERATIVES IN SOUTH AND EAST ASIA

It has not been possible to publish statistical information on agriculture and agricultural cooperatives in South and East Asia because all the information required was not received by the Secretariat in due time.

The statistical information for 1970 has been compiled and is now presented to the Sub-Committee for its comments. After receiving confirmation of the information given in the compilation, it will be printed and made available as a priced publication.

With a view to making this an annual publication showing the annual progress of the movement in each country served by the ICA RO & EC the members of the Agricultural Sub-Committee are requested to get their organisations to supply the secretariat with the annual statistical publications issued by their governments and cooperatives regarding agriculture and agricultural cooperatives in their respective countries.

② sent separately

AGENDA ITEM NO. 9PROGRAMME OF THE ICA RO & EC FOR 1970-72 IN RESPECT OF
TECHNICAL ASSISTANCE AND INTERNATIONAL COOPERATIVE TRADE
IN THE FIELD OF AGRICULTURAL COOPERATION9.1 Possibility of evolving an alternative channel
of finance for Trade and Aid

At its last meeting held in Teheran the Advisory Council emphasized the need for developing further contacts with international finance agencies such as the World Bank, the Asian Development Bank and the International Development Bank. In addition "the suggestion was mooted of the eventual possibility of setting up an Asian Cooperative Bank for assisting cooperative development and trade."

While contacts are being strengthened with the existing financial institutions, possibilities are also being explored of identifying other sources of finance within the cooperative movements of the Region. Taking into consideration the experience gained so far in obtaining technical assistance for the projects developed through the Regional Office, it is felt that additional channels of assistance for cooperative projects as well as international cooperative trade will have to be found. A document has been prepared in the Regional Office on "Financing of Trade and Development Projects in the South-East Asian Region - Retrospect and Prospect," a copy of which is enclosed as Appendix II. This document has examined the present sources of assistance and has discussed the possibility of evolving a cooperatively owned agency in the Region for this purpose. The present need of the Region is for an agency which can undertake the following responsibilities :

- i. Project feasibility studies, project evaluation and consultative services;
- ii. Project finance;
- iii. Finance for international trade;
- iv. Technical know-how for strengthening cooperative banking structures in the countries of the Region.

A sample survey of the capital structure of some of the leading cooperative business organisations in the Region has revealed the fact that the total owned funds of these organisations exceed US \$350 million and their total working capital is to the tune of US \$5.25 billion.

The following points, therefore, emerge out of the examination of the proposal so far :

- i. that the flow of assistance from the developed countries to the developing ones is slowing down and there are no indications suggesting that the trend may be reversed in the near future.

- ii) a number of cooperative movements in Asia are now planning economic activities on a larger scale than before and a good number of projects are likely to emerge as a result of this planned effort.
- iii) In several sectors of economic activity, the cooperative organisations in Asia have made remarkable progress and their collective strength should be able to sustain a financial institution in the Region.

The ~~Sub-Committee~~ may like to consider the following points in connection with the proposal:

- i) Whether in the light of the present position concerning availability of finance for projects and trade, the cooperative movements in the Region should not now consider alternative channels for securing such finance;
- ii) Whether, the movements now feel that the time is now opportune for considering the proposal for establishing a cooperatively owned financing institution in the Region;
- iii) Whether the feasibility, viability and the scope of this proposal should now be examined by an expert or a team of experts;
- iv) Whether on the basis of the views expressed by the expert(s), the ICA Regional Office and Education Centre should be asked to discuss the proposal with member and other cooperative business organisations in the Region and put up a definite proposal on the subject at the next meeting of the Council.

9.2 A Working Group for Trade Promotion

The question of establishing a Standing /Sub-Committee/ for assisting in the promotion of international trade was briefly discussed at the last Advisory Council meeting. A reference was made to the recommendations of the Tokyo Trade Conference held in June 1968 on the subject. The Conference had suggested that a Standing Sub-Committee be created within the broad framework of the ICA Regional Office to discuss problems of international trade and to advise cooperative trading organisations on their development. Keeping in view the recommendations of the Tokyo Trade Conference as well as the discussion at the Advisory Council, the following proposal is made for consideration by the Agricultural Sub-Committee and the Advisory Council.

It is now more than three years since the ICA Regional Office started functioning as a clearing house of market information and trade promotion. During this period it has been possible to serve the movements, although in a modest way, in their efforts to accelerate the development of foreign trade by providing market information and documentation and by arranging trade meetings. It has also been possible

for us to establish trade contacts among cooperative organisations and in a few cases we have actually succeeded in getting the parties to enter into trade agreements.

The experience of the past years has convinced us of the need of strengthening further our trade promotion activities. While we have been able to provide so far the above services, quite often we have come to a situation where the cooperative organisations find themselves completely helpless and their efforts in developing trade contacts do not succeed owing to several factors beyond their control. Often, we feel the need of consulting experienced cooperative workers in this field with a view to get broad indications of the direction in which we should proceed in respect of certain trade transactions.

In view of the above, it is felt that the formation of a Working Group within the broad framework of the ICA Agricultural Sub-Committee for South-East Asia would be timely and appropriate. This Working Group could be formed from among the members of the Agricultural Sub-Committee who are involved directly in foreign trade. The membership of this Group should be 3 or 5 persons. It can meet on the day preceding the meeting of the Agricultural Sub-Committee so that no question of additional cost would arise at present. However, when need arises, the Group should be able to meet independently of the Agricultural Sub-Committee.

The main functions of the Working Group should be to review the cases handled by the Regional office for trade promotion, discuss the difficulties encountered by the Regional office and tender advice concerning the handling of such proposals in future. The Group can also provide additional trade contacts. Between the two meetings of the Group it will be possible for the Regional Office to supply the Group members with information material and documentation and seek their advice, through correspondence, on certain aspects of trade promotion from time to time. In case any trading organisation happens to be in the country from which a Working Group member is drawn, it may be possible for us to request such member to pursue the case with the Government or other concerned agencies as the case may be.

