

#### INTERNATIONAL COOPERATIVE ALLIANCE

# 2nd ICA/JAPAN TRAINING COURSE ON **ENHANCEMENT OF FARMERS' INCOME AND POVERTY REDUCTION THROUGH COOPERATIVES-2007**

# COURSE REPORT

Second (2nd) ICA/Japan Training Course held in India, Thailand and Japan. December 9, 2007-April 19, 2008

Prepared by

**Prem Kumar** Consultant, ICA/Japan Training Course 334:007.85



#### **International Co-operative Alliance**

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#### Report of the

### 2nd ICA/Japan Training Course on Enhancement of Farmers' Income and Poverty Reduction through Cooperatives-2007

India-Thailand-Japan December 9, 2007–April 19, 2008

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## **REPORT**

of the 2nd ICA/Japan Training Course on Enhancement of Farmers' Income and Poverty Reduction through Cooperatives-2007 India-Thailand-Japan December 9, 2007-April 19, 2008

Submitted to

The Ministry of Agriculture, Forestry and Fisheries-MAFF Government of Japan

Ву

The International Cooperative Alliance
June 2008

### **Preface**

This is the report of the 2nd ICA/Japan Training Course on "Enhancement of Farmers In come and Poverty Reduction Through Cooperatives-2007", held in India, Thailand and Japan, from December 9, 2007 to April 19, 2008. The International Cooperative Alliance [ICA] places on record its highest appreciation and gratitude to the Ministry of Agriculture, Forestry and Fisheries [MAFF], Government of Japan, for the generous financial contribution and the most active collaborative support extended by the Central Union of Agricultural Cooperatives of Japan [JA-Zenchu], and the Institute for the Development of Agricultural Cooperation in Asia [IDACA], Tokyo, in the execution of this important training activity. The ICA is grateful to all its member-organisations in India, Thailand and Japan and other collaborating agencies and institutions for their assistance, advice, guidance and logistic support in the successful implementation of this training programme. The most spontaneous cooperation was provided by, among others, the Indian Farmers' Fertiliser Cooperative Limited (IFFCO), Institute of Rural Management at Anand (IRMA), the Cooperative League of Thailand (CLT) and other specialized agencies in the field of agriculture in Japan.

The ICA takes this opportunity to thank its member-organisations in the Asia-Pacific Region for sponsoring suitable candidates for participation in this training programme, which, I hope, will contribute significantly to the development of agricultural cooperatives as well as enhancing their human resource development base. Efforts have been made in this training course to give more emphasis on the farm guidance, joint collection and marketing aspects in agricultural cooperatives.

The ICA is extremely grateful to Mr Kazuo Tsukada, Executive Director of the IDACA, for conducting the Part-III of the programme at IDACA and for organising study visits to important agricultural cooperatives in Japan. These visits enabled the participants to meet the leaders and members of these successful institutions as well as leaders from the prefectural level primary agricultural cooperatives.

I take this opportunity of commending the sincere efforts made by my colleagues at the Asia- Pacific office, especially, Mr. Shil-Kwan Lee, Regional Director, and Mr. Prem Kumar, Consultant, in organising and conducting this training programme in a satisfactory manner.

lain Macdonald Director-General

International Cooperative Alliance Geneva, Switzerland June 2008

### **Foreword**

submit herewith the Report of the 2nd ICA/Japan Training Course on "Enhancement of Farmers' Income and Poverty Reduction through Cooperatives-2007" to the Director-General, ICA Geneva, for onward submission to the Ministry of Agriculture, Forestry and Fisheries [MAFF], Government of Japan.

I take this opportunity to extend my sincere thanks to the Ministry of Agriculture, Forestry and Fisheries (MAFF), Government of Japan, for their continued financial support, and to the JA-ZENCHU and IDACA for their active collaboration for the successful implementation of this programme.

I also take this opportunity to place on record the generous support extended by the Indian Farmers' Fertiliser Cooperative Ltd., and its Fertiliser Marketing Development Institute (FMDI), the Institute of Rural Management at Anand [IRMA] in making Part-I of the programme a success. I would also place on record my sincere thanks and gratitude to the management of Cooperative League of Thailand (CLT), our member-organisation, for arranging study visits to important cooperatives in Thailand.

Before I conclude, I would like to thank my colleague, Mr. Prem Kumar, Consultant, for successfully handling the training course.

**Shil-Kwan Lee**Regional Director [Asia-Pacific]

International Cooperative Alliance Regional Office for Asia Pacific 9 Aradhana Enclave, R.K. Puram, Sector 13, New Delhi-110066. India June 2008

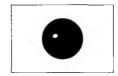
# REPORT OF THE SECOND ICA/JAPAN TRAINING COURSE ON "ENHANCEMENT OF FARMERS' INCOME AND POVERTY REDUCTION THROUGH COOPERATIVES-2007"

India-Thailand-Japan. December 9, 2007-April 19, 2008

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### REPORT OF THE 2ND ICA/JAPAN TRAINING COURSE ON "Enhancement of Farmers' Income and Poverty Reduction through Cooperatives-2007" India-Thailand-Japan. December 9, 2007-April 19, 2008

#### **SECTION - I**

### COURSE REPORT

#### Introduction

The International Cooperative Alliance (ICA) is an independent non-government association that unites, represents and serves the cooperative worldwide. Founded in London in 18th August 1895 by the International Cooperative Congress, the ICA, the largest non-governmental organization, is headquartered in Geneva. ICA is a member-based organization with national and international cooperative organizations in more than 88 countries. ICA's four offices in Africa, the Americas, Asia & Pacific and Europe, together, serve 225 members, representing well over 800 million cooperative members around the world.

The ICA-Asia & Pacific Office is operating from New Delhi since 1960, serves 60 national level organizations and one international organisation from 23 countries, representing about 500 million cooperative members.

#### **Background**

On the basis of the achievements of the ICA/Japan Training Course on "Strengthening Management of Agricultural Cooperatives in Asia" for 20 years beginning 1986-87, a new Training Project on "Enhancement of Farmers' Income and Poverty Reduction Through Cooperatives" was developed and agreed upon for implementation through the International Cooperative Alliance [ICA], with a focus on the strengthening of farm guidance method, joint collection, marketing, safety and improvement of quality of farm products aimed at increasing farmer's income.

Under this project, the 2nd ICA/Japan Training Course on "Enhancement of Farmers' Income and Poverty Reduction through Cooperatives-2007" was held from 9th December 2007 to 19th April, 2008 with 12 participants. The training programme has been implemented by the ICA-Asia Pacific office with the collaboration of well-known institutions e.g., the Institute for the Development of Agricultural Cooperation in Asia (IDACA), Tokyo, Japan, the Institute of Rural Management (of India) (IRMA), Anand, Gujarat, Fertilizer Marketing

Development Institute (FMDi of the Indian Farmers' Fertilizer Cooperative Limited (IFFCO), Gurgaon, and the ICA member-organisations in India, Thailand and Japan.

# Financial Support to the Project from the MAFF-Government of Japan

The Ministry of Agriculture, Forestry and Fisheries [MAFF] of the Government of Japan contributed funds to the 2nd ICA/Japan Training Course which was followed by a grant for its implementation. The ICA is highly appreciative of the contribution made and grateful to the Government of Japan for this gesture.

#### **Acknowledgements**

In the implementation of the 2nd ICA/Japan Training Course, the ICA has received full support and cooperation from the JA-Zenchu, the International Cooperation Division of the Ministry of Agriculture, Forestry and Fisheries [MAFF] of the Government of Japan; the Institute for the Development of Agricultural Cooperation in Asia [IDACA] in Japan; the Institute of Rural Management [IRMA] at Anand, India; the National Cooperative Union of India [NCUI], New Delhi; the Indian Farmers' Fertiliser Cooperative Limited [IFFCO], New Delhi, and its Fertiliser Marketing and Development Institute [FMDI], the National Agricultural Cooperative Marketing Federation of India [NAFED-India], the Cooperative League of Thailand (CLT) and other ICA Member-Organisations in the Region. The ICA is grateful to its member-organisations.

#### **Administrative Arrangements for the Project**

Mr. Prem Kumar, Consultant, ICA/Japan Training Course, was responsible for the conduct of the 2nd ICA/Japan Training Course. The entire Training Course was co-ordinated and implemented by him for its full duration, under the direction of the Regional Director [Asia & Pacific].

Part-IIi of the training programme held in Japan at IDACA was conducted under the direction and guidance of Mr Kazuo Tsukada, Executive Director of IDACA. Mr Y. Abe, Manager [Training], was designated by the IDACA as the Programme Co-ordinator for this part.

#### Implementation Schedule

The following Implementation Plan consisting of three phases was prepared for the Project:

I. Planning Phase : July 01-November 25, 2007

II. Implementation Phase : December 9, 2007-January 9, 2008

III. Reporting Phase : April 20-June 30, 2008

#### **Course Programme**

The day-to-day programme of the Training Course, as followed, is placed at Annex-I.

#### **Course Participants**

A total of 12 participants (men and women) were selected from among the candidates nominated by the ICA member-organisations from the following countries: Cambodia-1, China-1, India-2, Indonesia-1, Iran-1, Laos-1, Myanmar-1, Nepal-1, Thailand-2, and Vietnam-1.

A list of Course participants is placed at Annex-II.

#### Reporting and Evaluation

The period from the end of the Training Course in Japan to the end of June 2008 was utilised to prepare the course report and financial statements for submission through the ICA Secretariat in Geneva to the MAFF, Government of Japan.





#### **SECTION-II**

# REVIEW OF MANAGEMENT PRACTICES IN AGRICULTURAL COOPERATIVES IN ASIA AND COMPARATIVE FIELD STUDY VISITS IN INDIA

#### - IFFCO/FMDI SEGMENT

Part-I of the Training Programme held in India January 10-February 26, 2008

#### 01 Introduction

#### Part-I India Segment covered:

- Home Country Assignments
- Review of Management of Agricultural Cooperatives in Asia & Field Study visits at FMDI/IFFCO
- IRMA Module on Project Management in Agricultural Cooperatives
- Wrap-Up Session at New Delhi

#### Part-il Thailand Segment covered:

Comparative Field Study Visits in Thailand

#### Part-III Japan Segment covered:

- Practice of Japanese Agricultural Cooperative on farm guidance, joint collection, shipment, safety and improvement of quality of farm products;
- Business management method of the Japanese Agricultural Cooperative;
- Direct interaction with agricultural cooperative leaders and farmer-members.

After having completed their Home Country Assignments, all the participants got together in India on the 10th of January 2008. A formal inaugural session was held on January 11, 2008 at FMDI, Gurgaon.

#### 02 Inaugural Session of Part-I of the Programme

The 2nd ICA/Japan Training Course on 'Enhancement of Farmers' Income and Poverty Reduction through Cooperatives-2007' was formally inaugurated at the Fertiliser Marketing Development Institute (FMDI) of the Indian Farmers' Fertiliser Cooperative Limited [IFFCO] in Gurgaon (Haryana State) on January 11, 2008. The inaugural session was attended by Mr. D.K. Bhatt, Marketing Director, IFFCO, Mr. Shil-Kwan Lee, ICA Re-

gional Director [Asia-Pacific], Mr. Bhagwati Prasad, Chief Executive of National Cooperative Union of India [NCUI], Mr. M. Sato of IDACA, Mr D. Bhattacharaya, General Manager (PA&HRD), IFFCO, Dr. R.N. Kundu, Deputy General Manager (Trg), IFFCO/FMDI, and Mr Prem Kumar, Consultant from ICA-Asia & Pacific.

The training course was formally inaugurated by Mr. D.K. Bhatt, Marketing Director, IFFCO, who drew the attention of everyone to the fact that agricultural cooperatives belongs to the most downtrodden and underprivileged section of the society and their success would be counted on the basis of helping the members rather than making profits.

Mr. Shil Kwan Lee, ICA Regional Director (Asia-Pacific), welcoming all the participants, appreciated the Government of Japan for its continued support for the development of agricultural cooperatives in the region through ICA/Japan Training Course. He said that this course is playing an important role for the development of cooperatives in this region.

Mr. Bhagwati Prasad, Chief Executive, National Cooperative Union of India, welcomed the participants on behalf of the NCUI and the Indian Cooperative Movement. He welcomed all the participants and said that they will find various opportunities which will enhance their knowledge.

Mr. M. Sato, Manager (General Affairs Department), IDACA, expressed his happiness that the present series of ICA-Japan Training Course is proving an important tool in helping the cooperatives in Asia-Pacific Region.

Introducing about the project, its objectives, countries of participants etc., Mr. Prem Kumar, Consultant – ICA/ Japan Training Course, welcomed all the distinguished guests, participants and other dignitaries. He also informed about some basic disciplines to be maintained throughout the training course.

Mr. D. Bhattacharya, General Manager (PA & HRD), IFFCO, at the end of the programme, expressed a vote of thanks to the dignitaries for their valuable presence in the opening session. He also thanked to all concerned organisations for their cooperation.

Regional Review Sessions were held on the 13th & 14th January, wherein each participant made presentation of their Country Background Papers on agriculture and cooperatives by using OHP and Power Point. These presentations revealed the following three distinct common facts in Asia-Pacific Region:

- The agriculture still contributes about 20% or more of GDP in all the Asia-Pacific countries;
- That the cooperatives (agricultural cooperatives) in Asia-Pacific region have mainly emerged as a state sponsored system rather than through the members cooperative movement; and
- That they are facing almost similar problems viz. lack of capital, infrastructure and professional management; over dependence on state for finance, excessive administrative control through legislation and above all the politicization.

On 19th January, a Field Study Visit to IFFCO's adopted village was conducted in Meerut area. The participants visited IFFCO village, and a Primary Agricultural Cooperative Society (Krashak Seva Sahakari Samiti Ltd, Block Saroorpur Khurd), wherein they interacted with the local farmers and women folk of the village about their social life and living conditions.

On 21st January, 2008, the participants had an excellent opportunity to attend the Inaugural Session of the 15th Congress of the Indian Cooperative Movement held at New Delhi. The Congress was inaugurated by Her Excellency, Mrs. Pratibha Devi Singh Patil, President of India.

On 23rd January, visits to ICA-AP, NCUI and NAFED were organised, which proved very helpful in understanding the working of these national level cooperative organisations.

Mr. A. Roy, Senior General Manager (Marketing), IFFCO, chaired the closing session on the 24th January, 2008. Mr. Prem Kumar, Consultant-ICA/Japan Training Course, proposed a vote of thanks to all the guests and hoped that all the participants would make use of the learning opportunity given to them.

#### 03 An Overview of Agricultural Cooperative Situation in the Participating Countries

Two days of the training programme were devoted to the review of agricultural cooperative situation based on the Country Background Papers prepared and presented by the participants.

#### 01] Cambodia

Population: 14 million; total land area: 181,035 sq.km; total cultivable land area: 2,541,433 ha; total irrigated land area: 250,000 ha; per capita income: US\$ 270; total number of cooperatives: 83; Membership: 4,092.

The Kingdom of Cambodia is a country in South-East Asia, located in the south-western part of the Indo-China peninsula. Cambodia covers a geographic area of 181,035 square kilometres. It has 11.4 million inhabitants (according to 1999 statistics). The ratio between male and female is 48.5 and 51.5 per cent respectively. The growth of population is 1.8 per cent per year. The official language of Cambodia is Khmer, while the second language (spoken by the educated older people) is French. However, in recent years English has gained popularity. Cambodia has two seasons – dry season from December to April and rainy season from May to November. The temperature varies from 19 to 38 degrees centigrade. Unreliable rainfall and flooding are major constraints on the development of agriculture.

