

**REPORT OF**

***THE ADVISORY COMMITTEE  
ON THE POLICY AND DIRECTION  
OF ICA REGIONAL OFFICE FOR ASIA AND THE PACIFIC***

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CHAPTER I  
INTRODUCTION

Formation of the Committee

1.1 The Regional Assembly for Asia and the Pacific at its meeting of 6th January, 1995 approved the proposal to constitute an Advisory Committee on the Direction of the ICA Asia and the Pacific Region Towards 21st Century, hereafter in this report called "The Advisory Committee".

Terms of Reference

1.2 Terms of Reference of the Advisory Committee were laid down as follows:

1. " to review the current governing bodies and the Secretariat functions of the ICA Asia and Pacific Region
2. to make recommendations on the policies and directions of the ICA Asia and the Pacific Region".

Composition of Advisory Committee

1.3 As directed by the Regional Assembly, the Regional Director of ROAP appointed seven members of the Committee as follows:

- i. Mr. B.S. Vishwanathan, President, NCUI, India
- ii. Mr. Yang Deshou, Secretary General, ACFSMC, China
- iii. Mr. M.Ohya, Executive Director, JCCU, Japan
- iv. Mr. Lim Ho Seng, Chairman, SNCF, Singapore
- v. Prof. Ungku A. Aziz, President, ANGKASA, Malaysia
- vi. Mr. Han Seung-Hee, Sr. Executive Vice President  
NACF, Korea
- vii. Mr. Yehuda Paz Ginguld, Director, International  
Institute, Histadrut.  
Mr. G.K. Sharma, Regional Director, ROAP served the  
Committee as its Secretary.

## Meetings of the Committee

1.4 The Advisory Committee held its meetings as follows:

- The first meeting was held in Delhi on 7th January 1995 at Ashok Hotel at the time of the Regional Assembly. This was followed by the second meeting held on 9th and 10th March, 1995 at Singapore at the headquarters of the NTUC Fair Price Cooperative. All the members of the Advisory Committee were present. The Committee developed the scope and shape of its frame of reference in concrete terms, within the broadly conceived terms as set out in the Office Memorandum of January 12, 1995 (Annex I). It attempted to redefine the objectives of the ROAP, designed the methods for their realisation and examined the institutional structures relevant to this process
- The third meeting was held on 29th and 30th May, 1995 at Beijing, China. The meeting was attended by all members of the Advisory Committee except Mr. Yehuda Paz from Israel and Mr. Sung-Hee-Han from Korea. It was presided over by Yang Deshou. The Committee, apart from reviewing its deliberations of the previous meeting, dilated on the issues pertaining to programmes and funding of the Regional Office as also the location of the Office.
- The fourth meeting of the Committee was held on 18/19 September 1995 at Manchester where the recommendations and the draft Report of the Advisory Committee were considered. The final meeting was held on 23rd November, 1995 a day prior to Executive Council Meeting in Bangalore.

CHAPTER II  
HISTORICAL BACKGROUND OF ROAP

I. Establishment of ROAP

- 2.1 The establishment of the Regional Office & Education Centre for South-East Asia came as a result of the discussions that took place at the various Congresses of the Alliance since 1948. At these discussions, ways and means were explored to bring the national cooperative movements in the developing countries closer to the Alliance and also to seize the global challenge of contributing, through the instrument of Cooperation, to the social and economic development of the developing countries.
- 2.2 The 19th Congress of the ICA held in Paris in September 1954 passed a Resolution emphasizing "the obligation which rests upon every member of the Alliance, and especially on those which are firmly established in their own countries, to supply every kind of aid and encouragement to cooperative pioneers and newly formed organisations in the under-developed countries" and directing the authorities of the Alliance to draw up a programme of action by the ICA and its members for the promotion of cooperation in all its forms in the under-developed regions of the world and to consider ways and means of providing the finance necessary for the execution of this programme.
- 2.3 After an exploratory tour undertaken at the instance of ICA by Dr. G. Keler of Sweden in the winter of 1955-56, a Conference was convened at Kuala Lumpur in January, 1958 for the purpose of consulting the cooperative organisations and the governments of the Region. Guided by the views expressed there and its own further studies, the Alliance decided to establish its Regional Office in New Delhi. At about the same, the Cooperative Movement of Sweden was examining the possibilities of doing cooperative educational work in India. Finally the Swedish Movement and the ICA agreed upon starting a Regional Office and an Education Centre for South-East Asia.

- 2.4 At the 21st Congress held at Lausanne in October 1960, a Long Term Technical Assistance Programme was drawn up which defined the role of the Alliance in the field of technical assistance to the low-income countries of the world.
- 2.5. The Plan for the establishment of a Regional Office for South-East Asia and an Education Centre at New Delhi, which had already been approved by the Executive was reported to the Congress held at Lausanne. The Regional Office and Education Centre was opened on November 14, 1960 by late Jawaharlal Nehru, Prime Minister of India.
- 2.6 At the beginning, the Regional Office and the Education Centre functioned as separate institutions under a Regional Officer and Director respectively. Although separate institutions, they worked in close collaboration. To ensure further coordination, the Regional Office and the Education Centre were merged in the autumn of 1963 into one institution called the "Regional Office & Education Centre." The Regional Officer was placed in charge of the amalgamated institution. The designation of the head of the institution was changed to "Regional Director" in 1970.

#### Functions and Set-up Contemplated

- 2.7 The main tasks of the Regional Office cum Education Centre was 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 establishment of the United Nations and other international organisations, to promote economic relations amongst member-movements, including trading across national boundaries, to help in the supply of technical information and assistance, and to conduct educational activities for the benefit of the movements in the Region.
- 2.8 The Swedish Cooperative Movement contributed a major part of the finances required by the Regional Office amounting to about 73 per cent of the annual expenditure, whilst the Alliance contributes about 17 per cent and the balance was

provided by the member-organisations in the Region. From within the region JA-ZENCHU particularly helped the ROAP in its educational programmes by establishing IDACA and providing training facilities through ICA ROAP.