9.3 Cooperative Trade Exchange

During the Regional Director's visit to Australia in 1969, a suggestion was made by some representatives of the Australian Cooperative Movement that a Cooperative Trade Exchange be established either in Hong Kong or in Singapore with a view to help the cooperative producer and consumer organisations to establish business contacts and explore trade possibilities.

As the suggestion has come from the Cooperators from Australia, it will be appropriate if the Australian member of the Agricultural Sub-Committee would elaborate this suggestions at the meeting of the Sub-Committee. However, as three cooperative organisations of Japan, namely, ZENKOREN, ZENHANREN and UNICOOPJAPAN already have trade offices in

Hong Kong and Bangkok, it will be useful to coordinate this suggestion with them. We have, therefore, suggested that the Australian member of the Agricultural Sub-Committee, while on his way to Seoul, should make a brief halt in Tokyo to discuss the possibilities of establishing a Cooperative Trade Exchange with representatives of UNICOOPJAPAN and other concerned organisations. These discussions will enable the Agricultural Sub-Committee and the Advisory Council to deliberate on the suggestion on a realistic basis.

The scope of work of the proposed trade exchange should in our opinion include the introduction of commodities marketed by cooperatives into the markets at Singapore or Hong Kong and the supply of market and trade information to the cooperative organisations concerned.

Another and more effective way of the trade exchange functioning could be that the facilities required for the running of a trade exchange office should be made available to cooperative trading organisations interested in using these facilities. Their representatives could be posted at the trade exchange to deal with trade matters on behalf of their respective organisations. This proposal is suggested in view of the fact that it may be difficult for certain cooperative trading organisations to entrust responsibilities for trade negotiations to a person outside their own organisation and to part with information which may be of a confidential nature.

Consideration could also be given to the question of coordinating the activities of the Australian Cooperative Movement and UNICOOPJAPAN in this field.

9.4 Work on the Projects

It is expected that during the current year work on the following projects will be speeded up. As the Technical Assistance Sub-Committee of the ICA (in London) has now sanctioned a grant from the Development Fund for covering the expenses of making economic analyses and feasibility studies, it should be possible to get this work done at an early date.

- i) Multi-Commodity Fruit and Vegetable Processing Unit, NAFED, New Delhi (India).
- ii) Consolidated Fruit Processing Plant, NACF, Seoul, Republic of Korea.
- iii) Pineapple Canning Project, Cooperative Federation of Ceylon, Colombo, Ceylon.

The required economic analyses of the projects have not been received in respect of the Korean and Ceylon projects. The attention of the members of the Committee is kindly invited to this.

The clearing house activities of the Regional Office will further be strengthened during this period. The "Trade News" will further be enlarged and it is proposed to issue it in printed form in due course. On the basis of the requirements of the trading organisations, efforts will be made to organise training courses for their technical personnel, such as packers, graders, etc.

AGENDA ITEM No. 10VENUE AND DATES OF THE NEXT SUB-COMMITTEE MEETING

The next Advisory Council meeting has to be held before February 1971. It is most likely that the meeting will be held following the Tenth Anniversary Celebrations of the RO & EC which will include a Conference of Top-Level Leaders of the Movements. It will be very helpful and also add to the representative character of the celebrations if the Agricultural Sub-Committee meeting is also held following the celebrations, enabling the Members to participate in the Celebrations.

The members may like to indicate their views on the above.

*Australia tentative invite
but proposal for 10th anniversary,*

A.C.

APPENDIX IWORK OF THE AGRICULTURAL SUB-COMMITTEE FOR SOUTH-EAST ASIA

(This is extracted from the minutes of the Agricultural Executive Meeting held at Hamburg on 25th August 1969)

Mr. Yanagida ^{had} reported ^{to the ~~Committee~~ Executive Mtg of the Agric Comt.:-} that since the establishment of the ASC in 1967, it had met three times and the role of the cooperative movement in the agricultural development in the Asian Region had been reviewed, and means for extending its activity were being sought. Besides, Malaysia and Iran, which were not affiliated to the Sub-Committee at the beginning, had now become its members.

He ~~continued~~ that, on the basis of the common recognition that agricultural development was of importance to achieve socio-economic growth in the Region and the organising of cooperatives was indispensable for the attainment of such development, the Sub-Committee had made efforts to promote international cooperation bilaterally as well as multilaterally by such means as the exchange of information. The Sub-Committee sought the promotion of close cooperation with the ICA RO & EC for South-East Asia. Without cooperation from this source, the Sub-Committee would not be able to strengthen its activity. In this regard, the ICA activities, such as education and training of cooperative officials and the collection and dissemination of basic statistics, were of great value, and the Sub-Committee hoped that they would go further in order to develop the agricultural cooperative movement in the Region.

^{That} Great attention was paid to the development of multipurpose cooperatives among agricultural cooperatives in the Region. The Sub-Committee, as well as the ICA RO & EC, considered farm guidance very vital for multipurpose cooperatives as an important subject and one that would be of use for the development of the agricultural cooperative movement in the Region. Mr. Yanagida thought that the promotion of farm guidance activities would necessitate the effective marketing of agricultural produce. Furthermore, international trade also had an important impact upon the strengthening of its organisation. In view of this, the Sub-Committee had expressed its support for the

trade and the commodity conferences.

“*La*” With regard to the cooperative contribution of advanced countries in this respect, a long-term agreement on cooperative trade would be more important and useful, as shown in the case of the Japan-Thai Trade Agreement on Maize. This agreement included the promotion of the Thai cooperative movement, while at the same time the Japanese movement was assured of a constant supply of maize. The question of whether such an agreement could also be made with other countries in the Region had also been explored. Mr. Yanagida thought that the movements of advanced countries had not imported much through the cooperative organisations in the Region. He wanted to appeal to the members from the advanced countries to make more efforts to import commodities through the cooperative organisations and to establish long-term contracts whenever possible, so as to contribute to the development of cooperatives in the Region, as well as to receive reciprocal benefits.