In 1950's and 1960's, cooperatives were well established in Cambodia which in 1966, a total of 512 cooperatives were operated under the control and administration of the Royal Office of Cooperatives of Cambodia and the supervision of Ministry of Agriculture. During that time, there were 13 provincial credit cooperatives granted loans to cooperative members, 390 multipurpose agricultural cooperatives, 55 consumers cooperatives, 14 specialised production cooperatives (e.g. for rice, cotton, tobacco) and 40 school cooperatives.

In 1965, agricultural cooperatives had estimated total trading turnover of US\$ 13 million. Under the regime of Democratic Kampuchea (1975-1979) all cooperatives were transformed into "Popular Communes" that operated on a collectivized basis with all activities directed to the furtherance of the socio-political objectives of the government. After the 1979, People Republic of Kampuchea, collective cooperatives was transformed into "Solidarity Groups" for collective production using the limited remaining resources left after the period of Democratic Kampuchea. After the period of absent cooperatives in Cambodia (1979-1999), actually, in 2001, a Royal Decree on Establishment and Functioning of Agricultural Cooperatives was approved by the Government of Cambodia, and then in 2003, MAFF prepared "Proclamation on promulgating of the Royal Decree on establishment and functioning of agricultural cooperatives in Cambodia.

Today, 83 primary agricultural cooperatives, with a membership of 4092, with a share capital subscribed by its members around US\$ 167,835, were established by rural poor farmers in 21 provinces/city of Cambodia. Generally, an agricultural cooperative can implement businesses based on their needs such as credit, supply, marketing and farm guidance activities.

The Department of Agricultural Extension (DAE).is a leading government organisation that contributes significantly toward the improvement of food security, rural income and agricultural production of Cambodia. It comprises six offices as follows: (1) Office of Administration and Personnel, (2) Office of Planning, Finance and International Cooperation, (3) Office of Human Resource Development, (4) Office of Media Services, (5) Office of Farming Systems, and (6) Office of Farmer Organization.

The primary responsibility for government relations with agricultural cooperatives within MAFF is vested in the DAE which includes an Office of Farmers' Organizations within its proclaimed structure. The functions of this office consist of – developing and maintaining government legislation (including statutes, policies and regulations) for the formulation and registration of agricultural cooperatives in Cambodia; promoting and facilitating the formulation of agricultural cooperatives based on local needs and potential by providing appropriate training and technical support to provincial and district extension staff in the relevant laws, regulations and administrative procedure; disseminating Royal Decree on Establishment and Functioning of Agricultural Cooperatives to farmers, NGOs, international organizations and potential donors in order to protect legal structure and meaningful of agricultural cooperatives; providing training courses to agricultural cooperative leaders and members with all relevant topics in order to strengthen the capacity of cooperative leaders and its members; and conducting external audit to help agricultural cooperatives in financial management and bookkeeping.

#### 02] China

Some of the basic indicators of China are as follows: Population-1.3 billion; Land Area-9.6 million sq.km, Cultivated land-121.8 million hectares; GDP: 13, 6515 billion Yuan; Per capita income-US\$ 700 (Yuan 5,460). The main agricultural products in China include rice, wheat, corn, cotton, tobacco, tea, raw silk, vegetable oils, live hogs, and live poultry.

China is a country with a large population and less arable land. The country is administratively divided into 23 provinces, 5 autonomous regions, 4 municipalities and 2 special administrative regions. With only 7% of the world's cultivated land, China has to feed one-fifth of the world's population.

Today, there are approximately 1.5 million all types of cooperatives in China, and the membership is approximately 200 million. There are three main cooperatives in China, the Supply and Marketing Cooperatives (SMCs), the Rural Credit Cooperatives and the Handicraft Industry Cooperatives.

The Supply and Marketing Cooperatives (SMCs) in China are the important agricultural cooperatives. They are cooperatives economic organizations whose members are chiefly farmers. They consist of the All China Federation of Supply and Marketing Cooperatives (ACFSMC), 31 provincial, 336 prefecture, 2,370 county federations and 22,537 primary cooperatives, with a membership of 160 million farm households, 1.282 million employees. The ACFSMC is the largest cooperative in China, and the largest agriculture cooperative of China. It is the apex organization of the Supply and Marketing Cooperatives (SMCs) of the whole country. The business turnover of SMCs amounted to 479 billion yuan in 2004.

The ACFSMC is an organization combining the supply and marketing cooperatives throughout the country. It is the highest organ of administration of the SMCs. Its functions and tasks are to take charge of studying and formulating the development strategy and the development program for the nationwide SMCs and guide the development and reform of the SMCs throughout the country; to organize, coordinate and manage the business operation in the major means of agricultural production and farm and sideline products according to authorization by the government; to safeguard the right and the interests of the SMCs at all levels; to harmonize the relations between the cooperatives and other competent departments, guide the business activities of the SMCs throughout the country and promote the flow of goods between the cities and the countryside; to propagate and carry out the principles and policies concerning the rural economic formulated by the Party Central Committee and the State Council; and to participate in various activities of the International Cooperative Alliance on behalf of China's cooperatives. It has 17 subordinate enterprises, 8 science and research institutes and 7 institutions and 13 national level specialized associations. It has played an important role in encouraging farmers to participate in the market, promoting the industrialized management of agriculture, providing services to farmers and agricultural production. It constitutes a vital link between the government and farmers.

In recent years, following the rural economic reform, with agriculture entering into a new stage of development, a lot of specialized cooperatives have been constituted. They provided farmers with services before and after production, provided farmer members with such services as jointly purchasing inputs and selling agricultural products, most of the specialized cooperatives were set up under the basic principle of cooperatives. They are run under a constitution, with stockowners, and members of the management and supervision committees elected democratically. As the highest decision making organ, the cooperative membership meeting (or congress) deliberates on the annual work plans of the management and supervision committees. It decides on major issues like the surplus distribution scheme, the methods of loss remedies as well as the merger or dissolution of the cooperative. The elected council members are often the large pig-raisers, rural agents, and entrepreneurs playing the role of bringing along the cooperative members. Most of the specialized cooperatives concentrated on planting, breeding and processing industries while involving transportation, storage and selling of the means of livelihood and production.

#### [03] India

Some of the basic indicators are as follows: Population-1.13 billion; Land area-328.73 million ha; Cultivated area-193.034 million ha; Average land holding-1.5 to 2 ha; Total number of cooperatives of all type-583,580; Membership-242.004 million; Per capita Income-US\$ 343 per annum. Main crops of the country: rice, wheat, maize, cotton, potato, sugarcane, oilseeds etc.

India is basically an agriculture country where agriculture is livelihood for rural community. Although agriculture accounts for 22.7% of India's GDP, it employs 65% of its population. About 43% of India's geographical area is used for agricultural activities. Although it covers 2% of world land but it supplies food to 17% of world population. India now produces largest quantity of milk in the world registering annual growth rate of 3.8% while the country also accounts for 57% of the world's buffalo production.



Inauguration of the 2nd ICA-Japan Training Course by Mr. D.K. Bhatt, Marketing Director, IFFCO at FMDI, Gurgaon.



Mr. Shil Kwan Lee, ICA Regional Director, speaking at inauguration of the course. Seated from (l-r): Mr. Prem Kumar, Course Consultant, Mr. Bhagwati Prasad, Chief Executive, NCUI, Mr. D.K. Bhatt, Mr. M. Sato, Manager, (General Affairs Deptt.), IDACA



Group photo of the participants at FMDI, Gurgaon, at the inauguraion of the training course.



Participants with Mr. A. Roy, Sr. General Manager, IFFCO at the closing of the FMDI segment

Cooperative Movement in India has been acknowledged as an important instrument towards achieving the socio-economic transformation of the rural areas with special emphasis on poverty alleviation. This movement has covered 100% of villages and 71% of rural households and have developed about 549,119 cooperative societies with a membership of 229,510 million in various segments like credit and banking, marketing, fertilizers, dairy, agro-processing, sugar etc.

The Cooperative Movement in India is one of the oldest in the Region and the largest in the world in terms of number of members and cooperative institutions. Starting as a credit cooperative movement in 1904 has now expanded into the various fields of cooperation such as marketing, agro-processing, fertiliser production and supply, production of heavy machinery, housing, consumer, fisheries etc. Agriculture is the strongest segment of the cooperative sector.

Most of the cooperatives are vertically integrated through their respective specialised federations or unions at the district, state and national levels. Primary cooperatives are affiliated to the district level unions/federations, which, in turn, are federated into state level unions/federations. 17 national level specialised federations, 140 state level unions/federations, and 31 Multi-state Cooperative Societies are members of the National Cooperative Union of India {NCUI) which is the spokesman and umbrella organisation of the entire Cooperative Movement in the country. NCUI is also one of the members of the ICA.

The Gujarat State Cooperative Union (GSCU) was registered on 19th April, 1960. The Union acts as state level cooperative organisation charged with the responsibility of growth and development of cooperatives in the state of Gujarat through programmes of cooperative education, training, publicity and promoting information and guidance. Five Centres of Cooperative Management runs Diploma in Cooperative Management. Almost 1.5 lakhs participants are trained every year. Participants are from cooperatives, government and private also GSCU through its 19 member District Cooperative Unions runs education and training programme from village to state level.

The Indian Farmers' Fertiliser Cooperative Limited (IFFCO) is an agricultural cooperative engaged in the primary business of producing fertilizers and marketing the same through the network of its 39,456 member cooperative societies. IFFCO through its member cooperatives caters to the need of approximately 60 million farmers of India. Presently, IFFCO produces about 7 million tonnes of fertilizer annually and markets 8.6 million tonnes only through the network of its member cooperative societies. Annual turnover of IFFCO is approximately US\$ 2.5 billion. It has emerged as world's largest fertiliser producing cooperative. It has established four modern plants located at Kandla and Kalol in Gujarat and at Phulpur and Aonla in Uttar Pradesh and acquired a giant phosphatic complex fertiliser plant at Paradeep in Orissa in 2005. IFFCO has also made its global mark by setting a JV fertiliser plant in Oman in 2005.

Development of 3300 villages as model agricultural villages through IFFCO Village-Adoption Programme, establishment of 127 storage-cum-Community Centres and large numbers of IFFCO Adopted Cooperative Societies and in turn providing them with infrastructural and training support have paid a rich dividend in strengthening the cooperative channel and technology dissemination in the country. A charitable trust known as "Kisan Sewa Fund" (KSF) has been set up to provide needy farmers with relief and rehabilitation measures in the wake of natural calamities. IFFCO has diversified into areas other than fertilizer - IFFCO and Tokio Marine and Fire Insurance Company Limited, Japan, established a joint venture company known as "IFFCO Tokio General Insurance Co. Ltd." (ITGI) for undertaking general insurance business in India. Introduction of Sankat Haran Bima Yojna — a product of IFFCO's JV, IFFCO's Kisan Sanchar Limited, National Commodity and Derivative Exchange Ltd., National Collateral Management Services Ltd., Indian Farm Forestry Development Cooperative, IFFCO Foundation, IFFCO Kisan Sewa Trust, Power Project at Chhatisgarh, Indo-Egyptian Fertiliser Co., Phospheric Acid Project in Jordan, Oman India Fertilizer Co. and Kisan International Trading, Dubai., setting up Kisan Special Economic Zone also for agricultural based enterprises.

#### [04] Indonesia

Some of the basic indicators of Indonesia have been as follows: Population-234,693,997, Total Land Area 1.8 million sq.km, Total Cultivable land-64 million ha; Per capita income-US\$ 665; Total number of co-operatives – 103,077; Total co-operative Membership- 27,286,784. Main crops of Indonesia are: paddy, palm oil, rubber, cocoa, coffee, tea, and tobacco.

Agricultural co-operatives in Indonesia are organised in a three-tier structure. The village unit coops [KUDs] at the primary level, which are federated into the PUSKUD at the provincial level and these, are affiliated to INKUD at the national level. There are at present 77,120 primary and secondary cooperatives, 7,150 Village Unit Coop [KUDs] and 69,970 Non Village Unit Coop. in Indonesia. The KUD is characterised by its multipurpose business with farmers, fishermen and handicraftsmen as its members. Most activities are anchored on agriculture. The main functions of KUDs are [a] distribution of farm production inputs and consumer goods; [b] provision of credit and collection, processing and marketing of produce of members. Though the KUDs function on a multipurpose basis, their organisational strength is weak both in financial and business terms. Due to weak structural and financial link-up between the KUD, PUSKUD and INKUD, the cooperatives are not able to compete with private traders. Government training facilities are available for cooperative employees through its network of 33 provincial level cooperative training centres and one national level cooperative training centre.

The government as well as the Dewan Koperasi Indonesia [DEKOPIN] share member education and extension services. Private foundations and academies provide formal education in cooperatives. There is an Indonesian Cooperative Management College [IKOPIN] at the national level and eight cooperative academies in the country.

The Cooperative Education and Training Development Institution [LAPENKOP], which is owned by DEKOPIN [National Cooperative Council of Indonesia], establish the programme to enhance the empowerment of cooperative movement through education and training. It was established on 24th May 1995. The aim of LAPENKOP programme is to raise cooperatives members' income through more effective, democratically run and economically sustainable cooperative.

As an institution belonging to the Indonesian Cooperative Movement, LAPENKOP has its mission, i.e. to empower the Indonesian Cooperative Movement through education and training programmes. In disseminating cooperative education and training programmes, LAPENKOP uses network system. So far, LAPENKOP has existed in 26 provinces and 150 throughout the country. In addition to its core programme, member education, other training programmes designed by LAPENKOP are Member Education, Board Education, Training of Facilitators, Training of Trainers, Training for Managers, workshops, seminars.

Nowaday, LAPENKOP is designing modules for Business and Technical Training.

#### [05] Iran

Some of the basic indicators of Iran are as follows: Population: 70 million (approximately one-third lived in rural settlements and two-third in urban population centres); Total area: 1.65 million sq.kms. out of which 1.64 million s.kms. is land mass; due to lack of water, less than 30% of the territory is cultivated; climate: mostly arid and semi-arid with humid and rain-forest zone along with the Caspian coast; Temperature: average between 10 to 25 C° in winter and 19 to 38° C in summer; GDP: US\$ 182.5 billion.

Iran comprises a land area of over 1.6 million sq.km (17th country in the world by land area). It is located in south-west of Asia and is one of the middle-east countries. Iran is bounded by Turkmenistan, Caspian Sea, Azerbaijan, and Armenia on the north, Afghanistan and Pakistan on the east, Oman Sea and Persian Gulf on the south, and Iraq and Turkey on the west. Iran has a border of 8,731 km of which 2,700 km. go for water borders and 6,031 km for land borders. The Islamic Republic of Iran is the most populous country in the region of Middle East and North Africa. At present, around 50 per cent of the population lives in the big and medium-size cities.

Initially, agriculture used to form the backbone of Iran's economy, but now it has taken a back seat, giving way to the manufacturing industry. About 45 per cent of the government's budget came from oil and natural gas revenues, and 31 percent came from taxes and fees.

The Iran Central Chamber of Cooperatives (ICC): In the Article (44) of the Constitutional Law of the Islamic Republic of Iran, economy falls into Private and Public. By virtue of Chapter 10 of I.R. of Iran Cooperative Sector Law, the Cooperative in 1992 under government and nation's support, whereby it undertook duties and authorities of Industries & Mines as to the cooperative sector. Furthermore, the ICC operates beyond national borders in the field of interactions among traders, farmers, and merchants with other countries.