- 2.9 The contributions made by the member-movements towards the costs of the educational programmes of the Regional Office increased over the years. Members movement borne the costs of obtaining local lecturers, the travel, board and lodging costs of the local participants and the costs of study visits organised in connection with each technical meeting. The movements which sent participants to the seminar, except the movement of the host country, provided 50 per cent of the travel costs of their participants whilst the ICA pays the balance.

#### The Advisory Council

- 2.10 In the beginning, the Regional Office and Education Centre was advised by an Advisory Council composed of representatives of the national cooperative movements in the Region which were members of the ICA. The Council usually met once a year to consider the programme of the Regional Office and Education Centre for the forthcoming year. The chairperson was appointed. Mrs. Indira Gandhi was the Chairperson of the Council for about a decade.

## CHAPTER III

### CRISIS OF EIGHTIES AND AFTERWARDS

- 3.1 Beginning of eighties was a period of upheaval for the ICA ROAP as also for ICA. The headquarters of ICA shifted from London to Geneva in 1982 and there were many changes in personnel staff. In ROAP, the SCC which was funding the major expenses decided to reduce its assistance and the strength of the office had to be reduced considerably. Out of total strength of 32, 22 staff members were retrenched. This created a serious financial crisis as not only assistance from SCC was reduced considerably but compensation had to be paid to the retrenched employees. For this purpose, the fund created to maintain the Bonow House was used and when this did not serve the needs, it was decided to dispose of Bonow House building also. An agreement for sale was signed and an advance of Rs.2 million was taken for paying compensation. However, the sale of "Bonow House" could be saved later on, but the overall image and credibility of the ROAP during this period came down considerably in the region.
- 3.2 It was during the later part of eighties onwards that efforts were made to restructure the ROAP and approach other donors to provide assistance. Fortunately a Project on Training of Managers of Agricultural Cooperatives by MAFF of Japan was approved. This provided some financial breathing point to the ROAP. The Regional Director, Mr. R.B. Rajaguru, left ROAP on 30th June, 1987. Efforts were made to explore the possibility of retaining the Bonow House instead of shifting to a rented premises in NCUI. Fortunately, the JCCU agreed to advance a loan of Rs.2 million for paying back the advance to the NCDC which was persuaded to agree to cancel the sale. This loan was paid back along with interest out of the rent charged from the projects which otherwise would have been paid for the



rented premises. Along with the assistance received from MAFF, some time later JCCU also came forward to provide funds for consumer activities to be undertaken by ROAP. On the other hand, SCC continued to provide its level of assistance without further reduction. This gave some financial stability to the ROAP.

## II. THE SITUATION AFTER THE TOKYO CONGRESS

3.3 As a result of the restructuring of the ICA approved by ICA Congress in Tokyo in 1992, the geographical area of the ROAP has enlarged extending upto Israel which was earlier confined only upto Iran. Disintegration of Soviet Union also added new members from CIS countries. The membership of the ROAP has increased from 14 countries before restructuring to 24 countries with 62 members in addition to one regional member, ACCU. The new countries which have been added to the region are Jordan, Kuwait, Israel, Uzbekistan, Turkmenistan and Kyrgystan. Kazakhstan which is a part of Asia geographically preferred to join the European Regional Assembly. In addition, Mongolia and Myanmar also joined the ICA ROAP in recent years. On the other hand, SCC had difficult times and therefore started further reducing the funding. However, during this period, MAFF/JA-ZEN'CHU, JCCU and CCA came forward to support various programmes and thus absorbed the declining effect of SCC's financial support.

The MAFF funding for two projects also comes to an end in June 1996. Discussions with MAFF are, however, going on to continue the assistance.

## CHAPTER IV

### ORGANISATIONAL STRUCTURE

#### Regional Assemblies

4.1 As a result of restructuring in the Tokyo Congress, the Regional Council which consisted of two delegates from each country was replaced by Regional Assembly in which all the members of the ICA in the Region are represented. The Regional Assembly is to meet once in two years. The functions of the Regional Assembly under its constitution are as under :

- a. submit reports proposals and resolutions for the consideration of the General Assembly;
- b. establish the priorities for the ICA work programme in the region;
- c. establish policies for the financing of ICA Office(s) in the region;
- d. establish Regional Specialised Committees and approve the constitutions;
- e. implement the decisions of the ICA General Assembly in the Region;
- f. nominate one candidate for election as ICA Vice President;
- g. draw up its business procedures and representation rules, subject to approval by the General Assembly.

#### Executive Council

4.2 The next policy level body is the Executive Council which consisted of one delegate from each country and chairmen of specialised committees. The council is to meet in between the meetings of the Regional Assembly and prior to the meeting of the Regional Assembly. The functions of the Executive Council are as under :

- a. advise on the overall policy and programmes of the ROAP;
- b. review the results of the activities of the ROAP;

- c. make recommendations to the Regional Assembly on matters concerning the cooperative movements in general and the Asia-Pacific region in particular;
- d. serve as permanent contact organ between the national cooperative movements and the ROAP.

#### Specialised Committees

The Specialised Committee appointed with the approval of Regional Assembly are bodies of professional to advise the Regional Director and ROAP on sectoral matters.

- 4.3 At present there are six specialised committees as under
- a. ICA Committee on Agriculture
  - b. ICA Committee on Consumer Cooperation including University & College Cooperatives
  - c. ICA Committee on Human Resource Development
  - d. ICA Committee on Trade and Industry
  - e. ICA Committee on Fisheries
  - f. ICA Committee on Cooperative Finance

The Consumer Committee has been most active and meeting twice a year in carrying out various activities. The Agriculture Committee meets once a year. The Fisheries Committee which was not active in the past has become somewhat more active and is meeting once a year. HRD Committee is also meeting every year. The CTI which was supported earlier by Cooptrade Project has become less active since the expiry of the Cooptrade Project. The Finance Committee has been non-operational since last two years.