“*Lux*” To attain this purpose, the importance was for the exchange of information and communication with each other, so that the highest appreciation could be given to the Eisenberg Report and respective work of the ICA RO & EC, which supplements the report from time to time through its bulletins. The Sub-Committee sincerely hoped that the advanced countries would actively contribute in this field and strongly hoped that the ICA RO & EC would act as a clearing house of information on international cooperative trade.

“*Lux*” The Chairman said that the Sub-Committee had worked in an admirable way. Mr. Lacour, Chairman of the Fisheries Sub-Committee of the ICA, ^Lsuggested that a Fisheries Section should be set up within the South-East Asian Agricultural Sub-Committee and that this matter could perhaps be discussed.

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A/19th January 1970

FINANCING OF TRADE AND DEVELOPMENT PROJECTS IN THE
SOUTH-EAST ASIA REGION

RETROSPECT AND PROSPECT

Since the Bournemouth Congress, we have been publicising our activities in the field of technical assistance, and through correspondence and personal discussions we have encouraged our member organisations in the developing countries of the Region to plan development projects which may later qualify for external assistance. Although, right from the beginning, no commitments have been made concerning the needed assistance, by implication we were committed at least to explore, on behalf of the national movements, the possibilities of obtaining the assistance on a bilateral or a multilateral basis. The various forums of the ICA, namely, the Congress, the Central Committee, the Executive Committee, the Technical Assistance Sub-Committee and also the Advisory Council for South-East Asia, have been discussing, on a continuous basis, technical assistance and trade development and have given very valuable directions and made several useful suggestions for making the trade and aid programmes more effective.

Development Projects

As a result of the earlier efforts and the discussions at the various forums of the ICA, some of our member organisations in the Region have given a serious thought to their own development problems and have come forward with requests for external assistance to some of the projects, which they feel cannot be completed without foreign technical know-how and financial assistance. In addition, several requests are pouring in our office for assistance of a varied nature, including gifts of equipment, machinery and books. Although, a number of projects are not yet complete

from the feasibility point of view, it is expected that they will take a concrete form in the near future and some of them may qualify for foreign aid.

Over the three-year period which has seen intense activity in the above two fields in our office, we have been able to provide gifts of audio-visual equipment and library books. No work on a major project, however, has been initiated for want of a donor cooperative organisation or agency. The only committed project at this stage is the old Bhor Cooperative Dairy Project. As this project was initiated well before the Bournemouth Congress, we have to conclude that no major project has found support during the last few years.

I do not want to sound a note of despair, nor am I discouraged by the present situation. However, I feel that at this stage it will be useful to review the present position and consider possible measures for future.

Present Sources

The sources from which we are at present exploring assistance are: (a) cooperative organisations in advanced countries, (b) multilateral agencies through the Joint FAO/ILO/ICA/IFAP/IPFAAW Programme, and the (c) ICA Development Fund.

We have been discussing with the advanced cooperative movements the possibility of assisting some of the projects and the response so far has been far from satisfactory. Considering the commitments already made by some of the advanced cooperative movements for assistance to some of the developing countries in other parts of the world, and to our own Region, it is difficult to visualise the situation where a number of advanced cooperative movements will come forward to assist the projects we have now on hand. This does not mean that we may not succeed at all in locating donor cooperative movements for some of our projects. However, the number of such cooperative agencies will certainly be very small and we should be fortunate if we are in a position to get one commitment during the course of one year.

The Joint Programme certainly has raised expectations and it is very encouraging to see a number of international agencies lending their support to this experiment in international cooperation. The Liaison Committee has been discussing various steps to be taken for making the Programme more effective and, I hope some concrete steps will be possible in the near future. Some of our projects are already before the Joint Programme and we have prepared the Country Notes, which were requested of us, for enabling the Liaison Committee to determine the nature of assistance that it could recommend for the projects in these countries. It is not yet known whether all the projects will ultimately be referred to the Joint Programme. The question still remains to be answered is whether the projects recommended by the Joint Programme would directly be referred to a donor agency - bilateral or multilateral - or would the Liaison Committee ask the project sponsoring cooperative organisations in our Region to submit the requests through their respective governments to the United Nations or other suggested agency. If latter is the case, our efforts in obtaining assistance through this source are bound to be ridiculed. If we are not able to take the project ahead after the deliberations in the Liaison Committee, what purpose is it going to serve by asking a cooperative organisation after a period of 2-3 years, to start all over again and submit its request to its government which, as is well known, may have its own priorities for seeking assistance and which may not recommend the project at all and even if it recommends, we would have only duplicated the effort and would have spent 2-3 years more in the whole exercise. It is, therefore, very necessary and important to lay down a detailed procedure which will be adopted by the Liaison Committee for processing projects under the Joint Programme. But how much can we get out of this?

The ICA Development Fund, although moderate in size, has played an effective part in assisting some of the worthy projects and, I am sure, we shall continue to use this Fund to support several such good projects in future. It may be that a bigger project could be financed through the Development Fund if the total external investment is provided by instalments over a period of years. But that does not meet with our requirement as a whole.

What is true of development assistance is equally true of development in the field of trade. The scope for development of exports on an intra-regional basis is very limited. The internal markets are too small to be able to undertake development of exports on a vertical basis. In the absence of a decisive lateral broadening of international trade at all levels, it will be difficult to develop the potential capacity of the exporting cooperative organisations in the Region.

To sum up, the total situation is that the resources available at present and the potential sources from which assistance would be forthcoming are far short of the total needs of cooperatives in the Region in terms of development assistance.

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The Report of the Commission on International Development (Pearson Report) has examined in detail the present position of development assistance and has expressed the view that the question of total assistance from developed to developing countries is decreasing from year to year. In the chapter discussing "A Question of Will", the Commission states:

"However, international support for development is now flagging. In some of the rich countries its feasibility, even its very purpose, is in question. The climate surrounding foreign aid programme is heavy with disillusion and distrust. This is not true everywhere. Indeed, there are countries in which the opposite is true. Nevertheless, we have reached a point of crisis.