To develop cooperative sector within the framework of objectives and guidelines set in Article (44) of the Constitutional Law, communicated in decree by the Great Leader, and the provisions of Article (102) of the 4th Economic, Social & Cultural Development Plan and 20-Year Prospect of the Islamic Republic of Iran, the ICC maintains to accomplish the following objectives:

- Reviving cooperative chambers at provincial level to take part in organizing regional conferences and training workshops;
- Encouraging cooperative unions to involve in economic activities;
- Developing provincial cooperative chambers;
- Conducting technical training course for cooperative directors and staffs;
- Attending meetings held by relevant councils, commissions and committees;
- · Co-working on revision of cooperative law and regulation;
- Supporting the key position of arbitration in the chamber of cooperatives for settlement of cooperative issues;
- Developing partnership between Chamber of Cooperatives and Cooperative Commission of the Islamic Consultative Assembly (Parliament);
- Working on establishment of holistic Cooperatives;
- Building up share of cooperative sector in national economy up to 25% by the end of the 5th Development Plan through leading role of Cooperative Ministry;
- Establishment of new cooperatives to create productive employment stipulated in paragraph 2, Article (44) of the Constitutional Law.

The following programmes are ICC's coop priorities:

- Establishment of cooperatives for university graduates, as well as service, consultative and export cooperatives;
- Holding exhibitions aimed at introducing capabilities of cooperative sector in and out of the country;
- Attracting support and donations for dynamic presence of cooperatives in national and international cooperatives;
- Creating trade zones in target economies, particularly in African countries;
- Paving the ground for cooperative export promotion;
- Cooperation among cooperatives and taking advantage of their potentials such as organising permanent exhibitions through regional feasibilities;
- Privatization in favour of cooperatives;
- Making capital and national/international financial resources accessible to cooperatives;
- Co-working on founding Cooperative Development Bank as well as developing Cooperative Fund of the country;
- Creating an IT centre.

#### [06] Laos

Some of the basic indicators of Laos are as follows: Population: 5.8 million; total area-236,800 sq.km. out of which 20% is cultivable, 80% is mountainous and 47% is under forest cover; Per Capita Income-US\$ 520; Almost 87% of the poor in Lao PDR live in rural areas and their main productive activity is subsistence farming; The industry sector, which contributes less than 22% to GDP, are largely composed of state-owned enterprise which are subsidised by the government; exchange rate-1USD 10,000 kip.

The Lao PDR is a "Least Developed Country" (LDC), and as such is considered by the international community to be one of the poorest countries in the world. Poverty is particularly widespread in rural areas, especially in Northern provinces and among ethnic groups inhabiting remote areas, the uneducated and female household

#### members.

The government of Lao PDR – one of the few remaining official communist states – began decentralising control and encouraging private enterprise in 1986. Reform efforts subsequently slowed. The GDP growth rate was 7.2% per year.

Agriculture is the principal economic sector in the Lao PDR, with about 80% of the population engaged in rice cultivation as the primary activity, as well as in livestock, fishery and forestry activities. Other crop grown for consumption or export include maize, soybeans, sweet potatoes, cassava, taro, coffee, peanuts, tobacco, cotton, sugarcane and other. The export commodities are wood products, garments, electricity, coffee and tin. The import commodities are machinery and equipment, vehicles and fuel. Like in all developing countries, the cooperative in Lao PDR had been initiated by the government with the objective to use cooperatives as tools to improve the livelihood and socio-economic condition of small farmers. The cooperatives which existed in Lao PDR in 1970 prior the Communist Pathet Lao took control of the government in 1975 were: Lao Saving and Loan Association; and Credit Cooperatives. After 1975, all cooperatives, including agricultural cooperatives, farmers' groups and people's organisation had been dissolved as well as cooperative Law, Decree and Acts.GOL has put more emphasis on development of only Youth, Lao Federation of Trade Union, and Lao Front National Construction and gives low priority to rehabilitate agricultural and other cooperatives.

The Provincial Agriculture and Forestry Service Office is a government organisation at municipal level and technical supervision of Ministry of Agriculture and Forestry and had equal status with the Agriculture and Forestry Service Office of Vientiane capital. Agriculture and Forestry Extension Centre is one of technical promotion section that belongs to Agriculture and Forestry Service of Vientiane capital, including administration office, agriculture section, irrigation section, livestock section and forestry section.

Agriculture and Forestry Service Office of Vientiane Capital (PAFO) is a provincial technical body of the Ministry of Agriculture and Forestry based in Vientiane Capital. Its policy is focussed on rice production 53,900 ha and average yield of 4.00 t/ha. The PAFO consists of 9 Districts agriculture and forestry extension office, 3 agriculture centres, 6 livestock and fisheries projects and 28 irrigation projects. It has a total permanent staff of 425, out of which 54 are women, and part-time staff 32.

During the period 1975-85, the agriculture and forestry sector received high priority in the nation's socioeconomic development. State farmers and cooperatives were pushed to emerge with expectation to modernize and increase agricultural production rapidly and also to abolish the patterns of dispersed small farm holding. Price and distribution of commodities were substantially controlled by the State.

Now in Lao PDR there is no cooperative, but there are diversified scale farmers production groups of agriculture, livestock and animal group and women credit saving group. These groups operate independently. In order to consolidate these small groups into a cooperative, there is a need to educate government officials who are capable of providing guidance for the organisation process and for operation of agricultural cooperative, there is a need to train adequate number of agricultural extension workers.

#### [07] Myanmar

Some of the basic indicators of the Union of Myanmar are as follows: Total population-55.40 million; Total cultivable land -11.2 million hectare; Share of agriculture to GDP: 40.2%; Average size of holding-5.8 acres. Total number of cooperatives-14,547; Total co-operative membership-4 million; Per Capita Income-US\$ 507; Main crops of the country include-: cereals, oilseeds, pulses, industrial crops.

Myanmar is an agriculture country, and agriculture is the backbone of its economy. Agriculture contributes 40.2 percent (2005-06) of GDP, 12.14 per cent of total export earnings, and employs 62 per cent of the labour force.

The first agricultural credit cooperative was registered in January 1905. After independence in 1948, two cooperative laws were enacted in 1956 and 1970 respectively. The 1970 cooperative law was amended in December 1992 in line with the new market-oriented economic policies of the country. The new law promulgates a four-tier system, with the primaries at the grass root level, the syndicate at the secondary level; union sat the tertiary level and the Central Co-operative Society [CCS] at the apex.

The CCS is the national spokesman organisation of the Cooperative Movement and has been a member of the ICA since 1993. The CCS has a total membership of 225. The CCS is engaged in business and cooperative promotional activities. It also carries out cooperative education and training activities in collaboration with the Department of Cooperative Development. The primaries are multipurpose in character and provide credit, input supply and marketing of member's produce in addition to allied services. Owning and operating processing facilities like rice mills, oil expellers, condensed milk manufacturing, salt plants, textile mills and other workshops, do value adding. Rice and rice products, beans and pulses, maize etc are exported and fertiliser, machineries and other consumer food etc. are imported.

It directly helps the cooperative farmer-members societies by supplying inputs such as certified seeds, fertilizers, insecticides, pesticides and fungicides, loans, machineries and equipment and consumers' goods (palm oil). It issues dividend on share and rebate to the farmer-members annually.

In production sector of Myanmar, cooperative agricultural production is being given special priority as the economy of Myanmar largely depends on the agricultural production which makes favourable impact on the development of national economy.

#### [08] Nepal

Total population of Nepal is: 22.7 million; Land Area 147,181 sq.km; total cultivable land 2,392,900, ha; Per capita income US\$ 243; Total number of cooperatives 10,000, Membership: 3,211,400; Main crops of the country: paddy, maize, wheat, millet, tea, oilseeds; the country is divided into three regions-Mountain, Hill and plane Terai. The mountain area covers 23% of the total area, hills covers 50% and the terai region covers 27%.

Nepal is a land locked country bounded on the north by China and on the south, east & west by India. The country has a total land area of 147,181 sq.kms. Hill ecological belt shares 61,345 sq.km. of lands, which is approximately 42% of the total land area? Mountain belt reported the second largest land area of about 35% while Terai belt occupies the smallest area of 23% of the total land area of the country. Ecologically, the country is divided into three belts, namely, mountain belt, hill belt and terai belt, running east to west with a non-uniform width from north to south.

Administratively, the country is divided into 75 districts grouped into 5 development regions that cut across ecological belts. The mountain belt constitutes 16 districts, 39 districts in the middle comprise the hill belt and 20 districts compose the Terai belt.

Eighty percent Nepalese are dependent on farming and it accounts for more than 40% of the GDP. Rice is the staple food in Nepal and around four million tons are produced annually. Other major crops are maize, wheat, millet and barley. Besides food grains, cash crops like sugarcane, oilseeds, tobacco, jute and tea are also cultivated in large quantities.

The Cooperative Movement of Nepal has dramatically been changed by the enactment of Cooperative Act, 1992. But the cooperatives have numerical growth, the performance is still poor.

The National Cooperative Federation of Nepal Limited [NCF], an apex body of the cooperative movement of Nepal, registered on June 20, 1993 under the Cooperative Act, 1992, was voluntarily and jointly organised by cooperatives of different levels on the basis of universally accepted cooperative principles. At present NCF has a membership of 3 Central Co-operative Unions, 1 National Cooperative Bank, 68 District Level Co-operative Unions and 19 Single Purpose and multipurpose Primary Co-operative Societies. It represents 9,720 cooperatives operating throughout the Kingdom of Nepal with approximately 1.5 million members.

Besides the Ministry of Agriculture & Cooperatives and the Department of Cooperative, there is also a government institution, the National Cooperative Development Board, which is responsible for the development of cooperative policy and facilitation of cooperative business. The Cooperative Training Centre has been established for conducting cooperative training and education, a government owned institution. Others sectors which are of significance in Nepal are the dairy cooperatives, savings and credit cooperatives and women's cooperatives.

The Nepal Cooperative Finance Society Limited, with the participation of cooperative, non-cooperative agencies

and some business elites as well as NRB staff was established in 1992 under the Cooperative Act. Today its paid-up capital is 30 million and reserve fund is above 15 million. The NCFS has the following objectives:

- Raising funds by encouraging the savings and deposits from its member's area;
- Provision of supervised credit facilities for small and medium undertakers in local area;
- Help socio-economic development of the deprived people in the rural and urban areas through cooperative societies;
- Management support services to the coops in regard to supervision and control of credit to its members for generating optimum return on the investments of coop members;
- Arranging training and seminars for the cooperative management development.

The organisation consists of 7 Board of Directors and 3 Account Supervisory Committee members. The Board is responsible for overall inspection and supervision of the organisation.

#### [09] Thailand

Some of the basic indicators of Thailand are as follows: Population: 62.376,784 million; Land Area: 514,000 sq. kms; Share of agriculture in GDP-6.1%; Main crops of the country: rice, sugarcane, cassava, rubber, corn, coconuts and soybeans.

Thailand has a population of 63 million of which around 7 million live in Bangkok. Thailand covers a land area of 514,000 square kilometres and extends about 1,620 km from north to south and 775 km from east to west. Agriculture has an important role in the national economic growth. It has been a major source of food supply, farm workforce and employment generation. Approximately 57% of the total arable land is used for rice cultivation. Rice farming is the chief occupation of Thai farmers. The average size of farm household is about 10 acres. Thailand's principal exports are agricultural products, which constitute about 55% of the total exports. Rice is the chief export. Other exports include sugar, rubber, corn, frozen and canned seafood's, fresh fruits, vegetables and flowers.

Cooperatives in Thailand are categorized into 7 types, namely, agricultural, land settlement, fisheries, consumer, savings & credit, and service cooperatives and credit union cooperative. Currently, there are over 7,000 cooperative at primary level throughout the kingdom with over 9 million people being directly involved as cooperative members. The agricultural cooperatives are considered a majority of agricultural producers. At present, there are almost 4,118 cooperatives in agricultural cooperative sector, which included agricultural, land settlement, and fisheries cooperatives, with more than 5 million farmers being member. The cooperatives itself has significantly contributed to the national economic growth throughout the country. The livelihoods of its members are made secure by cooperative enterprises. But the cooperative movement is still weak and facing several problems and constraints.

The Cooperative League of Thailand (CLT), established according to Cooperative Act in 1968, as the national apex body of the Cooperative Movement in the country. It has affiliates of 7,448 cooperatives at all levels serving over 9.8 million households. The CLT plays a major role in the area of cooperation, promotion and development of the cooperatives in Thailand to help and promote sustainable development of Thai cooperatives.

The organisational structure of the CLT is administered by the General Meeting of Cooperative Representatives, Board of Directors, and Executive Director, two Deputy Executive Directors. There are five bureaus serving the CLT activities — office of the Director, Cooperative Training Institute, CLT Coop Training Centre, Technical and Propagation Bureau, and Cooperative Promotion and Development Bureau.

The National Co-operative Development Board (NCDB) has been set up to advise the government concerning policies and guidelines for promotion and development of co-operatives. NCDB has assigned steering committee mainly from CPD, CAD, and CLT to design framework and policy for development of co-operatives.

The Chumphon Coffee Grower's Cooperative Limited was registered for agricultural cooperatives on Jan 20, 1997. The members (1090) are farmers who do coffee plantation in Chumphon (including 8 districts)... In the beginning, it was only supported by credit for coffee plantation, joint venture who sells agriculture equipment. Since 2001, the transfigure green coffee has been added to give more value of coffee's product that gave

benefit for members and organisation. The products are: roasted coffee named "Chumphon Coffee", Coffee Beverage named "Fit Cup". In 2008, The society is going to launch an instant coffee mixed 3 in 1, named "Chumphon Coffee".

#### [10] Vietnam

Some of the basic indicators of Vietnam are as follows: Total population-84 million; Total land area-331, 688 sq. km; Share of agriculture in GDP-21%; Total cooperatives-17,599; Total membership-125,000; Per capita income-US\$ 648. Main agricultural products include, rice, sweet potatoes, pepper, coffee, tea, rubber and many kinds of fruits and marine products.

Vietnam is an agricultural country as the population living in the rural area accounts 75%, among this farmers account for 70%. The agricultural sector plays an important role in contributing to economic growth in Vietnam. Total land available for agriculture: 69,535, and 70 sq.kms accounted for 22.1% of the total national land fund, land holding: 52.8% with a farm population: 72%.

In the year 2006, the average productivity of rice production was 48.9 quintal per hectare and rice production reached 35,826.8 million tons. Rice is the main product of Vietnamese agricultural sector followed by plants and cattle can be considered of high economic value. Other main crops include maize, sweet potatoes, cassava, potatoes, soybean, peanuts, rubber and fruits and vegetables, tea.

The Vietnam Cooperative Alliance (VCA) is a social, economic organisation and an apex organisation of Vietnam Cooperative Movement. It is organised at the central and provincial levels. The co-operative enterprises at the primary level are affiliated to the district unions, which, in turn, federate into provincial unions. The cooperative alliance has been established in all 64 provinces and cities through Vietnam.

As at the end of 2006, there were 17,599 cooperative associations in the whole country, including 8,458 agricultural cooperatives, 586 trade and service cooperatives, 2,205 industrial – craft industry cooperatives, 557 construction cooperatives, 486 aquatic product cooperatives, 1,060 transportation cooperatives, 915 credit cooperatives, 217 other types of cooperatives and electric cooperatives 2,565.

The National Representative Congress, the highest decision-making body of the VCA, meets every five years. The Congress elects the Central Executive Committee, responsible for managing the VCA, meets twice every year. The Central Executive Committee of the third congress currently has 115 members, including representatives from ministries, agencies, social-economic organisations, department directors, organisations, affiliates of VCA and representatives from cooperatives of all sectors.