#### Secretariat

- 4.4 The secretariat at present consists of the Regional Director with core staff and the project staff. The core staff posts covered are Manager (Admn)-cum-Executive Secretary to Regional Director, Finance Officer, one Secretary, one driver, one messenger, one cleaner. The rest of the staff are on contract basis funded out of project funds. The Project Advisers and officials under the projects are appointed on two year contract basis. The

*officials under the core staff who are continuing prior to 1985 are with no fixed contract. In case of vacancy of core staff leaving the post is filled on contract basis.*

## CHAPTER V

### FINANCE AND DEVELOPMENT

#### Development Activities

5.1 The development programme of the ROAP is based on funding by development partners primarily SCC, JCCU, MAFF, CCA and member organisations support. A statement showing the funding position of these projects from various development partners is enclosed as Annexure II. Another statement showing total ROAP Budget during last 5 years and contribution by development partners is enclosed as Annexure III.

#### Resources Available

5.2 The development plan is based on 3 year cycle. The present 3-year planning cycle is from 1994/95 to 1996/97. The present 3-year planning has been prepared by the Regional Office and concurred by the Regional Assembly and the development partners. The financial estimates have been prepared on the basis of the assumed contributions from the development partners - SCC, CCA, JCCU and MAFF as their firm commitments are on year to year basis only. Out of these, SCC and CCA are external to the Region. The activities are rather at a low level based on limited available resources. They are not sufficient enough to meet the demands of 25 member countries, specially when about 15 countries need the development support badly.

5.3 For funds needed for the above planned activities, SCC, CCA, JCCU and MAFF have given firm commitments for 1995/96 only. The indications are that SCC may reduce the contributions by 1997 and the uncertainty on the part of MAFF and CCA, for funding continues. The most uncertain estimates appear in the column 'Others'. These provisions have been included, pending negotiations with some development partners. The MO Contributions normally comes from them as local contributions for activities. They normally bear some parts of the costs. On adhoc basis some

funds have been provided by NSW Government of Australia for promoting cooperative trade from Australia.

Members Subscription

5.4 Another statement showing the members' subscription to ICA countrywise from Asia is enclosed as Annex IV. It may be seen from the statement that 45% of the subscription accounts for by Japan alone. Japan and China together account for 61.68% and Japan, China, South Korea and India (4 countries) account for 76.80%. The assistance received from HO is based on CHF 50,000 for each office. Thus Africa, which has two offices, gets double contribution than Asia even though Africa is much smaller and their members' subscription is only 2.1% compared to 26% from ROAP.

Contribution to ROAP

5.5 In October 1973 in the Regional Council Meeting member countries agreed to make annual contributions to the funds of the RO as follows :

	<u>Rupees</u>
Australia	18,000
Bangladesh	6,500
India	25,000
Indonesia	9,000
Japan	29,000
Korea	10,000
Malaysia	10,000
Pakistan	6,500
Philippines	8,500
Singapore	6,500
Sri Lanka	6,500
Thailand	8,000
	-----
	143,500
	=====

5.6 However, only Bangladesh, Malaysia, Thailand, Japan, South Korea, India, Sri Lanka and Singapore have contributed the above amounts from time to time. While Japan and Korea increased their contributions based on dollar rate prevailing at that time, Bangladesh, Thailand, and Singapore continued to pay in Indian Rupees. Rest of the

countries are not contributing. This subject was placed before the Regional Council in 1988-89 to consider revision of contributions from members, but the Council decided not to take any view in the matter and advised the Secretariat to discuss with members on voluntary basis. Since then China and India are the only countries which have agreed to increase contribution : USD 3,500 and Rs. 75,000 /- respectively annually to the ROAP.

5.7 HO contribution

The Head Office contributes CHF 50,000 to each Regional Office. Thus ROAP which is the largest region also gets CHF 50,000 whereas Africa which has two Regional Offices gets CHF 100,000/-

5.8 Resources Needed

The development plan is based on 3 year cycle. The present 3-year planning cycle is from 1994/95 to 1996/97. The present 3-year planning has been prepared by the Regional Office and concurred by the Regional Assembly and the development partners. The financial estimates have been prepared on the basis of the assumed contributions from the development partners - SCC, CCA, JCCU and MAFF. Out of these, SCC and CCA are external to the Region.

5.9 The activities have been kept at a very low level considering the traditional funding patterns. They are hardly sufficient to meet the demands of 25 member countries, specially about 20 countries who need the development support badly. Out of these estimates, SCC, JCCU, CCA and MAFF have given firm commitments for 1995/96 only. As the indications are that SCC will reduce the contributions by 1997 and the uncertainty on the part of MAFF and CCA, the funding is yet to be considered. The most uncertain estimates appear in the column 'Others'. These provisions have been included, pending negotiations with some development partners. The MO Contributions normally comes from them as local contributions for activities. They

normally bear some parts of the costs. There is no cash inflow to the ICA ROAP from members.



## CHAPTER VI

### FINDINGS AND RECOMMENDATIONS

#### Background

6.1 Asia-Pacific region is very large and diversified region extending from Japan to Israel and Korea to Fiji covering 26 member countries. China and India alone account for one-third of the world population. A World Bank study has defined global poverty at US\$ 370 per person a year in constant 1985 PPP prices. Out of the 1,133 million poor in the developing world, 731 million lived in East Asia (169 million in South-East Asia and 562 million in South Asia) in 1990. The Asian Region has made some progress in reducing its share of the world's poor from 68% in 1985 to 65% in 1990. However, higher population growth in South Asia has led to an increase in the absolute number of poor from 532 million in 1985 to 562 million in 1990. The region has the richest as well as the poorest countries. The highest per capita GNP being Japan of US\$ 38,750 and lowest being Afghanistan of US\$ 150 and less than 250 in Vietnam and Bangladesh. Similarly, inflation range is also very diversified being as low as 0.2% in Japan to 73% in Mongolia, 56.7% in Afghanistan and 31.5% in Iran. While in Japan, South Korea, Singapore and Israel the literacy rate is practically 100%, it is as low as 35% in Bangladesh and Pakistan, 54% in Iran and 48% in India.