The question which now arises is whether the rich and developed nations will continue their efforts to assist the developing countries or whether they will allow the structure built up for development cooperation to deteriorate and fall apart.

The signs are not propitious. In the last years of this decade, the volume of foreign official aid has been stagnant. At no time during this period has it kept pace with the growth of national product in the wealthy nations. In fact, the commitments by the United States, which has been much the largest provider of aid funds, are declining. There, and in some other developed countries, we have encountered a spirit of disenchantment".

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"Partners in Development" (Praeger Publishers). The Commission was appointed by the President of the International Bank for Reconstruction and Development (World Bank).

It is not very likely that the quantum of assistance would rise very substantially even though the Commission has advised the developed countries "that it is only right for those who have to share with those who have not".

What should then be the next step? Shall we give up trade and development aid? No, it will be reversing the trend initiated by the ICA during the First Development Decade of the United Nations. Shall we just wait and see and take the assistance that may be forthcoming? It will only marginally help development process and the majority of the organisations requesting assistance will have to give up their projects in the absence of external support.

What future strategy?

The time has, therefore, come to reorient our strategy in the field of trade and development. I am saying this only for the Region for which we are working. On the one hand, the regional effort will have to be strengthened to consolidate the present position, to generate additional interest in the Region for regional cooperation and to mobilise the resources from among the cooperative agencies and, on the other, we shall have to increase our pressure on the advanced cooperative movements for lending greater support to cooperative developmental effort in the Region. I do not see any other way by which we could achieve our present objectives, and I am therefore outlining the course of action that I propose to initiate with the cooperation of all my colleagues in the direction of achieving some of the objectives.

The Continent of Asia

The Region for which we are working, namely, South-East Asia (in fact, it is the whole of Asia); is a vast Region with tremendous potentialities for development. Inter-governmental agencies, especially the United Nations Agencies, have initiated a number of development projects mainly because of the support extended to ECAFE by the governments in the

Region as also by the governments in the advanced countries. In the initial period, the process of development in the ECAFE Region could not be accelerated owing to the lack of financial support to a number of projects and almost all requests for assistance had to be sent to the International Bank for Reconstruction and Development. The requirements of the Asian Region are too vast to be met from international agencies which have involvements all over the world. Quite often, there is also the reluctance of some of the banking institutions to invest in Asia. The Regional Economic Report of the Asian Agricultural Survey sponsored by the Asian Development Bank (ADB), has examined in great detail the potentialities of the Region. While discussing the environment in the Asian situation, the Survey states: "If the physical and human environment of the Region results in unique and difficult problems of development, it provides also the potential for vastly changing the economic well-being of more than one-third of the world's population". For this very reason and in spite of some of the seemingly unsurmountable difficulties, the regional effort has been strengthened. Intra-regional cooperation has increased and institutions, such as the ADB have come into being during the First Development Decade.

The creation of the ADB was the fulfilment of the aspirations of the Asian community for an agency in the Region of which the representative governments would be the sponsors and partners in progress. A sense of involvement and participation in the regional development effort has resulted in the establishment of a powerful development bank. Welcoming the establishment of the Bank, during the debate in the ECAFE Committee on Trade at its meeting held in January 1967, Mr. Gunasingham, delegate from Ceylon, felt that the most important consideration in the establishment of the Bank was the concept of Asia as a Region. "Without such a regional consciousness, the growth of the countries in the Region would continue to be fragmented", he added.

Within the cooperative movement itself, the regional consciousness has been growing over the past decade and the credit for this development in no small measure goes to the ICA Regional Centre at New Delhi. The aspirations of the Asian cooperative community are growing very rapidly and a quick glance at the Asian panorama reveals a series of development

programmes initiated both by the national cooperative movements and their governments. By the very nature of our activities, the ICA is bound to be involved in securing assistance for some of these projects. It is quite likely that some of these projects may be assisted by advanced movements. However, the majority of the projects would remain uncommitted if a suitable alternative is not found for securing financial support for their fulfilment.

Potential in Asia

The Pearson Commission has also spoken well of the efforts made in the developing regions for initiating development programmes and for promoting savings. Discussing "Savings and Investment", the Report states:

"In the past twenty years, in spite of all obstacles, impressive efforts have been made to raise savings. Some countries achieved very high rates of capital formation by any standard - over 20 per cent of GNP. Indeed, the average savings and investment rates in low-income countries during the 1960's compared favourably with the historical investment rates of about 10 per cent in Europe and the United States in the last century, although they were lower than the current rates in industrial countries."

There has also been impressive progress in some countries in setting up commercial banks, investment corporations, savings and loan associations, cooperative financing institutions, and stock exchanges. Many countries have established successful development banks to promote industrial projects, finance agriculture, and promote low-cost housing and house ownership.

The growth of savings in low-income countries also reflects the great improvements in opportunities for profitable investment created by growing consumer income and by replacement of imports. These opportunities have often been assisted by government policy, by the growth of entrepreneurial groups, by the adoption of modern management techniques, by the introduction of modern technology, and by external factors, particularly the availability of foreign exchange for investment".

The above analysis clearly indicates the present trend in the field of development and the willingness of the developing countries to mobilise their own resources for this purpose.

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Possibilities of future development

The total technical assistance requirements of our Region should now be examined in the context of the various sources from which development aid is likely to be forthcoming. It may be that alternative sources of finance will have to be located or developed if we wish to continue effectively the processing of technical assistance request with a view to locate donor countries or international agencies.

It is not finance alone that we have now to seek. Quite often we feel the need of an Agency which can also assist us in various fields such as Project feasibility studies, Project evaluation, Consultative services and so on. We also need an Agency which should now be able to finance international trade on a cooperative to cooperative basis.

International Cooperative Bank at Basle, Switzerland

There is already a cooperative bank located in Switzerland with a share capital of Sw.Fr. 20 million and the total assets more than Sw.Fr. 200 million. A number of cooperative wholesale and banking organisations in Europe are members of the Bank which assist them in other cooperative business organisations "in their organisation and development, and in their rationalisation of supply and production set-up".