Training of co-operative office-bearers and staff is partly carried out through training centres or programmes of provincial co-operative alliances and partly through the Vietnam Institute for Small Enterprise Cooperatives and the College of Management and Technology of the VCA. The Centre of Science, Technology and Environment (COSTE) belongs to VCA, is an organisation developing activities, programmes and development support project, which benefits cooperatives, small and medium-sized enterprises and household business in the fields of enterprises establishment, environment, energy efficiency, science and technology, information, agriculture and forestry, gender, trade etc.

#### 03 Comparative Field Study Visits in India

One of the core elements of the training programme was the exposure of the participants to actual and practical situations in the cooperative sector and to enable them to exchange views and opinions with cooperative leaders, managers and members. These visits enabled the participants to observe for themselves the activities of the cooperative organisations at primary, secondary and national levels.

Study visits to cooperative institutions in India were organised in and around Delhi, Uttar Pradesh and Gujarat States. The participants visited the following institutions:

#### Study Visits in and around Delhi and in the State of Haryana

- International Cooperative Alliance [ICA] Asia & Pacific, New Delhi
- National Cooperative Union of India-NCUI, New Delhi
- National Agricultural Cooperative Marketing Federation of India Ltd. [NAFED-India], New Delhi

- Fertiliser Marketing Development Institute [FMDI of IFFCO], Gurgaon, Haryana
- Krishak Seva Sahkari Samity Ltd. (primary agricultural cooperative society), Saroorpur Khurd, District Meerut, U.P.
- IFFCO's adopted village, Pabersa

#### Study visits in Gujarat State

- Institute of Rural Management [IRMA], Anand, Gujarat
- Davod Primary Milk Producers' Cooperative Society Ltd.
- AMUL Dairy [Anand Milk 'Cooperative' Union Limited], Anand, Gujarat
- Gujarat Cooperative Milk Marketing Federation (GCMMF)
- Mother Dairy Plant at Gandhinagar, Gujarat
- IFFCO Production Unit at Kalol, Gujarat
- Amalsad Multipurpose Cooperative Society

Detailed write-ups on the main features of the cooperatives to be visited were prepared and distributed among the participants in advance. During actual visits, their leaders and officials briefed the participants about the functions of their cooperatives.

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Participants with Mr. G.H. Amin, President and Mr. Bhagwati Prasad, Chief Executive, National Cooperative Union of India, New Delhi



The participants with Mr. Prem Kumar, course consultant, at the ICA-AP office in New Delhi



Participants with the Director and faculty members at the opening of the IRMA module



Mr. Shiladitya Roy, Mrs Ila Patel, Mr. Prem Kumar and Dr. S.R. Asokan at the closing of the IRMA module

#### **SECTION-III**

#### PROJECT MANAGEMENT IN AGRICULTURAL COOPERATIVES

The IRMA Segment: January 25 to February 24, 2008

The Project Management in Agricultural Cooperatives Module of the 2nd ICA/Japan Training Course was conducted at the Institute of Rural Management, IRMA, at Anand, Gujarat State. The ICA chose IRMA, an institute of higher learning and of national importance, for conducting this module. IRMA is an autonomous institution with the mandate of contributing to the professional management of rural organisations. It was founded in 1979 at the initiative of the National Dairy Development Board with the support of Government of India, Government of Gujarat and Swiss Development Co-operation. Ever since its inception IRMA has been working closely with Co-operatives, NGOs, Governments, and National and International agencies.

#### **Inaugural Session**

The ICA-IRMA Module on Project Management in Agricultural Cooperatives was conducted at the Institute of Rural Management, Anand, from 25 January to 24 February, 2008. Prof. Vivek Bhandari, Director of IRMA, formally inaugurated the IRMA Module in the afternoon of 25 January, 2008. He welcomed the participants and Mr. Prem Kumar and thanked ICA for reposing faith on the Institute and assigning IRMA the responsibility for conducting the project management module. He expressed happiness as the ICA has been providing training opportunities to the managers of agricultural co-operatives in the Region. He mentioned that a team of experienced faculty members has been constituted after consultation with Mr Prem Kumar and a well-thought out programme has been designed for the participants which also included a significant component of comparative field study visits to some of the renowned cooperative institutions in the country. He assured the ICA of IRMA's full cooperation in completing the assignment successfully. He wished the participants a fruitful stay at IRMA.

Prof. Shiladitya Roy, MDP Coordinator, briefly explained the activities of IRMA.

Mr. Prem Kumar, Consultant, ICA-Asia & Pacific, conveyed the greetings of the ICA and thanked the IRMA Director and the faculty members for their continued support to the ICA in the implementation of previous programmes.

Prof. S.R. Asokan, ICA Coordinator, briefed about the programme design of IRMA segment.

#### **Teaching Modules/Faculty**

The programme was segmented into teaching modules, which were handled by designated faculty members under the overall coordinator-ship of Prof.S.R.Asokan. Prof. G. Krishnamurthy, Prof. Paresh Bhatt, Prof. Shiladitya Roy, Prof. Arvind Gupta, Prof. Preeti Priya, Prof. K.V. Raju, Prof. S.N. Biswas, Prof. Nivedita Kothiyal and Prof. H.K. Misra constituted the faculty team.

#### **Detailed Module Designs**

The module at IRMA consisted of segments, which aim at improving the conceptual, analytical and leadership capabilities of managers of agricultural co-operatives to help in developing their skills in improving the management of their co-operatives using a project approach. The main topics taught at the Institute were: [01] Project Management; [02] Financial Accounting and Costing; [03] Financial Management; [04] Marketing Management; [05] Integrated Agricultural Cooperative Business Management; [06] Leadership & Governance, [07] Information and Communication Technology in agricultural cooperatives, and [08] Comparative field study visits to primary, district, state and national level cooperative institutions.

A brief description of topics taught at the Institute of Rural Management [IRMA] follows:

#### Topic-01

#### **Project Management**

[Prof G. Krishnamurthy]

Project Management in agricultural cooperatives is the central theme of this module of training at IRMA. Participants start by making a presentation of their project in the first week. Throughout their stay the participants are expected to revise/improve their original projects on the basis of classroom inputs and guidance. The participants made presentation of their revised proposal before their departure from IRMA.

#### Topic-02

#### **Financial Accounting and Costing**

[Prof. Paresh Bhatt]

The broad objective of this module is to provide a comprehensive understanding of the concept of financial accounting, costing and budgeting. Some of the important topics in the module include introduction to financial accounting, profit & Loss accounting, Balance sheet, Ratio analysis, Costing and pricing of products and services in agricultural cooperatives; Break-even Analysis; Cost-Volume and Profit Relations.

#### Topic-03

#### **Financial Management**

[Prof. Shiladitya Roy]

Financial management module includes topics on working capital management and project evaluation methods. While discussing working capital, special emphasis is laid on working capital management; Time value of money; estimating relevant cash flows; financial criteria for investment decisions in agricultural cooperatives, importance of member's capital

#### Topic-04

#### **Marketing Management**

[Prof. Arvind Gupta & Prof. Preeti Priya]

The marketing management module includes basic concept of cooperative marketing, market and competition, marketing mix, market intelligence, product life cycle and new product development, strategic food marketing, and impact of WTO Negotiations on agriculture.

#### Topic-05

#### Integrated Agricultural Cooperative Business Management [IACBM]

[Prof. K.V. Raju and Prof. S.R. Asokan]

This module covers integral components of agricultural cooperative business and services (farm guidance, joint collection, credit supply, value addition, packaging and shipment), and roles and responsibilities of different tiers of cooperative system.

#### Topic-06

#### Leadership & Governance

[Prof. S.N. Biswas and Prof. Nivedita Kothiyal]

Key themes discussed in the module include attitudes and values relevant to cooperatives, effective cooperative management through participatory decision-making process, effective governance through cooperative leadership and responsibility of cooperative leaders (preparation of second line in leadership).

#### Topic-07

# Information & Communication Technology in Agricultural Cooperatives

[Prof. H.K. Misra]

Use of information technology in disseminating information for enhancing farmer's income.

#### Project Proposals Prepared by the participants

The selected participants were expected to undertake their home country assignments [HCAs] prior to the actual commencement of the training course in India. They were expected to prepare a suitable project proposal while still working with their respective organizations in their respective countries under the guidance of the chief executive officers.

The ICA-AP provided the selected participants a Manual on Project Formulation prepared by the IRMA. All the selected participants brought the draft project proposals to India which were discussed and analyzed by faculty members of IRMA. Based on these discussions, a Revised Version of the project proposal was developed for presentation at IRMA and to their sponsoring organizations.

The participants prepared the following 12 development project proposals:

| S.No. | Country   | Name of the Participant | Name of the Project  |
|-------|-----------|-------------------------|--|
| 1     | Cambodia  | Mr. Khol Many           | Kasacthan Khmer Cooperative  |
| 2     | China     | Mr. Zhu Xiaguo          | Huimin Vegetable Processing Project  |
| 3     | India     | Mr. A. Maruthi Kumar    | Establishment of Soy-Diet Foods Processing Plant   |
| 4     | India     | Mr. Alpesh K Raval      | Value-addition of Milk through Milk Processing Union   |
| 5     | Indonesia | Ms. Farida              | Establishment of a Cabbage Farmers Cooperative   |
| 6     | Iran      | Mr. Seyed Ghasem Alavi  | The Economic and Technical Feasibility Plan for Cold Water Fish Breeding with the capacity of 20 MT per year |
| 7     | Laos      | Mr. Viengxai Sipaphone  | Pig Raising on Qudomsouk Village, Bachiang District,<br>Champasak Province                                   |
| 8     | Myanmar   | Ms. Cherry Aung         | Tea Factory  |
| 9     | Nepal     | Mr KN Rajbhandari       | Bee Keeping  |
| 10    | Thailand  | Mr. W.Sonthisawate      | Instant Coffee 3-in-1 "Chumphon Coffee"  |
| 11    | Thailand  | Mr. C. Todkaew          | Fruit Herbs Processing Project (Mafai Jeen)  |
| 12    | Vietnam   | Ms. Trin Thi Huong      | Building the workshop to produce tea in Van Chan<br>District, Yen Bai Province                               |

The revised project proposals were presented to the faculty members before the end of IRMA Module.

#### **SECTION-IV**

#### COMPARATIVE FIELD STUDY VISITS IN THAILAND

The second part of the training course on comparative field study visits in Thailand was arranged by the Cooperative League of Thailand [CLT] to the following national/primary levels agricultural cooperatives in and around Bangkok from 27 February to 5th March, 2008.

- 1. Cooperative League of Thailand [CLT]
- 2. Cooperative Promotion Department [CPD]
- 3. Cooperative Auditing Department [CAD]
- 4. Agricultural Cooperative Federation of Thailand [ACFT]
- 5. Lablae Primary Agricultural Cooperative Ltd., Uttaradit Province
- 6. Wat Chan Primary Agricultural Cooperative Ltd., Phitsanuloke Province
- 7. Prompiram Agricultural Cooperative Ltd., Prompiram District, Phitsanuloke Province

#### The Cooperative Movement in Thailand

Cooperatives in Thailand, like in all developing countries, have been initiated by the government since 1915 with the prime aim of using as a means to improve the livelihood of small farmers. This is due to the increasing indebtedness problem resulting from farmers who were suffering from the shifting of self-sufficient economy to trade economy. The natural disaster such as drought and flood even added further to create more chronic and severe indebtedness to the farmers. Consequently, they lost their farmland and becoming laborers and thus leaving their debts unpaid.

The first cooperative in Thailand named Wat Chan Cooperative Unlimited Liability was established by the government on February 26, 1916, in Phitsanulok, following the Raiffeisen credit cooperative type with a single purpose of providing farm credit and being organized as a small village credit cooperative to help the severely indebted farmers.

In 1966, the government-cum-credit cooperative-owned Bank for Cooperatives was reorganized to the "Bank for Agriculture and Agricultural Cooperatives" a state enterprise, functioning as a financial center of agricultural cooperatives including lending directly to individual farmers.

In 1968 with the objective to strengthen the cooperative movement, the Government enacted the Cooperative Act, 1968, which allowed the establishment of the Cooperative League of

Thailand, functioning as the apex organization of the cooperative movement. The said Cooperative Act also allowed for the amalgamation program which combined the neighboring small village credit cooperatives, paddy and marketing cooperatives, land improvement and land settlement cooperatives into a large scale cooperative at district level performing multipurpose functions and were officially categorized as agricultural cooperatives.

At present, the cooperatives in Thailand are officially categorized to seven (7) types, namely:

- 1. Agricultural Cooperative,
- 2. Land Settlement Cooperative,
- 3. Fisheries Cooperative,
- 4. Consumer Cooperative,
- 5. Saving and Credit Cooperative,
- Service Cooperative, and
- 7. Credit Union Cooperatives
- 1. Agricultural Cooperatives Agricultural cooperatives are established to enable farmer members to

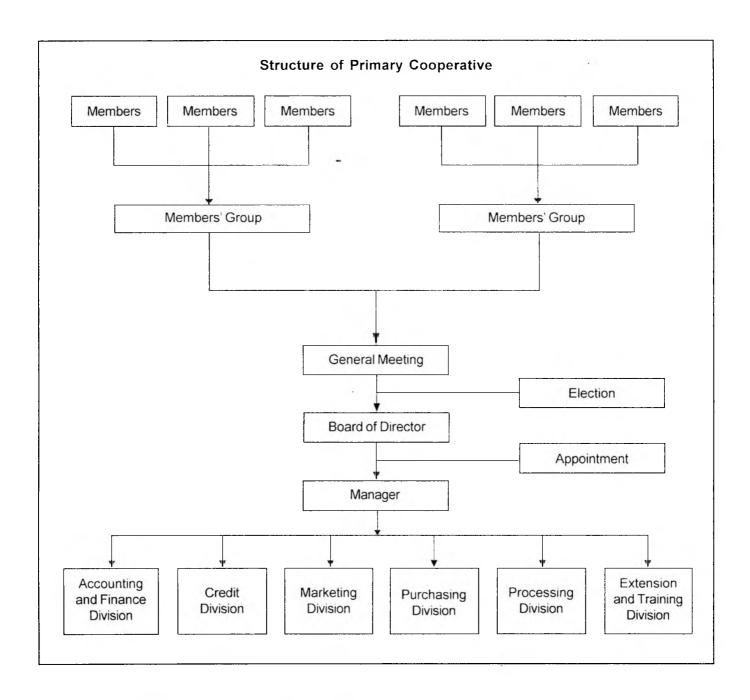
- engaging in business together, thus helping one another in times of crisis as well as gaining for themselves a better livelihood and quality of life.
- 2. Land Settlement Cooperatives The primary objective of Land Settlement Cooperatives is to allocate land to farmers who having either no land or small holding to make use for their living earning. Its operational scope is the same as that of agricultural cooperatives. However, land settlement cooperatives put more emphasis on land development including familiarizing members with appropriate farming techniques and modern irrigation methods.
- 3. Fisheries Cooperatives Fisheries cooperatives consist of members who are involved in fishing activities, both fresh and seawater. The main purpose is to deal with production and marketing problems through joint purchasing, access to loan funds, increased knowledge of the fishing industry, and promotion of natural resources conservation.
- 4. Consumer Cooperatives Consumer Cooperatives are formed by consumers in obtaining various goods at reasonable prices and guarantee standard. It is a legal body, registered under the Cooperative Act, with its members as its shareholders. Members voluntarily co-invest in their cooperative stores to fulfill their purchasing needs in away that will sustain their economic well-being.
- 5. Saving and Credit Cooperatives Saving and Credit Cooperatives are those whose members are people having the same occupation or living in the same community. Its main purpose is to promote savings among members and provide loans for productive investment.
- **6. Service Cooperatives** The service cooperative is another cooperative type formed by persons engaged in the same occupation to deal with common concerns including building up employment security and maintaining the members' existing occupation.
- 7. Credit Union Cooperatives The first credit union in Thailand was organized on July 25, 1965 by 13 pioneers with initial saving 360 Baht, its name was "Soonklang Thewa Credit Union". Fr.Alfred Bonninque believed that dreams will come true if people join hands together and achieve their goals without bias to other people. This is the principle he believed people in the slums of Huay Kwang, Bangkok should observe to improve their life and be of equal level to other people in the society. The credit union is the meeting point of people who trust and people who help people.