6.2.1 Cooperatively also the region is equally diversified. It covers two-third of individual ICA global membership coming from 26 countries through its 60 affiliated organisations. One can find the best possible and worst possible examples of cooperatives in the region. The region covers all types of cooperatives. Agriculture and multipurpose accounts for 57.60% housing 10.61% and consumers occupying 8% share. The strength and weakness of the cooperatives can be seen from the fact that the average membership and share capital

of a primary agriculture cooperative being as high as 1650 and US\$ .915 million in Japan, 1348 and US\$ 88185 in Thailand, 4946 and US\$ 26912 in China and 584 and US\$ 10,276 in Malaysia and as low as 40 and US\$ 95 in Bangladesh, 40 and US\$ 450 in Pakistan. Sri Lanka has an average membership of 405 and the average share capital of US\$ 450. In Fiji on the other hand the membership is very low 40 per society the share capital is comparatively higher i.e US\$ 5205 per society. The position is not much different in case of consumer cooperatives also. While the average membership and share capital in Japan is in 26,636 and if US\$ 4.7 million in Thailand, it is 1958 and US\$ 54203, it is as low as 26 members and US\$ 1057 share capital in Fiji and 52 members and share capital of US\$ 5464 in Philippines. In Bangladesh most of the consumer coops are defunct except a few employees and women stores.

6.2.2 One major difference which could be noticed in the cooperatives of the region which also reflects their strength and weakness is that in countries like Japan and Korea where under the cooperative law a cooperative can trade only with members and in Australia the members are responsible for the proper functioning of the cooperatives. In countries like Fiji, India, Pakistan, Sri Lanka, Bangladesh, Iran etc it is the government which still shoulders the responsibility of proper functioning of the cooperatives through the process of audit and inspection. This role of the government is responsible to a great extent for dormant membership and lack of professionalism. The position of national federations is equally diversified. In China, Japan, South Korea and Australia, there are no umbrella organisations though Japan has tried to fill the gap by having the Japanese Joint Committee on Cooperatives, a loose body having representatives of all sectors of cooperatives. China, South Korea and Japan have very strong sectoral national federations, but in Australia all such efforts in this direction have failed so far.

These umbrella organisations in some countries like India, Malaysia, Singapore, Sri Lanka and Thailand are fairly active and strong. but in Pakistan, Bangladesh, Philippines and some others they are struggling for their survival.

6.2.3 The cooperatives have contributed substantially in various sectors of economy including agricultural production, stabilising of prices, providing consumer goods and social services etc and made visible impact. But very often they have not been able to built their public image to the desirable extent. Further with, the free market economic policy of many governments in the region, cooperatives have to face new challenges. Governments support, particularly financially, is declining. This has not necessarily resulted in loosening of the control and intervention in the management of cooperatives by the government but only added to severe competition.

6.2.4 Consequently, cooperatives are facing many constraints. Some of these constraints are:

- a. large percentage of dormant base membership,
- b. unviable size and capital base of the cooperatives
- c. over-involvement of government in the management of cooperatives,
- d. lack of professional management,
- e. lack of accountability and transparency, and
- f. weak national federations.

#### Aims and Objectives

6.3 Keeping in view the Asian cooperative background, the overall goals of the Alliance in the Region should be;

- i. Strengthening the self-reliance and self-management of the cooperatives in each country and of the Asia-Pacific regional framework in general.
- ii. Development of regional structure and programme of activities which would strengthen the cooperatives in the countries of the region, build useful linkages between them and respond effectively to their needs and aspirations.

## APPROACHES TO GOALS

### Education - Information

- 6.5 For developing the education, training and HRD regional activities, it is necessary first to assess the main needs of the cooperatives in various countries of the region, in the fields of education, training and information, then to verify the availability of adequate background material relevant to the training/education needs earlier assessed and finally to prepare and implement:
1. Programmes for exchange of education/HRD materials;
  2. Programmes for exchange of experts and staff of education/HRD institutions;
- 6.6 Side by side, data banks based on material collected and exchanged, be developed. To start with, it would be desirable to publish and update information on status of cooperatives in the form of a Directory. The information in this directory, in addition to basic statistics, may include:
- i. explanation on basic situation and trends with regards to the movement;
  - ii. position of government policy and cooperative legislation;
  - iii. critical problems and possible solutions;
  - iv. list of publications and reference material available. (This information for the year 1994 may, possibly be published by 1996. Based on experience of this compilation, possibility of undertaking periodical reviews be examined).
- 6.7 Regional and sub-regional seminars and workshops be organised. Possible themes for initial programmes be teaching/learning methodologies and membership education.
- 6.8 Short-duration regional workshop programmes could be organised for cooperative leaders.

- iii. These structures and programmes must be relevant to the needs and the realities of today and tomorrow; to the rapidity of scientific and technological as well as political, social and economic change characteristic of our era; and to the rapid development and growth of the Asia-Pacific region and its emerging pre-eminence as a world's economic centre of gravity as well its largest centre of population.
- iv. The regional centre of the cooperative movement as the ROAP is, must serve the region's cooperative movements in their struggle to effectively compete in today's free market economy in which the multinational companies play an even more important role.
- v. Equally, the regional endeavours must aid in preserving the cooperative identity and in strengthening the active participation of members in the activities and in the control of their cooperatives.

6.4 These goals could be approached, in the first instance, through three areas, namely:

1. Educational and Information-providing activities;
2. Activities of economic nature including
  - a. those relating to the promotion of cooperative relations in the fields of trade, finance and technological exchange;
  - b. those relating to the creation of frameworks of effective assistance and solidarity, particularly for weaker cooperatives including those facing challenges to their survival;
3. Activities relating to the strengthening of public image of cooperatives and enhancing their role, acceptance and understanding on the part of national governments and of regional political and economic institutions.

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- 6.7 Regional and sub-regional seminars and workshops be organised. Possible themes for initial programmes be teaching/learning methodologies and membership education.
- 6.8 Short-duration regional workshop programmes could be organised for cooperative leaders.