The possibility of establishing a separate cooperative banking structure for our Region should now be examined.

We have in the Region a number of cooperative banking marketing and wholesale institutions which may be in a position to support an Asian Cooperative Banking Structure. Quite a number of these agencies are financially strong and have developed, over a number of years, substantial reserves, part of which can be utilised for investment in this Institution. A sample survey of the capital structure of some of the leading cooperative business organisations in the Region has revealed the fact that the total owned funds of these organisations exceed US \$350 million and their total working capital is to the tune of US \$5-1/4 billion.

While the majority of the equity holders of such a Bank will naturally be from the Region there is nothing to prevent cooperative organisations from non regional countries to participate in the equity capital. Such a Bank should also be able to raise funds in international money market and through deposits from member organisations.

Various questions will have to be examined in connection with the proposal especially the question of transfer of funds from one country to another and the investments of funds. Although there is a felt need for such an Agency the various legal and organisational aspects will have to be gone into before a firm decision could be taken for the establishment of the Bank. Looking into the experience of the International Cooperative Bank and other international banking agencies in the field, it seems feasible to have a separate cooperative banking structure in the Region. If we wish that this Bank should be a development bank without undertaking any commercial transactions it may be very difficult for such a bank to assist development projects without having adequate sources of income. On the other hand, a combination of the commercial activity with those in the development field may help the bank to earn through commercial transactions and utilise the surplus for development activities.

**Agricultural Sub-Committee
for South-East Asia**

Fourth meeting

Venue Seoul, Republic of Korea

Dates May 4 and 5, 1970

**International Cooperative Alliance, Regional Office
& Education Centre for South-East Asia,
43 Friends' Colony, New Delhi-14, India**

International Cooperative Alliance
Regional Office and Education Centre
for South-East Asia
43 Friends Colony, New Delhi.1
India

G / 23rd June 1970

MINUTES OF THE FOURTH MEETING OF THE I.C.A. AGRICULTURAL
SUB-COMMITTEE FOR SOUTH-EAST ASIA held at SEOUL,
REPUBLIC OF KOREA, on MAY 4 and 5, 1970

1. The Fourth meeting of the ICA Agricultural Sub-Committee for South-East Asia was held at Seoul, Republic of Korea, on the 4th and 5th May 1970 at the Ambassador hotel, Seoul. Mr H Yanagida, Chairman of the Sub-Committee and Member for Japan, presided.

The following were present:

| | | |
|------------------|---|--|
| Members | : | Mr K.W.Devanayagam, Ceylon Mr V.N.Puri, India Mr H Yanagida, Japan Mr Hyo Chul Ahn, Republic of Korea Mr N.A.Kularajah, Malaysia Mr Ahmed Mian Soomro, Pakistan Mr B.P.Faustino, The Philippines |
| Special Invitees | | Mr B Venkatappiah, Chairman, ICA Advisory Council Mr H Togawa, Managing Director, IDACA, Japan Mr R Nonaka, National Federation of Fishery Cooperative Associations, Japan. |
| Observers | | Mr Byung Joon Minn, Deputy Manager, Education and Public Relations Department, NACF Mr Dong Hoo Joh, Ag. Manager, Research Department, NACF, Korea Mr P.S.Bhat, Joint Secretary, National Cooperative Union of India |
| ICA Staff | | Mr P.E.Weeraman, ICA Regional Director for South-East Asia Mr J.M.Rana, Director, Education Centre, ICA RO & EC Mr M.V.Madane, Joint Director, (Technical Assistance and Trade), ICA RO & EC |
| Secretary | | Mr Shiro Futagami, Deputy Director, ICA RO & EC |

The following were absent: Mr Irwin Hunter, Member for Australia.
Mr Gholam Hossein Azadi, Member for Iran

2. Mr Nakaoka of the Central Union of Agricultural Cooperatives of Japan acted as interpreter to Mr Yanagida. Mr A.H.Ganesan, Personal Secretary to the ICA Regional Director, was in attendance.

3. Mr Hyo Chul Ahn, Member for Korea and Provincial Director of Ghunnam Provincial Branch of the National Agricultural Cooperative Federation of Korea welcomed the Members on behalf of the NACF.

4. Mr P.E.Weeraman, Regional Director of the ICA Regional Office and Education Centre for South-East Asia, welcomed the members of the Sub-Committee on behalf of the ICA and thanked them for their presence. He expressed his deep gratitude to the NACF, Korea, for inviting the Sub-Committee to Seoul and bearing all the local costs of the members. He also thanked Messrs Tal Chun Hong, Ismail and Serajul Huq, the former members from Korea, Malaysia and Pakistan respectively for their services. He next welcomed the new members of the Committee viz. Messrs Kularajah (Malaysia), Soomro (Pakistan) and Hyo Chul Ahn (Korea). He also mentioned the recognition accorded to Mr V.N.Puri, Member for India, by his election to the Executive Committee of the ICA. This was the second time that an Asian had been elected to the ICA Executive Committee. He was also grateful for the presence of the special invitees, Mr B Venkatappiah, Chairman of the ICA Advisory Council for South-East Asia, Mr H Togawa, Managing Director, Institute for the Development of Agricultural Cooperation in Asia, and Mr R Nonaka of the National Federation of Fishery Cooperative Associations of Japan. He welcomed Mr P.S.Bhat, India, and Messrs Minn and Joh of the NACF who were present as observers.

5. He mentioned that Mr Hunter was unavoidably absent from the meeting in view of the agricultural situation in Australia and conveyed Mr Hunter's good wishes for the success of the meeting.