#### Organizational Structure of Cooperatives in Thailand

Cooperatives in Thailand are vertically organized in a three - tiered system; primary cooperative at district level and federation at provincial and national level. The primary cooperative consists of individual members while members of provincial and national federations are cooperatives. The members will elect the board of directors (BOD) through the general assembly with maximum number is not greater than 15 persons for cooperative development policies formulation. The BOD, then, appoints a manager and staff to run the cooperative business.

Five or more cooperatives at primary or provincial level can together form a provincial or national federation to undertake joint activities on behalf of their primary affiliated such as processing and trading of agricultural produces.

At national level, there is the Agricultural Cooperative Federation of Thailand of which all 76 provincial agricultural cooperative federations are affiliates. There are also Sugarcane Growers Cooperative Federation of Thailand, Swine Raisers Cooperative Federation of Thailand, Dairy Cooperative Federation of Thailand and Onion Growers Cooperative Federation of Thailand. Land Settlement Cooperatives, however, has only a regional federation in the Central Region whereas Thrift and Credit Cooperatives, and Consumer Cooperatives are affiliated in a national federation of their own.



#### 1. The Cooperative League of Thailand [CLT]

The Cooperative League of Thailand (CLT), established according to Cooperative Act in 1968, as the national apex body of the Cooperative Movement in the country. It has affiliates of 7,448 cooperatives at all levels serving over 9.8 million households. The CLT plays a major role in the area of cooperation, promotion and development of the cooperatives in Thailand to help and promote sustainable development of Thai cooperatives.

The organizational structure of the CLT is administered by the General Meeting of Cooperative Representatives, Board of Directors, and Executive Director, Two Deputy Executive Directors. There are five bureaus serving the CLT activities – Office of the Director, Cooperative Training Institute, CLT Cooperative Training Centre, Cooperative Relation Bureau, and Cooperative Promotion and Business Development Bureau.

The National Co-operative Development Board (NCDB) has been set up to advise the government concerning policies and guidelines for promotion and development of co-operatives. NCDB has assigned steering committee mainly from CPD, CAD, and CLT to design framework and policy for development of co-operatives.

# 3. The Cooperative Promotion Department (CPD) Ministry of Agriculture and Cooperatives

The Cooperative Promotion Department (CPD) is responsible for promoting and disseminating the cooperative ideology, principles and methods to cooperative personnel, farmer groups and the public, promoting, supporting and strengthening the cooperative system, improving cooperatives' learning process to increase the capacity of business management as well as the efficiency of their operation, and encouraging cooperatives to upgrade the business linkages to international levels for better living quality of cooperatives members both socio-economic aspects.

Number of Primary Cooperatives and Membership Classified by Types

| No. | Types of Cooperatives                | Number of Cooperatives/Membership |                           |  |
|-----|--------------------------------------|-----------------------------------|---------------------------|--|
|     |                                      | Cooperatives                      | Membership/<br>Households |  |
|     | Agricultural Cooperatives Sector     |                                   |                           |  |
| 1.  | Agricultural Cooperatives            | 4,334                             | 5,449,308                 |  |
| 2.  | Fisheries Cooperatives               | 107                               | 12,035                    |  |
| 3.  | Land Settlement Cooperatives         | 95                                | 215,801                   |  |
|     | Non-Agricultural Cooperatives Sector | or                                |                           |  |
| 4.  | Saving and Credit Cooperatives       | 1,272                             | 2,132,383                 |  |
| 5.  | Consumer Cooperatives                | 338                               | 626,134                   |  |
| 6.  | Service Cooperatives                 | 781                               | 209,902                   |  |
| 7.  | Credit Union Cooperative             | 420                               | 283,756                   |  |
|     | Total                                | 7,347                             | 9,817,136                 |  |

Note: The data, compiled by the Cooperative Promotion Department as 31st March 2006

#### 3. Cooperative Auditing Department [CAD]

As the cooperative movement in Thailand is considered to be an important factor on economic and social development, especially in the rural sector, its activities always receive both technical and financial assistance from the government. In order to provide this assistance, the government has established three organizations in charge of cooperatives as foilows:

- 1. The Office of the Registrar of Cooperative Societies, whose function is to deal with the registration, liquidation, and supervision of cooperative societies under the cooperative laws?
- 2. **The Cooperative Promotion Department (CPD),** which is responsible for the survey and establishment, promotion and guidance of cooperative societies in order to enable them to carry out their business activities according to cooperative regulations.
- 3. **The Cooperative Auditing Department (CAD),** whose duty comprises both cooperative auditing and practical guidance in the field of financial and accounting management.

#### Organisation

Cooperative Auditing Department, headed by a Director General and assisted by two deputies is structured into 12 Regional Auditing Offices and 76 Provincial Auditing Offices at field level and six divisions at head-quarters as follows:

1. Office of Central Administration

- 2. Office of Cooperative Auditing Standard and Regulatory
- 3. Institute of Cooperative Auditor Development
- 4. Office of Policy and Standard
- 5. Office of Information and Communication Technology
- 6. Office of Farm Accounting Development

CAD has a total number of 1,579 officials and employees, of which 322 employed at headquarters in Bangkok and 1,257, are stationed in provinces.

#### Central Administration at headquarter:

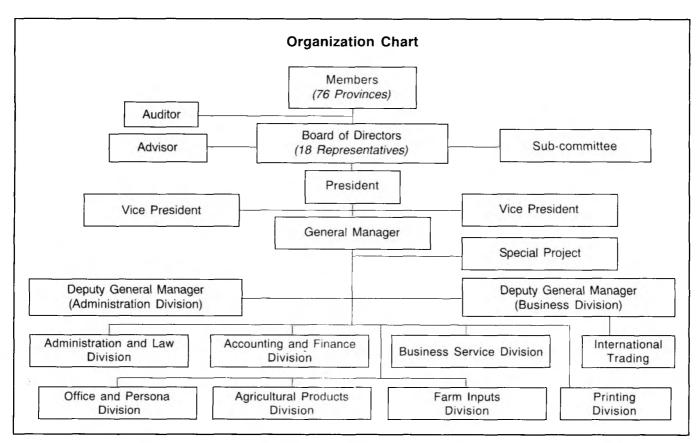
- ∞ General administration in budgeting, personnel and auditing
- ∞ Auditing of the cooperatives in Bangkok area.
- ∞ Preparation of auditing statistical manual and reports on economical situation of cooperatives.
- Prescribing accounting system for cooperatives and farmer associations

#### 4. Agricultural Cooperative Federation of Thailand [ACFT]

Set up as "The Wholesale Cooperative of Thailand Limited" on May 30, 1952
The name has been changed to "The Agricultural Co-operative Federation of Thailand, Ltd."
The regulations had been amended to fit the policy and objectives

#### Objective

To assist each other by means of co-operative procedures with a non-profit business which will benefit the members and the society as a whole in both economical and social aspects?



#### 5. Muang Lablae Agricultural Cooperative Ltd., Uttaradit Province

Lablae District is about 8 kms. far from Muang Uttaradit District. The word "Lablae", in denotation meaning, is 'unseen'. According to the assumption telling from mouth to mouth as the religious and local legends which was strict on goodness, morality, and honesty, it indicated that citizens of Muang Phrae and Muang Nan had escaped enemies and hid themselves and later formed up community there. As the terrain is thick rain forest, so strangers are who not accustomed to the terrain would easily get lost their way. Muang Lablae is a rural village which has been famous long time ago with a fertile land for farming. Most of villagers in Lablae engage in farming and planting. Products that has earned incomes and fame for Muang Lablae is langsat, durian, and shallot. Besides, at free time after gardening, farming, or paddy planting, Lablae villagers also produces handicrafts for earning supplemental incomes, such as Teenchok cloth weaving, blanket, and Tong Kong sweepers. Lablae villagers live peacefully and they are generous with warm welcoming and hospitality to impress all visitors.

Cooperatives firstly established in Lablae District in 1929 comprised of 26 "Funderizing Cooperatives". Later, by the Cooperative Act of 1968, these cooperatives were combined based on their same or similar business performances to facilitate the promotion and supervision. On 1 April 1975, two cooperatives, namely "Lablae Agricultural Cooperative, Unlimited Liabilities" and "Thung Yang Agricultural Cooperative, Unlimited Liabilities" which were respectively owned by 657 and 548 individual members, merged together under the new name "Muang Lablae Agricultural Cooperative, Ltd". The cooperative has operated their business according to objectives of establishment under administration policies of Board of Directors elected by members at the Annual General Assembly. Moreover, the management staff has efficiently and effectively followed the policies of Board of Directors, sub-committee for directing, sub-committee for loan, sub-committee for education and public relation. The cooperative can provide services for more than 7,700 members who work in agricultural sectors, such as cultivation of rice crops, fruits, and dry crops.

Currently, the Head Office of "Muang Lablae Agricultural Cooperative, Ltd" is located at 206 Moo 4, Inchaimee Road, Fai-luang, Lablae District, Uttaradit Province, with 3 branch offices namely Pai Lom Branch Office, Hua Dong Branch Office, and Taling Tam Branch Office. Their services and business are including deposits, loans, goods supply and retails, product compilation, product processing, and seeds supply.

"Muang Lablae Agricultural Cooperative, Ltd" has supplied services for members' social and economy benefits based upon the principle of self-help and helping each other. The vision of the cooperative is "being an organization of most farmers in Lablae District enrolling as members, a business leader and agricultural service center of the district with professional, proficient, ethical personnel to work and supply services for wealthy and well being in operation along with cooperative ideologies for supporting neighboring societies and communities".

#### **Operational Results**

| Items                                 | At 31 Mar. 07  | At 31 Mar. 06  | At 31 Mar. 05  |
|---------------------------------------|----------------|----------------|----------------|
| Individual members (Total)            | 7,888          | 7,690          | 7,382          |
| - Group members                       | 62 groups      | 62 groups      | 61 groups      |
| - Associate members                   | 60 members     | 54 members     | 51 members     |
| - Associate group members             | 6 groups       | 6 groups       | 5 groups       |
| Share capital                         | 169,265,590.00 | 149,783,670.00 | 134,246,940.00 |
| Reserved fund                         | 30,314,426.91  | 29,001,923.3   | 27,599,645.69  |
| Others capitals (Total)               | 2,234,153.07   | 2,122,773.07   | 2,302,771.07   |
| Deposits                              |                |                |                |
| All types of saving program (Total)   | 822,335,419.96 | 741,292,806.10 | 599,969,008.00 |
| Total balances of all saving programs | 407,667,984.86 | 362,497,202.42 | 305,033,354.78 |
| Total loans                           | 236,283,160    | 216,111,010    | 212,201,340    |
| Total debt repayment                  | 185,805,696    | 187,143,939    | 175,308,357    |
|                                       |                |                |                |

| Total operational costs                    | 676,351,925 | 586,405,033    | 518,626,674                |
|--|-------------|----------------|----------------------------|
| Net profit                                 | 10,653,351  | 13,023,310     | 12,283,876                 |
| Operational expenses                       | 24,188,124  | 20,508,435     | 17,869,392                 |
| Gross incomes                              | 270,739,385 | 220,421,286    | 202,921,944                |
| Revenues & Expenses                        |             |                |                            |
| -Remaining products at the end of the year | 3,108,247   | 1,826,587      | 1.2                        |
| -Sales                                     | 1,586,290   | 4,714,636      | 112                        |
| -Paddy seed purchase                       | 3,017,981   | 3,900,208      | 2                          |
| of the year                                |             |                |                            |
| -Remaining products at the beginning       | 1,826,587   | 1,797,257      | -                          |
| Seed quality improvement                   |             | _,_ ,, , , , , |                            |
| Product sales                              | 16,891,478  | 12,912,105     | 3                          |
| Production cost                            | 17,878,040  | 12,660,165     | -                          |
| production                                 |             |                |                            |
| Agricultural product process &             |             | 1,010,002      | 10,000,017                 |
| -Product sales                             | 1,714,814   | 1,515,632      | 18,988,317                 |
| -Collection during the year                | 1,466,236   | 826,377        | 18,595,429                 |
| Product collection                         | ~           | 103,040,400    | 130,370,276                |
| -Total goods selling                       | 215,576,749 | 169,345,488    | 143,683,274<br>150,578,278 |
| Goods Supply -Total goods purchase         | 208,227,727 | 161,772,584    | 142 602 074                |
| <del>-</del>                               | 413,007,073 | 365,996,310    | 334,349,827                |
| Total remaining loans                      | 413,887,073 | 265 006 210    | 224 240 927                |

# **Interest Rates:**

### 1. Deposit Rates

- Normal savings account = 2.0 %
- Special savings account = 3.50%

# 2. Lending Rates = 9%

(First class members are privileged 1 % discount for lending rate)

# **Business:**

- Loan business
- 2. Deposit business
- 3. Goods supply business (Gas station service)
- 4. Product Collection

# 6. Wat Chan Cooperative Ltd., Phitsanuloke Province

Wat Chan Cooperative, Limited is the first cooperatives of Thailand founded on 26 February 1916 with the registration number of 1/1 named 'Wad Jhan Cooperative, Unlimited Express' located at Wat Chan District, Amphur Muang Phitsanuloke with 16 initial members.

The cooperative owned their initial capital of 3,080 Baht comprising of the loan from Siam Kammachon Bank (Siam Commercial Bank, Public Limited) for 3,000 Baht and 80 Baht from the share capital. This capital was allocated for cooperative members' loan with the interest rate of 12 percent a year. The purpose of this loan

was to clear off members' debts and small business investment. The cooperatives' performance has been successful since the beginning of the cooperatives' operation.

After the success of Wat Chan Cooperative, Limited had been recognized, there were 49 more cooperatives founded in different districts in Phitsanuloke Province (From 1916 to 1956).

Currently, Wat Chan Cooperative, Limited is running a multi-purpose business for mutual benefits. Their business includes savings and loans, goods supply, and goods purchase.

# Current status of the cooperative

|                   | 31 March 2005 | 31 March 2006 | 31 March 2007 | 31 Mar 2008 |
|-------------------|---------------|---------------|---------------|-------------|
| No. of members    | 5,410         | 5,314         | 5,398         | 5,586       |
| Share capital     | 36,805        | 42,326        | 45,780        | 50,286      |
| Reserved fund     | 14,257        | 15,109        | 15,589        | 15,819      |
| Deposits          | 53,059        | 51,957        | 51,440        | 49,111      |
| Operation capital | 117,809       | 125,009       | 127,362       | 128,401     |
| Net profit        | 4,434         | 4,525         | 2,081         | 268         |

# 7. Prompiram Agricultural Cooperative Ltd., Prompiram District,

Prompiram Agricultural Cooperative Limited was founded on 1st July 1975, with 1,747 initial members.