- 6.9 A regional seminar/workshop for those concerned with legal aspects of cooperatives, particularly those connected with the cooperative Registrar's department may also be organised.
- 6.10 Regional exchange programmes, between two or more countries, through which cooperative leaders and staff could obtain on-the-job training within successful and innovative cooperatives, could be organised wherever possible.
- 6.11 Selection of participants in the seminars and workshops must be carefully made. National workshops/Seminars particularly for grass root workers should be in local language. Regional programmes which will have to be in English normally should not be for primary or grass-root members. Only higher level professionals and policy makers should be selected for attending them.
- 6.12 Study visits focused on a particular aspects of cooperative life or a particular cooperative sector may be arranged. However, such visits for government officials should be a part of follow-up of the Ministers' Conference and not come under the normal programme of the ROAP in view of its limited resources.
- 6.13 Regional efforts may be made to promote university/college cooperatives wherever possible.
- 6.14 The three to four international education/training institutions now existing within the Asian-Pacific region be encouraged and assisted to form a network and develop joint programmes.

#### Activities of Economic Nature

- 6.15 Multinationals are growing fast. If cooperatives have also to grow, it would be possible with only mutual cooperation. It was noted that the following were some of the constraints in the smooth development of economic

collaboration and cooperative trade among the member countries:

- (i) No proper structure for trade;
- (ii) Smallness of operations;
- (iii) Lack of qualified persons;
- (iv) Most of the trade-items are primary products which have limited demand;
- (v) Absence of strong financial structures.

6.16 With all these constraints, the following action plan is suggested :

- (a) The Committee on Trade and Industry should be reorganised and renamed "Cooperative Network for Economic, Technology and Trade Collaboration". It should consist of cooperative enterprises and not policy makers. There should be no restriction on the membership of this Committee. Any one who is interested in promoting cooperative trade or economic collaboration be allowed to join it on voluntary and self-reliant basis. Collaborations could be on trade, technology as well as know-how. Rules may be framed defining who could join this committee and on what terms. China has already developed a network for trade and collaboration in the cooperative sector through the subsidiaries of large cooperatives and its total export trade is now estimated to be 1.3 billion US Dollars. The offer of China to host the first meeting of the re-organised Committee as also a trade seminar with proper preparations in 1996 may be considered.
- (b) The ICA ROAP should attempt to publish periodically pamphlets on the subject of cooperative to cooperative export-import trade, technical collaboration and joint ventures and also organise trade seminars. However, for organising trade seminars, there should be intensive preparations. For this, ICA ROAP may remain in intimate touch with the national movements, for securing information - on an ongoing basis - on



possibilities and interest of cooperatives in trade and the initiation of joint ventures and about cooperatives engaged in foreign trade, both export and import.

Long-term Suggestions re Economic Activities

6.17 The Committee recommends that the following activities may be taken up when resources permit;

- (a) Technical support to promote joint ventures and joint activities between cooperatives particularly within the region, on a wholly self-reliant basis.
- (b) Explore the possibility of organising periodic "Clearing House" gatherings and Exchanges should be considered, with adequate preparations and documentation.
- (c) Framework for the exchange of technologies and methodologies be developed.
- (d) Encourage promoting of economic cooperation between cooperatives. To this end, cooperatives ought to adopt a policy of favouring other cooperatives as business, trade, financial partners wherever economically possible.

Support - including Assistance, Solidarity, Survival

6.18 Cooperative movements in the countries of the Asia-Pacific region are at various stages of development. Many cooperatives are very strong, whereas some are so weak that they are facing challenges to their very survival.

6.19 While the need and help to the weak cooperatives was highly desirable, the ICA ROAP does not have enough resources to undertake this responsibility and therefore will have to remain on low priority. In addition to financial constraints, in some countries this issue is also politically sensitive. However, if some strong movements within or outside the Region, want to undertake such programmes on bilateral basis, this should be encouraged. It is, therefore, recommended that:

- (i) ROAP should encourage bilateral relations and assistance, and
- (ii) provide limited expertise and consultation where required, depending on resources.

The movements which undertake such bilateral activities be requested to keep the ROAP informed about such activities, in the interest of proper coordination of resources.

#### Relations with Governmental Bodies

6.20 For more effective relationship between autonomous cooperatives and governmental frameworks the following approaches are suggested:-

- (1) Periodic conferences of cooperative ministers be continued and further developed.
- (2) Regional consultations of top government officials of departments relevant to cooperatives, particularly those taking place prior to the Ministerial Conferences, should be continued.
- (3) Visits of senior government officials to successful cooperatives, both within their own country and in the region as a whole should be arranged.

The visits should be a part of follow-up of the Ministers Conference and not come under the normal programme of the ROAP in view of its limited resources.

- (4) The recommendations of the Ministers Conference should be submitted to the Executive Council for consideration and follow up.

#### Public Relations & Image Building

6.21 The following steps would help in cooperative image building :

- (i) Efforts should be made to include topics about and/or relevant to cooperatives on the agenda of important regional or sub-regional conferences and meetings.
- (ii) Use should be made of the IPS (International Press Services) and other media facilities to give greater publicity to cooperative success stories and greater coverage of cooperative congresses (national and regional) as well as of ministers meetings.

- (iii) Publication of a book on *Cooperative Founders* (one or two per country) in the development of the cooperative movement in the various Asia-Pacific countries, with an analysis of their significance, may be taken in hand.

#### Regional and Sub-Regional Framework

- 6.22 The highest policy body in the region is the Regional Assembly consisting of representatives of all the members, meeting once in two years. The next is the Executive Council consisting of one representative from each member country which is expected to meet once in a year. The committee is of the opinion that it would be desirable to have a more compact group of 4-5 persons as **Advisory Committee** who could meet more frequently to guide and advise the RO, and report to the Regional Assembly and Executive Council.
- 6.23 At present there are six specialised Committees in the region. Of them, the Committees on Agriculture, Consumers including network of University, College and School Cooperatives, HRD are functional and should continue.

Recently the Fisheries Committee has also become more active.

Regarding the Committee on Trade and Industry, the necessary recommendation has been made in para No. 6.16 (a) above.