Item No. 3 : Election of Chairman and Vice-Chairman of the
Agricultural Sub-Committee for the term 1970-72

6. The outgoing Chairman, Mr Yanagida, requested Mr Hyo Chul Ahn, the Member for Korea, to take the chair as pro-tem Chairman. Mr Ahn occupied the chair accordingly. Mr V N Puri proposed and Mr Kularajah seconded that Mr Yanagida be re-elected Chairman of the ICA Agricultural Sub-Committee for the period 1970-72 ending with the next Congress of the ICA. This was unanimously adopted and upon the invitation of the protem Chairman Mr Yanagida occupied the chair amidst applause. Mr Yanagida expressed his thanks to the members for restating their confidence in him by re-electing him to the office of Chairman. He sought the cooperation of the members for arriving at useful decisions. Mr P.E.Weeraman congratulated Mr Yanagida on his re-election and assured him of assistance and cooperation from the ICA Regional Office.

7. Mr V.N.Puri proposed and Mr Kularajah seconded that Mr K.W. Devanayagam, Member for Ceylon, be re-elected Vice-Chairman. This was adopted unanimously. Mr Devanayagam thanked the members for re-electing him Vice-Chairman. Mr Weeraman offered his felicitations to Mr Devanayagam on behalf of the ICA.

Item No. 4 Confirmation of the Minutes of the Third Meeting held at New Delhi, India

8. The Minutes of the Third Meeting of the ICA Agricultural Sub-Committee held in New Delhi, India, on February 24, 1969, which had been circulated earlier, were confirmed.

Item No. 5 Matters arising from the Minutes

9. The following matters arising from the minutes were next considered.

9.1 Report on the Study of Multi-purpose Cooperatives in Ceylon :

The Committee was informed of the delay on the part of Prof. Hsieh to submit his report in spite of his having informed the Regional Director on the latter's visit to Singapore last November that the first draft had been completed. The Committee expressed concern over the delay and hoped that the report would not be out of date by the time it is issued.

9.2 Financing Cooperatives at the International Level :

It was brought to the notice of the members that the Head Office of the ICA proposed to study the existing facilities for financing cooperatives and for this purpose had sent direct to the member organisations questionnaires relating to this "Study on Guarantee Funds to Promote International Financing of Cooperative Enterprises - Ways and means of, and outline for international financing of Cooperative Business Activities". It was hoped that the information required would be supplied without delay.

9.3 Contribution to the ICA RO & EC for the activities of the Sub-Committee :

The meeting was informed that only Iran, Korea, Japan and Australia had so far made this contribution. The other members were requested to get their member organisations to make this contribution as early as possible. It was suggested that a reminder should be sent by the RO & EC. It was also agreed that any member organisation which finds it difficult to remit this money to the ICA on account of foreign exchange regulations, may be allowed to contribute this money in local currency to the ICA for any of its activities within the country concerned.

9.4 Place of the Sub-Committee in the Regional Set-up :

The Regional Director informed the Sub-Committee that the proposal of the Sub-Committee to work as a de facto Sub-Committee of the Advisory Council whilst retaining its legal status as a Sub-Committee of the Agricultural Committee was conveyed to the ICA headquarters. The Agricultural Secretary of the ICA had informed the Regional Director that that a letter should be sent by the Chairman of the Sub-Committee to the Chairman of the main Committee expressing the wish of the Sub-Committee to function as a Sub-Committee of the Advisory Council as well whilst retaining the legal position as a Sub-Committee of the ICA Agricultural Committee.

Item No. 6 Matters arising from the ICA Agricultural Committee
Meeting held in Hamburg on 25th August 1969

10. Mr Yanagida briefed the Sub-Committee in regard to the statement he had made at the Executive Meeting of the ICA Agricultural Committee held at Hamburg on 25th August 1969.

10.1 Mr Yanagida had reported to the Executive Meeting of the Agricultural Committee "that since the establishment of the ASC in 1967, it had met three times and the role of cooperative movement in the agricultural development in the Asian Region had been reviewed, and means for extending its activity were being sought. Besides, Malaysia and Iran, which were not affiliated to the Sub-Committee at the beginning, had now become its members".

10.2 "That, on the basis of the common recognition that agricultural development was of importance to achieve socio-economic growth in the Region and the organising of cooperatives was indispensable for the attainment of such development, the Sub-Committee had made efforts to promote international cooperation bilaterally as well as multilaterally by such means as the exchange of information. The Sub-Committee sought the promotion of close cooperation with the ICA RO & EC for South-East Asia. Without cooperation from this source, the Sub-Committee would not be able to strengthen its activity. In this regard, the ICA activities, such as education and training of cooperative officials and the collection and dissemination of basic statistics, were of great value, and the Sub-Committee hoped that they would go further in order to develop the agricultural cooperative movement in the Region".

10.3 "That great attention was paid to the development of multipurpose cooperatives among agricultural cooperatives in the Region. The Sub-Committee as well as the ICA RO & EC, considered farm guidance very vital for multipurpose cooperatives as an important subject and one that would be of use for the development of the agricultural cooperative movement in the Region. Mr Yanagida thought that the promotion of farm guidance activities would necessitate the effective marketing of agricultural produce. Furthermore, international trade also had an important impact upon the strengthening of its organisation. In view of this, the Sub-Committee had expressed its support for the trade and the commodity conferences".

10.4 "That with regard to the cooperative contribution to advanced countries in this respect, a long-term agreement on cooperative trade would be more important and useful, as shown in the case of the Japan-Thai trade agreement on maize. This agreement included the promotion of the Thai cooperative movement, while at the same time the Japanese movement was assured of a constant supply of maize. The question of whether such an agreement could also be made with other countries in the Region had also been explored. Mr Yanagida thought that the movements of advanced countries had not imported much through the cooperative organisations in the Region. He wanted to appeal to the members from the advanced movements to make more efforts to import commodities through the cooperative

organisations and to establish long-term contracts whenever possible, so as to contribute to the development of cooperatives in the Region as well as to receive reciprocal benefits".

10.5 "That to attain this purpose, the importance was for the exchange of information and communication with each other, so that the highest appreciation could be given to the Eisenberg Report and the respective work of the ICA RO & EC, which supplements the report from time to time through its bulletins. The Sub-Committee sincerely hoped that the advanced countries would actively contribute in this field and strongly hoped that the ICA RO & EC would act as a clearing house of information on international cooperative trade.