# **Assets of the Cooperative**

- 1. Office building and staff residence
- 2. Conference Hall
- 3. Paddy barn
- 4. Drying field
- 5. Pumps for water supply to members in agricultural farms

### **Current Financial Status of the Cooperative**

| Number of Members | 3,182              |
|-------------------|--------------------|
| Share capital     | 2,040,750 Baht     |
| Reserved fund     | 1,847,026.23 Baht  |
| Other funds       | 275,576.55 Baht    |
| Business volume   | 85,963,017.05 Baht |

# Cooperative's Business

- Loans to members for improving or investing their agricultural occupation
- Goods supply The cooperative purchase agricultural inputs, e.g. chemical fertilizer, pumps, corn seeds, paddy, fuel, etc and retail sell to their members at reasonable price
- Agricultural product collection
- Agricultural product process
- Agricultural Promotion Pumps of the cooperative and CPD are capable to supply enough water for members' paddy fields. So they can earn their living even in dry season
- Training/education for members.

# **SECTION-V**

# INAUGURATION OF PART-III OF THE TRAINING PROGRAMME IN JAPAN

#### Inaugural Session

The Part-III of the 2nd ICA/Japan Training Course was formally inaugurated on 7th March, 2008 by Mr. Miyatake Fuminori of MAFF. Mr Kazuo Tsukada, Executive Director of IDACA, Mr. Prem Kumar, Consultant-ICA/Japan Training Course, also addressed the inaugural session. Mr. Miyazaki, General Manager, Mr. Y. Abe, Manager (Training Department) and other officers of IDACA were present.

Welcoming Mr. Tsukada and other senior officers of IDACA, Mr. Prem Kumar congratulated the participants for successfully completing the first part of the training programme held in India and also the comparative field study visits programme in Thailand for a week. He also conveyed his sincere gratitude to MAFF, Government of Japan, for their valuable contribution for the development of agricultural cooperatives in Asia. He mentioned about the longstanding collaboration between ICA, JA-Zenchu and IDACA.

Mr. Miyatake Fuminori of MAFF expressed his hearty welcome to 12 participants from 10 countries for their participation in this training course. He extended his sincere appreciation to Mr. Prem Kumar of ICA-AP and Mr. Tsukada and his IDACA staff. He said: "Our government has been making financial contribution to the training projects to help strengthen agricultural cooperatives that ICA has implemented for the last 20 years since 1986. From 2006 onwards, built upon the results achieved so far we decided to contribute newly to the training project with a focus on joint collection, shipment and marketing required for the diversifying distribution of agricultural products as well as on farm guidance activities necessary for introduction and dissemination of new commodities which match the needs of markets. I hope that by making use of knowledge on farm guidance, joint collection, shipment and marketing method gained from the training in India and Thailand, you will endeavour to promote agriculture and agricultural cooperatives by strengthening your agricultural cooperative activities".

Mr Kazuo Tsukada, Executive Director, of IDACA, welcomed the participants to Japan and IDACA. He expressed his thanks to Mr. Miyatake Fuminori for his wholehearted support to organise this training course and we at IDACA highly appreciate the positive support extended by MAFF not only for this training course, but also for so many other IDACA training courses. He also expressed his high appreciation to ICA to organise this training course and to Mr. Prem Kumar for his excellent coordination worked out on this training course.

He said IDACA was established in 1963. Funds for the establishment of IDACA were contributed by all Japanese agricultural cooperatives. More than 41 years history of IDACA, more than 5,500 participants from 108 countries have been trained. He said that IDACA staff will do their best to successful implementation of this training course. He hoped that the participants would enjoy the life and living at IDACA comfortably. He informed the participants that winter has gone and it is beginning of spring, and that participants will have a chance to see cherry blossom. He advised participants to take care of their health and that their stay at IDACA will be comfortable and fruitful.

Part-III of the programme was located in Japan and held in collaboratrion with the IDACA. Classroom teaching, field study visits and orientation on various aspects of development of agricultural cooperatives in Japan was arranged by IDACA.

The programme included the following segments:

- Practice of Japanese Agricultural Cooperative on farm guidance, joint collection, shipment, safety and improvement of quality of farm products;
- Business management method of the Japanese Agricultural Cooperative
- Direct interaction with agricultural cooperative leaders and farmer-members.

(After completing the IDACA training programme, the participants left Japan for their home countries on 19th April, 2008).



Mr. Mongkalat Pukanud, Chairman, CLT, inaugurating the study visits programme in Thailand.



Mr. Wit Pratuckchai, Executive Director, CLT, with the participants during the study visits in Thailand.



Participants with Mr. Pramote Thavorn, Deputy Director General, Cooperative Promotion Department, Thailand



Participants with Ms. Chakgree Sujarittum, Deputy Director General, Cooperative Auditing Deptt., Thailand

# **SECTION-VI**

# COMPARATIVE FIELD STUDY VISITS IN JAPAN [In Tokyo, Nagano and Fukuoka Prefectures]

# Field Study Visits in Japan

During Part-III of the Training Course in Japan, study visits were arranged in Nagano and Fukuoka Prefectures and to cooperative institutions in and around Tokyo. The participants visited the following institutions during their stay in Japan:

# Institute for the Development of Agricultural Cooperation in Asia-IDACA, Tokyo Nagano Prefecture

- JA Nakano-shi
- JA Nagano Prefectural Union
- Nagano Prefectural Government
- Chojirushi Suzaka Fruits and Vegetable Wholesale Co. Ltd.
- Nagano Kono Agro Processing Company Ltd.
- Nagano Prefectural Rural Industry Research Institute
- JA Matsumoto Highland

#### **Fukuoka Prefecture**

- JA Niii
- Itoshima Milk Processing Plant\
- JA Itoshima
- JA Fukuoka Prefectural Union
- Fukuoka Agricultural Research Centre

#### 1. Study visits in Nagano Prefecture

Nagano Prefecture is located in the central part of Japan and surrounded by the Japan Alps whose heights are 2000m to 3000m and the land area is 13,561 km. It has a population of 2,204,673. It has distinct four seasons and is characterized by the typical inland climate with a wide variation of temperatures between each season and between day and night. Cultivated area is found at the altitude of 260m to 1500m and fifty percent of it is a slope area with the elevation of 5 degree. Nagano is rich in beautiful natural environment. 78% of its total land area is covered with forests, 21.4% is designated as natural parkland.

Taking advantage of the topographical conditions, horticulture, rice and livestock farming are actively carried on. The number of farm households in Nagano prefecture is number one in the whole country and thus farming is thriving.

Marketed items are more than 100 and production of horticulture crops enjoys a top-ranking position in Japan, occupying more than half the total agricultural production turnover with 287 billion yen. Seen by each items, their sales turnovers are as follows: vegetables: 72 billion yen, fruits: 49 billion yen, mushroom: 46 billion yen, flower: 19 billion yen, and specialty products: 4.3 billion yen. Of fruits, apples, grapes and western pears are ranked second in terms of production in Japan. Kyoho variety of grapes is placed as number one with a share of 34%.

#### JA Nakano-shi

JA Nakano-shi was established in 1964 with merger of 9 primary agricultural cooperatives in the area. In the

ensuing year the first general representative meeting was held. In 1976 the JA won the outstanding agricultural cooperative award.

The population of the area is 46,291, with 14,798 households. and 2,889 farm households. The total cultivated area under its management is 1,8443 ha (paddy 375 ha, orchard 1,081 ha).

The total number of members is 8,449 (regular: 5,288, associate: 3,161). Its business turnover is as follows: Marketing business: 16.2 billion yen, Credit business: 67 billion yen. It has members' supporting groups such as Farming associations: 143, Youth associations: 121 persons, Women associations: 186 persons and Commodity-wise groups: 16. The supply business turnover is 4.1 billion yen (agricultural inputs and alcohol).

The JA Nakano-shi has 31 officials (full-time directors 4, part-time directors 19, full-time auditor 1 and part-time auditors 7). There are 286 employees (regular employees: male 156 and female 28, Part-timers: male 29 and female 73).

Young people are convinced to take up farming which helped to increase farm income. The driving force is that the young people are being sent abroad for study visits like Australia, New Zealand to attract them to work in the field of agriculture.

Under its 9th long-term plans, the JA plans to tackle the following three challenges: (1) Creating agriculture, (2) Creating better life and livelihood, and (3) Creating innovative JA which keeps pace of changing times.

# **JA Nagano Prefectural Union**

The Union has as its members 20 primary JAs and prefectural federations such as Credit Federation, Mutual Insurance Federation, Welfare Federation and National Federation of Agriculture Cooperative Associations. The Union is a non-profit organization and is covering all the important aspects for providing better linkage and promotional coverage to each member cooperative. It provides education, training, giving advice on organizational structure, promotional work, auditing and other facilities.

Farmers nowadays are facing difficulties due to sudden increase in raw material costs like oil, which result in increased cost of feedstock required for agriculture. Increased price of oil has an impact on agriculture because farmers are using green house cultivation due to cold climate. Efforts are being made to think on recycling of agriculture waste. In the management of agriculture cooperatives, the Union is facing biggest challenge with decline in population and ageing of farmers. Therefore efforts are being made to further involve local communities in the activities of JA.

## **Nagano Prefectural Government**

Nagano agriculture production is well balanced. Many different crops are grown in the prefecture like vegetables, grapes, apples, mushrooms, flowers etc. The prefectural government is helping the JAs in the production of farm products. The location of the prefecture is ideal to get easy access to urban markets for the sale of its farm products.

The Food Safety Law was enacted by the government. Eco-friendly and stable agriculture management by the farmers is being promoted in the prefecture. Government subsidies are given only to those farmers who follow government standards. The government has undertaken firm steps with regard to the implementation of GAP (Good Agriculture Practices) concept. The strategy of the government is to prevent the dissemination of farm chemicals and chemical residues in farm products to be restricted to 0.01%..

### Chojirushi Suzaka Fruits and Vegetable Wholesale Co., Ltd.

It is one of the seven companies of the Chojirushi Nagao Matsumoto holdings. 7 companies under its wing are as follows: vegetable and fruits wholesale company in Tokyo metropolitan area, trading company, goods delivery Service Company. The annual sales turnover of the holding is 60 billion yen or US\$ 600 million.

The Suzaka Fruits and Vegetables Wholesale Company were established in 2002. This wholesale company is originated from the predecessor Nagano Fruits and Vegetables Wholesale Company which was established in 1913.

The company helps the buyers/sellers in determining the prices of fruits and vegetables and also settles the payment between them. It charges commission of 8.5% on vegetables and 7% on fruits The imports of fruits and vegetables are handled by the company through the trading house.

The company has 7 branches. It has a capital of 300 million yen or US\$ 3 million, with annual sales turnover of about 30 billion yen or US\$ 300 million. The company is entrusted with sale of fruits, vegetables, processing food, flowers, and also undertakes insurance agency and real estate business.

## Nagano Kono Agro Processing Company Ltd.

This company was established in 1964 with a share capital of 300 million yen or US\$ 3 million. Now it has 220 employees. The company has 11 major stock holders. They are: Zennoh, Japan milk community, Nagano Primary agri.coop, Nagano Prefectural Credit Federation of Agri.Coops, Cooperative Trading Company.

Under its scope of business, it covers processing of farm products such as tomato juice, apple juice and other soft drink in Nagano factory and mushrooms, wild plants bottling, carrot, apples, peach and canning of beans in Suzaka factory and green tea and juice in Kawanakajima factory. Its sales outlets are: Zennoh, Itoen Co. Ltd., Suntory Consumer Coop., Coca Cola and many other companies.

# Nagano Prefectural Rural Industry Research Institute

The Institute was established in 1981 by the Nagano Agricultural Cooperatives Group centering mainly on the Nagano Prefectural Federation of Agricultural Cooperatives in an effort to seek new farm products other than rice which was in overproduction in those days. The Institute was mandated to develop value added products as well as to embark on the development of processing techniques. The Institute is not a government research organization but run by the JAs group in Nagano in order to have competitive edge in the market.

The Institute has 4 officials (of which managing director is full-time), 28 employees (regular employees 16 including the general manager and part-time staff 12).

The scope of business activities of the Institute are: utilization and development of agricultural bio-technology, development of techniques to add values to farm products, evaluation of safety and equality of farm products, breeding superior variety of mushroom, establishment of cultivation method of new variety of mushrooms and development of cultivation land for mushroom etc.

#### JA Matsumoto Highland

The JA Matsumoto is located in the central part of Japan. It is an amalgamated primary cooperative and the amalgamation took place twice, namely, in 1954 and 2005 respectively.

The JA has 20,594 as regular members and 5,843 as associate members. It has 54 directors of which 6 are full-time and 14 auditors of which 1 are full-time. It has a total of 950 employees.

The financial situation of the JA is as follows: share capital: 6.7 billion yen, profits reserved: 5.3 billion yen, voluntary reserve 7.6 billion yen, owned capital 20 billion yen.

Its savings and loaning business are outstanding: savings 219 billion yen, and loaning: 47.5 billion yen. The JA acts as a window for the government programmed institutional loans such as agricultural modernization funds, governmental institutional funds for the long-term loans and disaster relief loans.

The JA has 1 main office, 26 branches and 2 sub-branches.

The JA's long-term plan (third mid-term plan 2007-2209), composed of the following 7 pillars: (1) Basic philosophy and basic goal, (2) Environment surrounding agriculture and JA, (3) Basic idea for the development of agriculture, (4) Basic idea for the revitalization of living, (5) Basic idea for the reinforcement of JA, (6) Fixed assets acquisition plan, and (7) Positioning members as central character.

The JA has the following basic ideas for the development of agriculture in its area of operation:

1. To implement regional agricultural vision and promotion of regional agriculture by fostering prospective farmer.

- 2. To tackle management guidance in response to diversified agriculture by strengthening farm guidance system where farm adviser should make more frequent visits to members
- 3. To ensure stable management of farm households by strengthening marketing power and also reducing production costs through establishment of our branded commodities
- 4. To take measures for the production of safety and reliable foods and pursue environmentally friendly agriculture
- 5. To deepen exchanges between consumer and regional residents through promotion of food and agriculture

The JA is running its own soil testing laboratory. The farmers bring their soil samples for analysis. The laboratory analyzes the samples and advises the farmers with regard to the nutrients and soil amendments to be applied. Accordingly, the JA made available suitable fertilizers to the farmers. The JA charges farmer for analyzing samples at subsidized rates.

## 2. Study visits in Fukuoka Prefecture

Fukuoka City, the capital of Fukuoka Prefecture, is the largest city with five million populations in Kyushu Island of Japan. It is known as the agricultural production prefecture, which represents West Japan. There are a lot of brand farm products such as rice, strawberry, egg plant, persimmon, and green tea etc. These products get high reputation from throughout the country.

# **JA Niji**

It has a total membership of 10,624 (7,643 regular members and 2,981 associate members). JA Niji is located in the East-South part of Fukuoka Prefecture made up of three towns, namely, Ukiha, Yoshii and Tanushimaru. It faces the Chikugo River in the North and the Minou mountains in the South, forming agricultural area with 168.54 sq. km. and stretching 20 km from East to West and 8 km from South to North. In the area, there are some interesting tourist spots such as wine factory in Tanushimaru town, Shirane Waterfalls in Ukiha town, white wall storehouses in Yoshii town and its well known as a Kappa's town.