The Finance Committee is really not wholly effective at present. Also, there are areas for which there are no Committees at present. It is recommended that "Interest Groups" on such areas may be constituted. They may, however, operate on ad hoc basis. A full day's time may be reserved on the occasion of the meetings of the Regional Assembly, when such groups may be encouraged to discuss their problems.

- 6.24.1 The ROAP, in addition to extending its general support to the specialised committees and interest groups, circulate reports on their activities and further exchanges of information etc. among them.
- 6.24.2. Rules of the Specialised Committees needs to be examined and placed before Regional Assembly to bring uniformity. Non-members of ICA be allowed as members of specialised committees for a maximum period of three years by which they should become member of ICA.
- 6.24.3. All committees should meet once along with the Regional Assembly.
- 6.25 The Asia-Pacific Region covered by the ROAP, is extremely diverse both in geographic spread and population. While each country has its own characteristics, several countries do form sub-regions on the basis of similarities both in background and present day realities. It is recommended that the countries in sub-regions interested in forming structures or institutions for promoting Cooperation among Cooperatives be encouraged to do so. However, such arrangements should not effect the development of the Region as a whole as an integrated cooperative community.
- 6.26 Based on the aims, objectives and approaches, the important activities to be taken up by ROAP could be summarised as under:

I. MEETINGS

- |      |                                             |   |                      |
|------|---------------------------------------------|---|----------------------|
| i.   | Regional Assembly                           | : | Once in two years    |
| ii.  | Executive Council                           | : | One every year       |
| iii. | Meeting of Specialised Committees           | : | At least once a year |
| iv.  | Ministers Conference & Preparatory Meetings | : | Once 2/3 years       |
- II. i. Collection of Data on yearly basis on progress of national movements/member organisations.
- ii. One or two studies on specialised issues/subjects.

- iii. Regional Review of Cooperative Movement in the Region
  - either once in 3 years or one-third countries every year.
- III. i. Develop contacts with governments/movements in member countries - non member countries with a view to (a) enrol new members, and (b) increase subscription.
- ii. Promote Collaborations:
  - a. Economic - trade - joint ventures - supply of basic information and statistics in this regard.
  - b. Exchange of information, materials and experts particularly on education, training and member participation and encourage network and joint ventures between them.
- iii. Exchange of experience and information on new trends in cooperatives and new technology.
- iv. Visit of government officials to successful cooperatives domestically and regionally.
- v. Encourage University/College Cooperatives
- vi. Encourage Gender Integration

6.27 With regard to funding for these activities to be undertaken by ROAP, it could be as under:

The Regional Assembly and Executive Council is being organised under ROAP budget and cost is covered by Registration Fee - USD 100 per person for Regional Assembly Meeting.

With regard to the specialised committees, the Consumer Committee, Agriculture Committee, HRD Committee and Fisheries Committee, which are being convened under respective project activities.

The other Committees/Interest Groups may meet before Regional Assembly Meetings on self-financing basis.

#### Ministers Conference/Consultation

First two Ministers Conferences were funded by SCC and the third one and the next one is being assisted by CCA. Prospects of future assistance, either from SCC or CCA, are

very remote. We will, therefore, have to discuss this issue in the next Conference for covering its cost. It may be mentioned here that so far Government of Indonesia, Government of Malaysia and Government of Sri Lanka, have already contributed USD 65,000 to this fund on adhoc basis. The meetings of the preparatory Consultative Committee and the National Sub-Regional Workshops are being held on self-financing basis, though limited financial support has been extended for some of these meetings by the CCA.

#### 6.28 Collection of Data

i) At present this item is being covered under the project activities and it should be continued under the project funding. Publish a directory of statistics.

#### Studies

ii) Two studies this year have been included under the project activities and efforts can be made for some time to include this item under project resources.

#### Review of the Cooperative Movement

iii) At present, this item is not being undertaken and if we have to undertake this, we will have to raise resources for it. The requirements may be around CHF 15,000-20,000.

#### 6.29 Contact with Members

i. This activity has to be carried out under the ROAP budget.

#### Promote Economic Collaborations

6.30 This item, at present, is not covered under any budget. In the discussions during the last meeting, it was proposed that we may have a part-time person for this. Efforts will be made at the time of next planning meeting whether this activity could be adjusted under the plan activities; otherwise, we will have to find necessary manpower and resources for this.

At present, we have no funding under the projects specifically for arranging exchange of experience and

information of new trends and new technology. However, various specialised groups can be useful forums for exchange of information.

6.31 University/College and School Cooperatives

- i This activity is presently covered under the Consumer Project.
- ii. There is a separate Project on Gender Integration, funded by JCCU.

6.32 Library

Library, at present, is being financed by different donors under ROAP. It may have to be entrusted to the Bonow Trust.

6.33 Three areas are identified under para 6.4 which should form the basic activities of the ICA ROAP in the future. However, in addition, ICA ROAP is carrying out programmes financed from different donors, reflecting their priorities. These programmes are not conflicting with the overall goals, but are only exceptionally referred to in the Findings and Recommendations. Such type of programmes are depending on donor financing and ICA ROAP should continue to seek collaboration with donors, both inside and outside the region.

6.34 The important activities referred in para 6.26 are being partly implemented presently from the limited resources available from Development Partners as briefly explained in para 6.27. However, in case from 1997 onwards the Development Partners further reduce their contributions, the ROAP will face difficult situation to carry out even the minimal activities. It is, therefore, necessary that resources have to be raised at ROAP to maintain the minimal programme as mentioned in para 6.24 and other activities needed from time to time. Thus the following suggestions are made in this regard :

- a. Some of the members are not making any contributions to the ROAP. In 1972, a formula was laid down which has not been revised or updated. Meanwhile many new

members have joined the organisation but no formula has been prepared for them. It is recommended that the members in the region should contribute to the ROAP on 10% of subscription additionally.

- b. The stronger movements may be approached with specific proposals to explore possibilities of their providing financial support.
- c. Many of the small cooperatives cannot afford to attend global meetings or pay the ICA annual subscription. It is recommended that the system of associate membership to ROAP with lower membership fee be considered. This will also give additional income to the ROAP.
- d. In addition, following suggestion are given to effect economy in expenses:
  - Meetings of the specialised committees may coincide with the meetings of the Regional Assembly and Executive Council. Any meeting in between, may be held on self financing basis.
  - Tour programmes of project advisers may be properly coordinated to avoid frequent visits.