10.6 "That the Chairman said that the Sub-Committee had worked in an admirable way. Mr Lacour, Chairman of the Fisheries Sub-Committee of the ICA, had suggested that a Fisheries Section should be set up within the South-East Asian Agricultural Sub-Committee and that this matter could perhaps be discussed".

11. Proposal to Form a Fisheries Group:

It was resolved that a Fisheries Group of the Agricultural Sub-Committee be constituted and that the Members for Ceylon, Japan and Malaysia, be the Members of this Group, with power to coopt members. The functions of this group would be to give due attention to the problems of fishery cooperatives. The Regional Office will extend secretarial facilities to the Group.

Item No. 7 Survey of Cooperative Agricultural Marketing Projects in South and East Asia

12. The Regional Director reported to the Sub-Committee that the Central Union of Agricultural Cooperatives of Japan had proposed that a Survey should be conducted of agricultural cooperative marketing projects in the countries of South-East Asia served by the Regional Office and Education Centre with a view to accelerating the development of cooperative agricultural marketing. He explained that on the basis of the findings of such a survey the Central Union of Agricultural Cooperatives of Japan intended to approach the Government of Japan for assistance to develop cooperative projects recommended by the study teams. Such a survey would also be of much use to the member organisations for obtaining assistance from developed countries. A scheme for the conduct of this survey was presented in the agenda notes submitted for the meeting. He also reported that a sum of 4.5 million Yen had been deposited by the CUAC, Japan, to the credit of the ICA and that he had had an oral discussion with the Director of the ICA, Dr S.K. Saxena, and that Dr Saxena had indicated the possibility of assistance from the ICA Development Fund, if the scheme is approved by the Technical Assistance Sub-Committee of the ICA. The scheme of the survey was next discussed in detail and it was adopted in the following form.

Purpose

12.1 It is proposed that a Survey should be conducted in the field of agricultural cooperative marketing with the ultimate object of further developing agricultural cooperative marketing in the countries of South-East Asia. This survey will be conducted by three study teams as explained in 12.2 below. It is expected that this survey will help the movements concerned to obtain assistance for the development of the projects recommended by the study teams from the developed cooperative movements, the governments of developed countries and the institutions and authorities set up for international development.

Methodology

12.2 The ICA's member organisations in the Region of South-East Asia served by the RO & EC will be called upon to propose cooperative projects which may be examined by the ICA to ascertain their potentiality for development into full scale cooperative production and marketing concerns. These projects will be of two categories, viz. (a) projects for the marketing of raw material for animal feeding stuffs with a view to exporting it, and (b) projects for the marketing of other agricultural commodities within or outside the countries concerned. In the case of both groups the member organisations concerned will be requested to select both the commodities and the projects which they would like the ICA to examine. The number of projects to be so examined in each country will be determined by the Regional Director having regard to the time at the disposal of the team concerned.

12.3 The ICA will appoint three study teams for the purpose of surveying the projects so proposed. Two of these study teams will survey the projects proposed for the marketing of raw material for animal feeding stuffs whilst the third team will survey the projects proposed for the marketing of other agricultural commodities.

12.4 The survey in respect of animal feeding stuffs raw material will be conducted in five countries viz. India, Pakistan, the Philippines, Malaysia and Indonesia. The Member for India said that in the case of India, the National Agricultural Cooperative Marketing Federation would conduct its own survey and bear the full costs of such a survey. In regard to the other four countries the ICA will appoint two teams, each team to cover two of these countries. In each team, there will be two Japanese experts provided by the Central Union of Agricultural Cooperatives of Japan. Each study team will have an Officer of the Regional Office to function as a member as well as the Secretary of the team. In addition to these three members of each study team, one additional member will be coopted to each study team, on the recommendation of the member organisation of the country visited by such study team, for the purpose of making the survey in that particular country. If necessary, interpreters will be employed for the convenience of the Japanese experts.

12.5 The Survey in respect of other agricultural commodities will be conducted in three countries viz. the Republic of Korea, Iran and Ceylon. In consultation with the member-organisations concerned, the ICA will appoint two experts having regard to the commodities which are involved in the projects proposed by the member-organisations. This study team also will have an officer of the ICA as a member as well as the Secretary of the team, and a member coopted, on the recommendation of the member-organisation of the country visited by the study team, for the purpose of making the survey in that particular country.

Costs

12.6 The Central Union of Agricultural Cooperatives of Japan has placed at the disposal of the ICA a sum of 4.5 million Yen (US \$ 12,500) to be utilised in this connection. It is expected that an equal contribution will be made from the ICA's Development Fund. It is the view of the Agricultural Sub-Committee that except in the case of Indonesia, where the ICA has no member organisation as yet, all the local costs of this survey should be borne by the member organisations concerned. This will include costs of board, lodging and travelling of all members and other personnel of the study teams as well as any other local expenditure connected with the survey. The hotel accommodation provided for the members of the study teams should be of the type that is normally provided by international organisations for their experts. The average expenditure on the board and lodging of each expert per day would be 20 US Dollars.

12.7 The ICA will meet the international travel costs and similar expenditure for which foreign exchange is needed, in connection with the survey in the countries mentioned above except Indonesia. In the case of Indonesia even local costs may be met by the ICA if it becomes necessary to do so. It is estimated that each study team will be able to spend only about 10 days in each country. The number of projects to be surveyed in each country will be limited by this consideration. The ICA's expenditure will be met out of the funds mentioned in para 12.6.