The basic policies of the JA Niji are: promotion of agriculture, creation of rich life through better living activities; sound management through rationalization and efficient business operations; safety assurance in community life; provision of information and education; and creation of farm villages full of vigour by positive agricultural policy activities. The land is divided into two categories that is, the plain land of the Chikuho river basin and the Minou mountains. It is blessed with a good climate congenial for agriculture with annual average temperature in the plain land area being 15.9 C, annual average precipitation 2,155 mm. Under such a favourable environment, paddy and wheat are produced in the fertile paddy farming area and a large fruit orchard is developed in the Minou mountain area where persimmon, grape, peach and the Japanese pear are produced. Greenhouse horticulture centering mainly tomato and strawberry production is thriving. Especially, tomato production is in full swing and its cultivated land area increased because of introduction of hydroponics cultivation together with increase of new cultivators and farm successors. In floriculture, shipping of carnation is number one in the Prefecture, and also production of garden trees is positioned as the highly ranked products in the nation.

Major business activities of JA are, among others, as follows:

Farm Guidance Activity: JA strives to improve the ratio of joint marketing of commodity-wise groups such as paddy, fruits, vegetables, trees, flowers and livestock, thereby establishing competitive production area with high quality and stable production. Also, strive to reinforce farm guidance planning function and strengthen farm guidance system to create an attractive agricultural bases.

Economic Activity: supply production materials, consumer goods, farm machinery, vehicles and fuels, etc. for attaining rice lives of members and residents.

Credit-Mutual Insurance Activity: play a role as one of the regional financial institutions and provide the total life insurance plan to meet members' life style and also promote various mutual insurance commodities to protect lives and property of members and regional residents.

Better Living Activity: strengthen comprehensive better living centre function in an attempt to realize a rich life and hold JA festival, self-supply market or other activities to deepen exchange between food and agriculture, e.g. ceremonial services (wedding & funeral).

It has 4 main departments: General Affairs & Planning Department, Credit & Mutual Insurance Department, Farm Guidance Department, and Economic Business Department. It has 351 employees: General Manager-1, Ordinary employees-142, Farm Guidance Advisers-20, Better Living Advisers-4, Full-time temporary staff-142.

At the end of March 2007, its business turnovers were as follows: Savings 70,513 million yen, Loans 15,261 million yen, purchasing business 4,583 million yen and marketing business 6,260 million yen.

## **Itoshima Milk Processing Plant**

The company is run with investments of the Fukuoka Dairy Cooperative Federation and 34 dairy farmers. There are 3 officials (President, Vice-President and Executive Director) and 2 internal auditors, number of employees: 23 (9 regular staff and 14 part-time staff). The scope of business of the company is production of milk, yogurt and ice cream. Its annual sales turnover is 180 million yen.

The principal purchase of fresh milk is from Kyushu Fresh Milk Marketing Agricultural Cooperative Federation. The main sales outlets are: Japan Access, Kogetsu Industry, Mitsukoshi Department, Iwataya Department, Hotel Okura etc. The company ties up with trading houses and transport companies. The company has three basic philosophies: (1) Genuine (confidence and pride to pursue the genuine taste (, (2) Safe and Reliable (care for health of people), and (3) Kind (ecology and humanity).

#### JA Itoshima

Itoshima area, located in the west of Fukuoka Prefecture with milk climate influenced by Tsushima Warm Current, is flanked by Fukuoka City in the east and by Saga Prefecture in Seburi-Kaminari Mountain Range in the South. Itoshima Plain is formed with mild slope geographical condition in the north, where Maebara City and Nijo town are situated. Separated by old Itoshima Water Works, Itoshima peninsular is found in Genkai Sea.

JA Itoshima has a 5,950 as regular members and 5,935 as associate members. The total cultivated area is 4,098 hectares, out of which 3,184 hectares are paddy fields. The cooperative undertakes a large scale livestock development activity, which includes beef cattle, dairy cattle, pig breeding, broilers, and hen layers. The JA has a board of directors of 19 members (of which full-time 3), 5 auditors and 463 employees. The main facilities of the cooperative include: 9 branch offices, 3 country elevators, 1 A-Coop Store, 1 gas filling station, and other facilities like general farm guidance centre, horticultural distribution centre, low temperature store-house, farm machinery centre. There are commodity-wise groups, women association, and youth association, and assets management group, tax filing group, production associations and pension club. The largest number of production groups is in horticulture business, especially for rice, strawberry, citrus fruit, cabbage, eggplant, pumpkin, ornamental flowers and trees and various types of fruits and vegetable groups.

The functions of JA Itoshima are: farm guidance consists of promotion of agriculture, publication, guidance and marketing of agricultural commodities, better living with the following activities: women's association, youth association, welfare for the aged, management of day care centre, mutual insurance; purchasing activities; management of gas station, A-coop stores, farmer direct shop establishment; savings and loans.

The cooperative has 4 main departments to operate its business e.g. administration department, finance department, farm guidance department, better living department.

Its business turnovers in the fields of marketing was about 7.1 billion yen, purchasing 8.2 billion yen, outstanding loans 2.5 billion yen, mutual insurance business 498 billion yen.

Production has gone down over the years due to stagnant agricultural products. The environment around Itoshima has changed so much and so does JA Itoshima. The cooperative therefore aims to bring back the production at old levels in the future by producing safe and reliable products to attract local consumers through provision of efficient farm guidance.

Among 19 board members, there is 2 women's board of members. The cooperative now is longing to increase farming women and also is planning to increase the number of female representatives to attend the general representative meeting.

The JA Itoshima will tackle this by increasing its activities in the fields of farm guidance, purchasing business, marketing business and by encouraging farmers to utilize joint marketing facilities like the distribution centre.

#### JA-Fukuoka Prefectural Union

The Prefectural Union is positioned as the comprehensive guidance organization of JA group in Fukuoka covering the jurisdictional area of Fukuoka Prefecture. The main objective of the Union is to ensure sound development of agricultural cooperatives and prefectural federations. To attain this, the Union conducts activities such as guidance, information, supply, audit, reflection of wills and opinions of members into agricultural policy, training and education for officials and employees of JAs and prefectural federations. Through these business activities, the Union assists the JA groups which contribute to the regional society for supply of safe and reliable foods as well as development of agriculture in Fukuoka.

The Union has 80 employ7ees and 13 officials to serve its members. There are 23 JAs in the Prefecture with 7700 employees, with a total membership of 270,000 members, out of which 130,000 were regular members and 140,000 are associate members. Due to change in the policy of the government, the farmers are now free to sell their products in the open market as well.

The Union is promoting "Chisan Chiso" Movement. The Union is evolving agricultural policy together with the Prefecture Government counterparts.

The Prefecture Union is also operating in close coordination with JA-Zenchu Guidance Department. The main objectives of the training centre are 10 improve the quality of managers and other employees working with the JAs in the Prefecture. The Union played a vital role to help support JA primary cooperatives human resources development through offering training of cooperative leaders, officers and staff, audit, computer system and acts as bridge between JA primary and prefecture government/national organizations.

# Fukuoka Agricultural Research Centre

The Experiment Station was established in 1879. It was established with a view to promoting the development of farming technology in the prefecture. Ever since the establishment of the experiment station, it has undergone relocation three times up until now. In 1981, then the agricultural experiment station, horticultural branch station, livestock station and hen layer station were integrated into the present Agricultural Research Centre with the purpose of reinforcing the regional agricultural in a more comprehensive manner.

The main objectives of the Research Centre are: (1) Development of original new varieties and of new use application, (2) Development of new technology for production and marketing of vegetables and fruits, (3) Development of technology for sustainable agriculture, and (4) Acquisition, protection and utilization of the right to intellectual property.

The Research Centre is composed of the following departments, namely, general administration, research plan and strategy, farm management and post harvest science, biotechnology, soil science, plant nutrition and agro-environment, phytopathology and entomology, crop production and breeding, vegetable breeding, vegetable cultivation, floriculture, fruit trees, animal production and environment animal health and feedstuff. The Research Centre has four branch stations, namely, at Buzen, Chikugo, Yame and Fruits Nursery Stock.

# **SECTION -VII**

# END-OF-THE-COURSE EVALUATION, SUGGESTIONS AND RECOMMENDATIONS

## - A Summary

#### Introduction

Evaluation and assessment has been a continuous process during the term of the training course. However, at the termination of the training course, an End-of-the-Course Evaluation form was designed and given to the participants to obtain their reactions on the total conduct of the programme.

# **Evaluation Objectives**

The main objectives of this Evaluation were to:

- i. Assess the level of understanding of various aspects brought to the participants;
- ii. Assess the utility and relevance of the training programme itself; and
- iii. Enable the ICA to further improve the quality of future training programmes.

# Summary of the Evaluation

12 participants attending the Course had participated in the Evaluation exercise, and returned their Evaluation Forms duly filled up. Two participants of the Training Course, namely, Mr. Zhu Xiuguo of China and Mr. Alpesh K. Raval of India, in consultation with the Programme Consultant, compiled the results of the End-of-the-Course Evaluation. Given below is a **brief summary** of the evaluation:

Achievement of Course Objectives: 100% have stated that the objectives of the Training Course have been achieved.

**Achievement of Own Objectives:** The objectives, which were different from the Course objectives and which were established by the participants themselves, were stated to be as follows:

- \* To acquire knowledge, experience and skills about the agricultural cooperatives and project proposals
- \* To make comparative study of cooperatives of other countries.
- To learn about the present situation of cooperative movement of three countries
- To improve my knowledge about cooperatives and agriculture globally
- \* To learn about the activities of JAs, including amalgamation, marketing, business system and services so provided.
- \* To improve capacity building of self and our cooperatives
- \* To learn how to interact with other participants with different culture and way of thinking
- To acquire skill and knowledge
- \* To learn about extension services, financial accounting and cost analysis.

# From which part of the Training Course you have benefited the most: The replies were:

India: Theoretical knowledge gained from the lecture sessions in IRMA regarding various management aspects and project proposals.

**Japan**: Hi-tech methodology of JAs farm guidance, collection, shipment, food safety, marketing, rural development approach with special emphasis to processing activities.

**Home Country Assignments [HCAs]: 42**% of the participants have expressed their opinion that they were satisfied, while **58**% reported to be fully satisfied with the HCAs.

**Project Preparation and Project Appraisal skills after attending IRMA Module: 42**% of the participants have expressed their opinion .that they were very comfortable, while **58**% reported to be comfortable with the project preparation and project appraisal.

**IRMA and IFFCO/FMDI Training Components in India**: 6 of the participants said that the IRMA and IFFCO/FMDI training components were highly relevant, while 6 said relevant.

**IDACA part of the Training Course in Japan:** 67% of the participants said that IDACA part of the training is highly relevant, while 33% said relevant.

Comparative Field visits in India, Thailand and Japan: 67% of the participants said these were well organised and highly relevant, while 33% said these were relevant.

India: AMUL, IFFCO, IRMA, Mother Dairy, NCUI, Amalsad Primary Agricultural Cooperative

**Thailand:** Activities of Muang Lablae Agricultural Cooperative Ltd., business activities of the Agricultural Cooperative Federation of Thailand (ACFT), Cooperative Auditing Department (CAD), Cooperative Promotion Department (CPD), Pompiran Agricultural Cooperative's Rice Seed Improvement Plant, Women's Groups activities of Wat Chan Cooperative Society, Bangsai Art & Crafts Centre.

**Japan:** JA Nakano-shi, JA Nagano Prefectural Union, JA Matsumoto Highland, JA Niji, JA Itoshima, JA Fukuoka Prefectural Union, Zen-noh's Distribution Centre, Nagano Prefecture Government, JA Hadano, Chojirushi Suzaka Fruits & Vegetable Wholesale Co.Ltd.

Logistics and Practical Arrangements: 68% of the participants have expressed that logistics and practical arrangements made for the training course were excellent, while 32% said it was very good.

# General Comments, Suggestions and Recommendations

- \* Compliment Government of Japan (MAFF) for extending support to ICA-AP for conducting this training course.
- \* The training course is very useful for agricultural cooperatives in Asia and management of the training course is good.
- \* Thanks to ICA/IDACA for providing and arranging useful opportunity to attend this training course.
- \* This type of training course is very useful and hence it should continue in future too for strengthening the Asian Cooperative Movement.
- \* Lot of efforts were put in the organisation and conduct of the training course by the Programme Consultant. He is full of field experience, helpful and friendly.
- More importance be given to field visits rather than class-room teaching.
- \* This training course have been excellent and it improved the capacity building of the participants and made them more confident and knowledgeable
- More time be allotted for the IRMA Module.
- \* Participants should be selected based on their knowledge of the English language, same age group and standard.
- \* More opportunities be provided for further training in other countries.
- Despatch of participants reading material be sent by air, rather than by sea mail.
- The breakfast menu at IDACA may be changed alternatively.



Participants at the inauguration of the 2nd Training Course at IDACA, Tokyo



At the closing of the course at IDACA, Tokyo

# **PARTICIPANTS**



2nd ICA-Japan Training Course on "Enhancement of Farmers' Income and Poverty Reduction Through Cooperatives"

India-Thailand-Japan. December 09, 2007 - April 19, 2008





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Mr. Prem Kumar Consultant, ICA/JTC ICA - Asia & Pacific

# **SECTION-VIII**

# COURSE CONCLUDING SESSION AND AWARD OF CERTIFICATES OF PARTICIPATION

The concluding session of the 2nd ICA/Japan Training Course was held at IDACA, Tokyo, on April 18, 2008. The session was attended by Mr. Banura Kosei, Section Chief, International Cooperation Division, International Affairs Department, MAFF, Mr. Shil-Kwan Lee, ICA Regional Director (Asia-Pacific), Mr. Kazuo Tsukada, Executive Director of IDACA, including all his senior staff, and Mr. Prem Kumar, Programme Consultant of the ICA-Asia- Pacific, New Delhi.

Mr Prem Kumar, Consultant-ICA/Japan Training Course, presented a summary of the End-of-the-Course Evaluation and congratulated the participants on their successful completion of the training course.

Mr. Shil Kwan Lee, ICA Regional Director (Asia-Pacific) congratulated the participants on the successful completion of the training course. He sincerely expressed the thanks of the ICA-AP to the MAFF, Government of Japan, for extending financial support to conduct this training course. He was thankful to Mr. Banura Kosei of MAFF for sparing his valuable time to attend this closing ceremony. He briefly explained about the situation of the cooperative movement in this region and said that. "we should pay more attention in cooperative business to compete in the market and to serve the members. So we need professional staff and you are the professional people now after this training and you should try to develop cooperatives in your country. Big players can serve in this open market situation and small farmers cannot survive. Hence we rely on cooperative development." He briefly explained about various planned activities of ICA-AP. He thanked Mr. Tsukada of IDACA and his staff for making necessary arrangements for the training course. He also thanked Mr. Prem Kumar, Programme Consultant, for his effort to successfully complete the programme. He wished the participants safe journey back home.

Addressing the session, Mr Banura Kosei of MAFF expressed hearty congratulations to the participants on successful completion of the training course. He further expressed his gratitude on behalf of MAFF to ICA-AP and IDACA for conducting the course successfully.

He was happy to find the participants hale and hearty in spite of difficulties and different climate. He hoped that participants must have understood the working of agricultural cooperatives in Japan which delivered the knowledge and experience to them to further enhance their capability. He hoped that the participants would strongly encourage the cooperative members in their respective countries to revitalise the agricultural cooperative activities.

Mr. Kazuo Tsukada, Executive Director of IDACA, expressed sincere gratitude to Mr.Banura Kosei of MAFF for the support of MAFF extended over 21 years. He thanked Mr. Banura Kosei for sparing his valuable time to attend the closing session. He welcomed Mr. Shil-Kwan Lee, ICA Regional Director (Asia-Pacific) for his presence. He extended congratulations to the participants on successful completion of the training course. He said that in IDACA part of the course, efforts were made to introduce the activities of JA group and the agricultural cooperative movement of Japan. He also informed that the JA group is facing many difficult issues such economic globalisation, WTO Negotiation, stagnant agriculture production and ageing of rural population. He also expressed that their might be similar problems in the countries of the region and hoped that the participants will overcome the challenges by utilising their skill and knowledge enhanced through this training course. He wished the participants safe journey back home.