6.35. The Head Office is contributing CHF 50,000 based on its support to each office and has no relation to the subscriptions from the region. A chart showing the ICA subscription and ROAP's share is enclosed as Annexure IV. The group is of the view that while it appreciates the need to keep the minimum level of contribution to the regions where subscriptions are not sufficient, for Asian Region it must have some relation to the subscriptions ICA receives from the region. It is felt that in case the Regional Office is not able to service its members properly, it will adversely affect the overall subscription to the ICA from the region. In the opinion of the Committee, the region should get about 50 per cent of the subscription received from this region of the ICA. However, this matter should be discussed with the President and DG of the ICA by the



members of the ICA Board from the region to arrive at mutually agreeable solution.

Role of the ROAP within the ICA

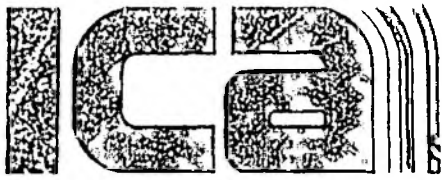
6.36 The Committee is of the view that the Asia-Pacific Region needs to be given a greater weightage in the ICA in consideration both of its pre-eminence in terms of ICA membership and of general increase in significance of the region. It is proposed that :

- (i) In view of its size, the Asia-Pacific Region representation in the ICA Board be increased from the present four (including the Vice-President) to six (including the Vice-President). For this purpose, the size of the Board may be enlarged if necessary. This should be discussed by the Members of the Board from the Region with DG and President with regard to the strategy to be adopted in this regard.
- (ii) Possibility of having a member from this region in the Audit and Control Committee may also be explored.

Location of ROAP

6.37 The question of change of location of the ROAP office from the angle of centrality and better flight timings was considered. Considering all the facts including the cost of index, facilities available/to be provided by the government and other factors including the fact that in case Bonow House is disposed off the sales proceeds cannot be transferred outside India under the Indian Foreign Exchange Rules, the Committee is of the opinion that the office should continue at the present location. The Committee, however, recommends that :

- a. The Indian Cooperative Movement should extend more support to the ROAP; and
  - b. The meetings convened by the ROAP should be rotated keeping in view the travel convenience of members.
-



# INTERNATIONAL COOPERATIVE ALLIANCE

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12 January 1995.

## OFFICE MEMORANDUM

The Regional Assembly at its meeting held on 6th January, 1995, while considering the proposal submitted by Mr. M. Ohya, as additional agenda item No. 16, approved the proposal to establish an Advisory Committee on the direction of the ICA Asia and Pacific Region in late 90's and towards 21st century. The objectives of the Advisory Committee would be as under :

1. to review the current governing bodies and secretariat functions of the ICA Asia & Pacific Region.
2. to make the recommendations on the policies and directions of the ICA Asia & Pacific Region.

Accordingly, an Advisory Committee consisting of the following is appointed :

1. Mr. B.S. Vishwanathan, President, NCUI
2. Mr. Yang Deshou, Secretary General, ACFSMC
3. Mr. M. Ohya, Executive Director, JCCU
4. Prof Ungku A. Aziz, President, ANGKASA
5. Mr. Lim Ho Seng, Chairman, SNCF, Singapore
6. Mr. Han Seung-Hee, Sr. Executive Vice President, NACF
7. Mr. Yehuda Paz Ginguld, Director, International Institute, Histadrut

The Regional Director will be the Secretary of the Advisory Committee. The members of the Committee will work on self-financing basis.

The Committee will submit its report to the Regional Director who after processing it will place it before the next meeting of the Executive Council for consideration.

  
G.K. Sharma  
Regional Director

**SUMMARY OF ICA ROAP BUDGET**

Period : 1st July 1995 - 31st December 1996

 HQ, Geneva  
 ROAP, New Delhi  
 ROECSA, Moshi  
 ROWA, Abidjan

 Budget  
 Quarterly report  
 Annual report

Date : 11.01.95 | Prepared by : Malte Jonsson

Approved by :

Implementing Officer :

Project Code	Name of the Project	BUDGET (SFR)	ACTUAL	-- SOURCE OF FUNDS --				OTHERS		
				ICA-HQ	MO's	SCC	MAFF		JCCU	CCA
2000	Policy Development and Legislation Project #	1,309,000		0	772,000	0	0	0	343,000	194,000
2100	Development Planning and Coordination Project	230,000		0	20,000	210,000	0	0	0	0
2200	Agricultural Coop Development Project	530,000		0	285,000	180,000	0	0	0	65,000
2300	Consumer Coop Development Project	418,500		0	88,500	0	0	330,000	0	0
2400	Human Resource Development Project	281,500		0	53,500	165,000	0	0	0	63,000
2500	Gender Integration Project	244,550		0	80,900	0	0	131,650	0	32,000
2600	Agricultural Management Training Project **	730,000		0	10,000	0	720,000	0	0	0
2700	Rural Women Leaders Training Project	280,000		0	0	0	280,000	0	0	0
2800	Others : 2810 - CICOPA Project	20,870		0	0	0	0	0	0	20,870
2900	ROAP Administration and Meeting.	229,500		75,000	55,000	18,000	0	0	0	81,500
<b>Total ROAP Budget</b>		<b>4,273,920</b>		<b>75,000</b>	<b>1,364,900</b>	<b>573,000</b>	<b>1,000,000</b>	<b>461,650</b>	<b>343,000</b>	<b>456,370</b>
<b>Total ROAP Budget in Percentage</b>		<b>100%</b>		<b>1.75%</b>	<b>31.94%</b>	<b>13.41%</b>	<b>23.40%</b>	<b>10.80%</b>	<b>8.03%</b>	<b>10.68%</b>