Period of the Survey

12.8 It is expected that the member organisations concerned will be able to select projects for the attention of the study teams within two months of their being informed of this scheme. The recruitment of experts will have to await the requests of the member-organisations so that experts may be selected having regard to their specialised knowledge of the commodities that are involved in the projects submitted for the survey. It is expected that the ICA Director's approval could be obtained and thereafter the scheme of the survey could be notified to member-organisations by July 31st 1970. The proposals of the member organisations could be expected by September 30th. The selection of experts for the survey of projects in the field of animal feeding-stuffs raw material could be made by the CUAC of Japan within about two

months of this date whilst the selection of experts in other agricultural commodities referred to at para 12.5 will require four months. The appointment of this study team could be done by about January 1971. In the case of the two teams which will examine projects for raw material for animal feeding stuffs it is expected that it will be possible for the CUAC to release experts for one team in November 1970 and for the other team in January 1971. The report of each study team should normally be available within three months of the completion of their survey.

Item No.8 Statistical Information on Agriculture and Agricultural Cooperatives in South-East Asia

13. A document containing statistical information on Agriculture and Agricultural Cooperatives in South-East Asia for 1970 compiled by the RO & EC was submitted to the Sub-Committee. The Sub-Committee was of the opinion that it would be very useful to have an annual compilation of such information. The members were informed that the document would be printed after the information set out in the document had been confirmed by the movements concerned. The members were informed that any corrections should be sent to the Regional Office by the end of May 1970. The members were also requested to get their respective organisations to supply the RO with the annual statistical publications of their respective governments and organisations relating to agriculture and agricultural cooperatives. This will enable the RO to compile this information in a uniform way. This had not been possible in the present document due to the diversity of the classifications adopted by the various movements.

Item No.9 Programme of the ICA RO & EC for 1970-72 in respect of Technical Assistance and International Cooperative Trade in the field of Agricultural Cooperation

Possibility of evolving an Alternative Channel of Finance for Trade and Aid

14. The suggestion to set up an Asian Cooperative Development Bank detailed in the agenda note on this item was examined and discussed at great length. All the members present were of the view that such a bank was a great need in the region for the developmental and trade activities of the movements, and that the proposal was a timely one.

15. The consensus in the meeting was that the ratio of assistance from advanced countries as well as multi-lateral sources to developing countries is decreasing from year to year. The cooperatives in the region are finding it difficult to obtain foreign assistance for their projects. It was therefore felt that if such an agency is established the movements in the region should be able to participate in its equity capital as such participation will be an investment for the long-term development of the movements themselves.

16. The Sub-Committee was of the opinion that the feasibility of establishing such a bank should be examined by a group of experts. In examining this proposal assistance should be sought from the ICA Banking Committee and the International Cooperative Bank. It was decided to request the Advisory Council to appoint such a Group.

Working Group for Trade Promotion

17. The proposal to establish a Working Group for Trade Promotion within the Sub-Committee as explained in the agenda note was discussed at length and it was resolved that for the present members of the Sub-Committee should constitute a Working Group for Trade Promotion. Any member interested in joining the group would be free to do so. The Members for India, Malaysia, Japan, Pakistan, the Philippines and Korea indicated their wish to join the Group. It was also the general wish of the Members that the Member for Australia would join the group. This group could normally meet before the meeting of the ICA Agricultural Sub-Committee and the members could be assisted by persons who are directly handling such trade. The group would deal with trade in agricultural commodities.

18. The purpose of the members of the Agricultural Sub-Committee meeting in the capacity of a Working Group for Trade Promotion is to ensure that cooperative trade in agricultural commodities is given a special place in our deliberations in the same way as it has been proposed in respect of cooperative fisheries.

Cooperative Trade Exchange

19. The Committee noted the suggestion that had been made by the Australian Movement to the Regional Director on his visit to Australia in 1969 that a trade exchange be established either in Hong Kong or in Singapore with a view to helping cooperative producer and consumer organisations to make business contacts and to explore trade possibilities. It was also suggested that this matter should be examined further by the Working Group for Trade Promotion referred to in the preceding paragraph.

Work on the Projects

20. The present position of the projects receiving the attention of the ICA Regional Office as mentioned in the agenda note was noted.

Item No. 10 Venue and Dates of the Next Sub-Committee Meeting

21. The Committee accepted the suggestion that the next meeting of the Sub-Committee should be held at the same time as the meeting of the Advisory Council and that this meeting should coincide with the Conference of Top Level Leaders and the Tenth Anniversary Celebrations of the RO & EC scheduled to be held in New Delhi in January 1971. However, the Member for Pakistan mentioned that it would be unfair to hold this meeting in New Delhi if visa facilities would not be available for Pakistanis. The Regional

Director mentioned that hitherto there had been no such difficulty in the way of the Member for Pakistan or delegates from that country attending previous meetings held in India. He mentioned that the Member for Pakistan had not been able to attend the last meetings of the ICA Agricultural Sub-Committee and Advisory Council held in India and Iran respectively in spite of his having received visas from the two countries. He assured the Member for Pakistan that the Regional Office would do everything possible to facilitate the obtaining of a visa for India.

Item No. 11 World Conference on Agricultural Cooperatives

22. Under the item "any other matter", the proposal of the ICA to hold a 'World Conference on the Role of Agricultural Cooperatives in the World Cooperative Movement' was mentioned in terms of agenda item 3 of the next meeting of the Agricultural Executive to be held in Sofia, Bulgaria, on May 10th. The Members were in favour of holding such a Conference but they were of the opinion that the theme was too general and too comprehensive. It was also suggested that multipurpose cooperatives should be given special attention in such a conference. The Chairman requested the members to send further comments, if any, direct to the Head Office of the ICA.

Item No. 12 Discussion on "Production Credit and Farm Guidance"

23. The Member for Korea introduced a case study on "Production Credit and Farm Guidance in Korea". This was followed by a useful discussion.

24. The Chairman thanked the National Agricultural Cooperative Federation of Korea for the hospitality extended to the meeting and he thanked the special invitees, the members and the ICA Staff for their cooperation and assistance.

25. Mr V.N.Puri, proposed a vote of thanks to the Chair which was carried unanimously.



Shiro Futagami
Secretary, ICA Agricultural
Sub-Committee for South-East Asia

New Delhi
23rd June 1970