\*\* from 1st January 1995. : \*\* upto 30th June 1996

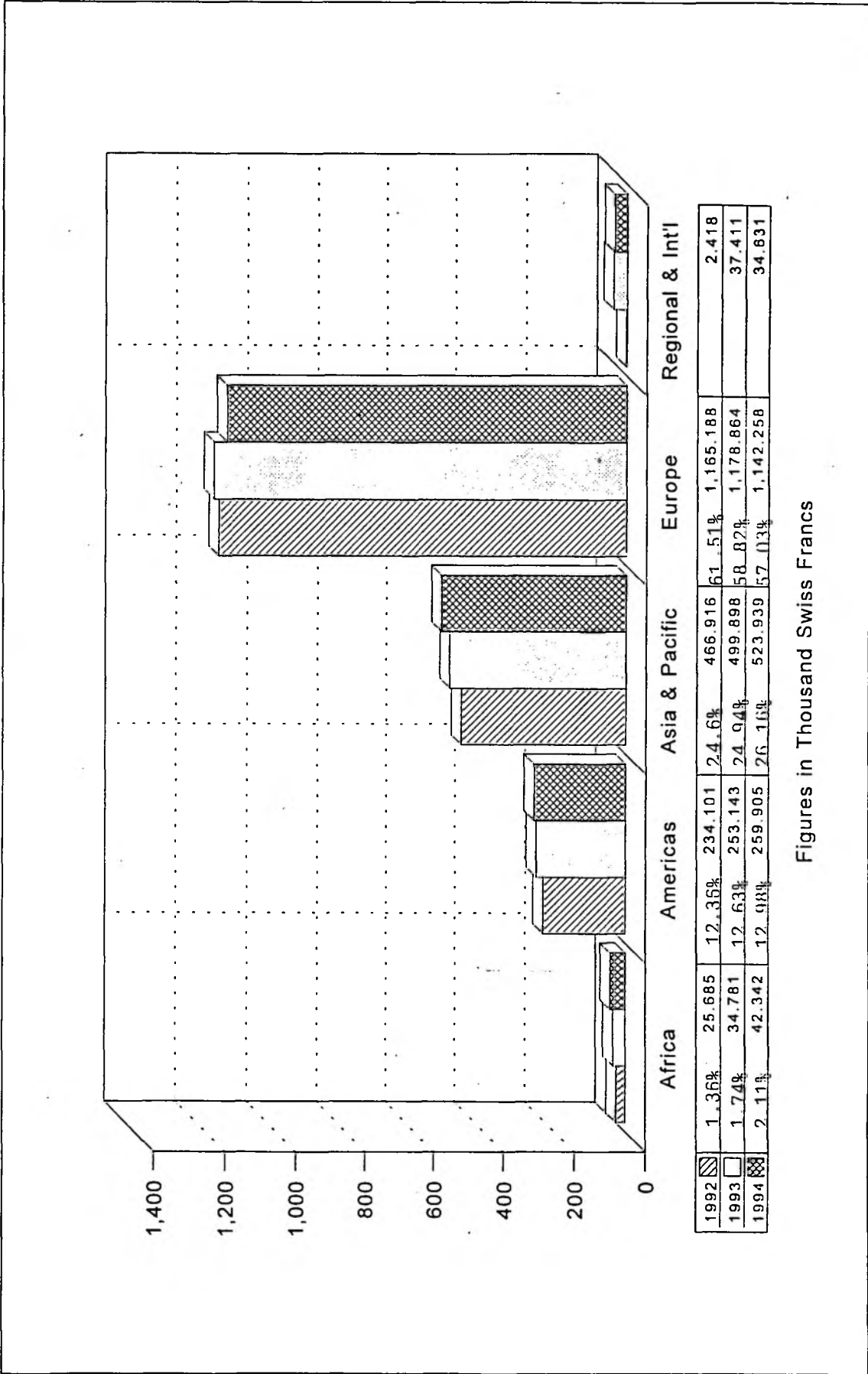
SUMMARY OF ROAP BUDGET

Y e a r	Total Budget	SCC	MAFF	JCCU	CCA/DID	OTHERS	MO	HO	ZENCHU
1994-95	24,49,936	382,000 15.59%	860,000 35.10%	282,100 11.51%	80,000 3.27%	314,336 12.83%	481,500 19.65%	50,000 2.04%	
1993-94	35,89,605	388,000 10.81%	860,000 23.96%	230,600 6.42%	213,000 5.93%	329,867 9.19%	1495,260 41.66%	50,000 1.39%	22,878 6.4%
1992-93	35,21,468	585,000 16.61%	853,040 24.25%	151,500 4.30%	-	1,629,920 17.80%	1245,000 35.35%	50,000 1.42%	-
1991-92	46,09,277	1104,722 23.96%	714,445 15.50%	134,444 2.91%	-	1,069,999 23.21%	1585,667 34.40%	50,000 1.08%	
1990-91	35,00,019	945,731 27.02%	714,444 20.41%	134,444 3.84%	-	557,881 15.94%	1147,517 32.79%	50,000 1.43%	

MEMBER ORGANISATION CONTRIBUTION RECEIVED TOWARDS  
ROAP ACTIVITIES

<u>COUNTRY</u>	<u>ORGANISATION</u>	<u>PERIOD</u>	<u>AMOUNT INR</u>
<u>1992</u>			
China	ACFSMC	1992	85,865
India	NCUI	1992	50,000
Japan	JJCC	1992	194,735
Korea	NACF	1992	15,336
Thailand	CLT	1992	8,000
			-----
			353,936
			=====
<u>1993</u>			
China	ACFSMC	1993	92,474
India	NCUI	1993	75,000
Japan	JJCC	1993	246,903
Malaysia		1993	10,000
Thailand	CLT	1993	8,000
			-----
			432,377
			=====
<u>1994</u>			
China	ACFSMC	1994	155,000
India	NCUI	1994	75,000
Japan	JJCC	1994	272,203
Korea	NACF	1994	18,584
Malaysia		1994	10,000
Thailand	CLT	1994	8,000
			-----
			538,787
			=====

**IC A MEMBERSHIP SUBSCRIPTION**  
1992 - 1994



Figures in Thousand Swiss Francs