Ms. Farida, a participant from Indonesia and Mr. Viengxai Sipaphone, a participant from Laos extended vote of thanks on behalf of the participants.

Ms. Farida recounted the experiences and feelings of the participants during the Training Course. The participants felt that this training course was highly relevant for the present-day managers of agricultural cooperatives in Asia. She expressed a sense of satisfaction with the knowledge they all had gained from this new experience of visits to India, Thailand and Japan. She made a special mention of Mr. Prem Kumar, the

Programme Consultant, for excellently handling the course. Right through, he guided all of us with patience and tolerance. He is full of field experience and friendly.

Last but not the least; she thanked the ICA Regional Director for Asia-Pacific, Mr. Shil-Kwan Lee, for giving them an opportunity of participating in the training course.

Mr. Viengxai said that it is a very prestigious training programme offered by the ICA to its member organisations in the Region. The programme has created enormous goodwill for the Japanese experiences of management of agricultural cooperatives as well as for the ICA. Visits to various JAs had enabled the participants to better appreciate and understand the progress of the agricultural cooperatives, especially in the application of modern technology, amalgamation, farm guidance, co-operative companies, grading and packaging of fruits and vegetables etc. He appreciated the Programme Consultant, Mr. Prem Kumar, for his apt handling of the course. Because of his hard work, this training course has been successful. He is a father and a friend for us. He thanked Mr.Abe for successfully completing Part-III of the training course. He extended gratefulness of the participants to Mr. Kazuo Tsukada, ED, IDACA, for his kindness and hospitality during their stay at IDACA.

The **Certificates of Participation** from the ICA as well as from the IDACA were awarded to the participants at the end of the concluding session. Mr Shil-Kwan Lee, the Regional Director, signed the ICA Certificate of Participation and Mr Kazuo Tsukada, Executive Director of the IDACA, signed the IDACA Certificate.

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# **PART-I OF THE PROGRAMME**

# Home Country Assignments: Dec 9, 2007-January 9, 2008

Home Country Assignments-HCAs to be accomplished by the participants in their home countries under the guidance of their sponsoring organisations as per guidelines provided by the ICA-AP

# IFFCO-FMDI SEGMENT: January 10-24, 2008 ICA-IFFCO Training and Development Module on Review of Management of Agricultural Cooperatives in Asia – FMDI, Gurgaon

| Jan 10 Thu   | <ul><li>Arrival in New Delhi/Gurgaon</li><li>Transfers to FMDI at Gurgaon</li><li>Stay at FMDI Hostel</li></ul>   |
|--|---|
| <b>Jan 11 Fri</b><br>0830 - 0900   | Registration at FMDI  |
| 0900 - 1100  | Inaugural Session at FMDI   |
| 1130 – 1300  | Introduction to India<br>by Dr. RN Kundu, Dy. General Manager (Trg), FMDเ   |
| 1400 1600  | General Orientation and Information on Practical Matters, by Mr. Prem Kumar, Consultant (JTC), ICA-AP   |
| 1830   | ICA Welcome Dinner  |
| Jan 12 Sat   | Visit Taj Mahal, Agra   |
| Jan 13 Sun   | Free  |
|  |   |
| Jan 14 Mon<br>0930 - 1100<br>1130 - 1300<br>1400 - 1530<br>1600 - 1730   | Presentation - Home country assignment Regional Review Session-I [Mr. A. Roy] Regional Review Session-II [Dr. S.V. Kaore] Regional Review Session-III [Dr R.N. Kundu] Regional Review Session-IV [Mr.Prem Kumar]  |
| 0930 - 1100<br>1130 - 1300<br>1400 - 1530  | Regional Review Session-II [Mr. A. Roy] Regional Review Session-III [Dr. S.V. Kaore] Regional Review Session-III [Dr R.N. Kundu]  |
| 0930 - 1100<br>1130 - 1300<br>1400 - 1530<br>1600 - 1730<br><b>Jan 15 Tue</b><br>0930 - 1100<br>1130 - 1300<br>1400 - 1530 | Regional Review Session-I [Mr. A. Roy] Regional Review Session-II [Dr. S.V. Kaore] Regional Review Session-III [Dr R.N. Kundu] Regional Review Session-IV [Mr.Prem Kumar]  Presentation - Home country assignment Regional Review Session-V [Dr. S.P. Shukla] Regional Review Session-VI [Mr. D.P. Patra] Regional Review Session-VII [Mr.S.K. Tyagi] |

1400 - 1530 Technical Session-3 Role of Cooperatives in Agro-Inputs Supply, by Mr. S.K. Tyagi, General Manager (Marketing), IFFCO, Lucknow 1600 - 1730 Technical Session-4 Participatory Rural Appraisal (PRA) Technique Sh. H.C. Gena, Project Executive, IFFDC, New Delhi Jan 17 Thu 0930 - 1100Technical Session-5 Farm Guidance Through Cooperatives for Optimum Results - IFFCO's Experience, by Dr. R.N. Randed, State Marketing Manager, IFFCO, Bhopal 1130 - 1300**Technical Session-6** Management of Farm Forestry Through Cooperatives - IFFDC Experience, by Dr. P.S. Marwaha, Chief Executive / Mr.HS Gena, Project Executive, IFFDC. New Delhi 1400 - 1530 Technical Session-7 **General Discussions with the participants** 1600 - 1730 Technical Session-8 Cooperatives and Challenges to Open Market Economy, by Mr. Rajiv ID Mehta, Director [Dev], ICA-AP Jan 18 Fri **Technical Session-9** 0930 - 1100Cooperative Principles and Philosophy, Mr. B.D. Sharma, Senior Consultant, ICA Domus Trust, New Delhi **Technical Session-10** 1130 - 1300 Recent Trends in the Development of Cooperatives in Asia-Pacific Region, by Mr.B.D. Sharma, Sr. Consultant, ICA Domus Trust, New Delhi 1400 - 1530**Technical Session-11 Multifunctionality of Agricultural Cooperatives,** Mr. Rajiv ID Mehta, Director [Dev], ICA-AP, New Delhi 1600 - 1730 Technical Session-12 WTO - Rules & Modalities for Negotiations, By Mr. Rajiv I.D. Mehta, Director [Dev], ICA-AP, New Delhi Jan 19 Sat Visit to IFFCO's activities Meerut (U.P. State) Jan 20 Sun 0930 - 1100**Technical Session-13** Human Resource Development in Agricultural Cooperatives, by Mr. D.Bhattacharya, General Manager (P&A/HRD), IFFCO, New Delhi 1130 - 1300**Technical Session-14** Communication for Management Excellence,

By Mr. D.Bhattacharya, General Manager (P&A/HRD), IFFCO, New Delhi

| Jan 21 Mon                       |  |
|----------------------------------|--|
| 0900 – 1530                      | Attendance at the 15th National Cooperative Congress of the NCUI   |
| 1600 – 1730                      | Technical Session-15 Increasing Productivity of Crops through balanced use of Fertilizer – IFFCO's Experience, by Dr. S.V. Kaore, Dy. General Manager (AS), IFFCO, New Delhi                     |
| <b>Jan 22 Tue</b> 0930 – 1100    | Technical Session-16 Importance of Credit in Cooperative Development, By Dr. K.K. Gupta, General Manager, NABARD, New Delhi  |
| 1130 – 1300                      | Technical Session-17 <b>Business Development Plans for Cooperatives,</b> By Mr. Prabhat Saxena, Chief Director, NCDC, NCW Delhi  |
| 1400 – 1530                      | Technical Session-18  Poverty Alleviation Through Cooperatives – Alternative Approaches, by Mr. Balvir Singh, State Marketing Manager IFFCO, Lucknow   |
| 1600 – 1730                      | Technical Session-19 information and Communication Networking in Cooperatives, By Mr. K.L. Nalwaya, former Executive Director, NCUI, New Delhi   |
| Jan 23 Wed                       | Study Visits Programme in New Delhi - ICA Office for Asia- Pacific (ICA-AP) - National Cooperative Union of India (NCUI) - National Agricultural Cooperative Marketing Federation of India-NAFED |
| <b>Jan 24 Thu</b><br>0930 – 1100 | Evaluation Session of the FMDI-IFFCO Segment Distribution of Certificates  |
| 1400 – 1530                      | FMDI-ICA AP for stacking luggage of participants-FMDI  |
| <b>Jan 25 Fri</b><br>0400        | Departure for Vadodra on way to IRMA from<br>the IGI-Delhi (Palam) Domestic Airport (IC-817 0600/0840)   |

# [C] IRMA Module on Project Management in Agricultural Cooperatives January 25—February 24, 2008

# Session Plan Venue: Syndicate Room 2, ETDC, IRMA

| Date                    | 9.15 - 10.45  | 11.15 – 12.45           | 14.00 – 15.30  | 16.00 - 17.30   |
|-------------------------|---|-------------------------|--|---|
| 25.1.2008 Fri.          | Arrival from New Delhi via Baroda (IC-817), settling down, Registration, Issuance of Reading Material, Briefing about facilities & Campus Visit |                         | Inauguration,<br>introduction to<br>faculty/Introduction<br>to IRMA module/<br>Allotment of faculty<br>guides for projects | Ice Breaking<br>Session by<br>Prof. Nivedita<br>Kothiyal. |
| 26.1.2008 Sat.          |   | PM-1                    | IACMB-1  | PM-2  |
| 2 <b>7</b> .1.2008 Sun. | Free  |                         | 38   |   |
| 28.1.2008 Mon.          | Project Presentation  | on                      |  |   |
| 29.1.2008 Tue.          | PM-3  | L&G-1                   | MM-1   | Visit to Amul   |
| 30.1.2008 Wed.          | PM-4  | FAC-1                   | MM-2   | Visit to GCMMF  |
| 31.1.2008 Thurs.        | PM-5  | FAC-2                   | IACBM-2  | L&G-2   |
| 01.2.2008 Fri.          | PM-6  | FAC-3                   | IACBM-3  | FAC-4   |
| 02.2.2008 Sat.          | Visit to Mother Da  | iry, Gandhinagar and If | FCO, Kalol   |   |
| 03.2.2008 Sun.          |   |                         |  |   |
| 04.2.2008 Mon.          | PM-7  | FAC-5                   | L&G-3  | FM-1  |
| 05.2.2008 Tue.          | PM-8  | L&G-4                   | MM-3   | FM-2  |
| 06.2.2008 Wed.          | PM-9  | FAC-6                   | FM-3   | L&G   |
| 07.2.2008 Thurs.        | PM-10   | FM-4                    | MM-4   | MM-5  |
| 08.2.2008 Fri.          | PM-11   | FM-5                    | Project Consultation   | n with Guide  |
| 09.2.2008 Sat.          | PM-12   | FM-6                    | Visit to Baroda city   |   |
| 10.2.2008 Sun.          | Free  |                         |  |   |
| 11.2.2008 Mon.          | PM-13   | IACBM-4                 | Project Consultation   | n with Guide  |
| 12.2.2008 Tue.          | PM-14   | FAC-6                   | MM-7   | L&G-5   |
| 13.2.2008 Wed.          | PM-15   | FAC-7                   | L&G-6  | <b>MM</b> -9  |
| 14.2.2008 Thurs.        | FM-7  | MM-10                   | L&G-7  | FAC-8   |
| 15.2.2008 Fri.          | FM-8  | FM-9                    | Leave for Surat  |   |
| 16.2.2008 Sat.          | Visit to Amalsad  | Multipurpose Cooperati  | ve Society   |   |
| 17.2.2008 Sun.          | Rest  |                         | <b>+</b>   |   |
| 18.2.2008 Mon.          | IACBM-5   | FAC-9                   | Project Consultation   | n with Guide  |
| 19.2.2008 Tue.          | IACBM-6   | FAC-10                  | MM-11  | FM-10   |
| 20.2.2008 Wed.          | ICT-1   | ICT-2                   | L&G-8  | MM-12   |
| 21.2.2008 Thurs.        | IACBM-7   | IACBM-8                 | Project Revision   |   |
| 22.2.2008 Fri.          | Project Presentati  | on                      |  |   |
| 23.2.2008 Sat.          | Interaction with IRMA Director Preperation for Departure and Experience Sharing Feedback and Valedictory  |                         | ture   |   |
| 24.2.2008 Sun.          | Departure for New   | Delhi via Baroda (IC-8  | 17)  |   |

# Topics/Focus

## Sessions

#### **Resource Person**

# 1. Project Management [PM]

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# Prof. G Krishnamurthi

**Focus:** Project Management in agricultural cooperatives is the central theme of this module of training at IRMA. Participants start by making a presentation of their project in the first week. Throughout their stay, the participants are expected to revise/improve their original projects on the basis of class room inputs and guidance. The participants make presentation of their revised proposal before their departure from IRMA.

# 2. Financial Accounting & Costing [FAC]

10

Prof. Paresh Bhatt

**Focus:** Introduction to Financial Accounting: Profit & Loss Accounting; Balance sheet; Ratio Analysis; Costing and Pricing of Products and Services in Agricultural Cooperatives; Break-even Analysis; Cost Volume and Profit Relations.

## 3. Financial Management [FM]

10

**Prof. Shiladitya Roy** 

**Focus:** Working Capital Management; Time Value of Money; Estimating relevant Cash Flows; Financial Criteria for Investment decisions in agricultural cooperatives, importance of members' capital.

# 4. Marketing Management [MM]

12

Prof. Arvind Gupta Prof. Preeti Priya

**Focus:** Cooperative Marketing Concept; Market & Competition; Marketing Mix; Market Intelligence, product life cycle and new product development.

Strategic Food Marketing, Food Safety and Impact of WTO Negotiations on agriculture.

# 5. Integrated Agricultural Cooperative Business Management [IACBM]

8

Prof. K.V. Raju Prof. S.R. Asokan

**Focus**: Integral components of agricultural cooperative business and services; [Farm Guidance, Joint Collection, Credit Supply, Value Addition, Packaging & Marketing); Roles and Responsibilities of different tiers of cooperative system.

6. Leadership & Governance [L&G]

8

Prof. Nivedita Kothiyal Prof. S.N. Biswas

**Focus:** Attitudes and Values relevant to cooperatives; Effective Cooperative Management through participatory decision-making process; Effective governance through cooperative leadership; Responsibility of cooperative leaders (preparation of second line in leadership).

# 7. Information and Communication Technology (ICT) in Agricultural Cooperatives

2

Prof. H.K. Misra

**Focus:** Use of information technology in disseminating information for enhancing farmer's income.

8. Field Visits

Prof. S.R. Asokan Mr. B.C. Patel

# WRAP-UP SESSION: ICA ASIA & PACIFIC, NEW DELHI

Feb 24, Sun Return to New Delhi from Vadodra (IC-817 0920/1045)

Collect baggage from ICA-AP Stay at Hotel Vikram, New Delhi

18.30 ICA Farewell Dinner

Feb 25, Mon Sight-seeing in Delhi

Feb 26, Tue

10 a.m To ICA-AP office to leave material for dispatch

afternoon Free (Preparation for departure to Bangkok)

7.30 p.m. Lv. Delhi TG-316 0005 **Feb 27 Wed** Ar.Bangkok 0540

Study Visit Programme for Participants of 2nd ICA/Japan Training Course on "Enhancement of Farmers' Income and Poverty Reduction through Cooperatives"

Thailand: Feb 27 – Mar 5, 2008

# Wednesday, 27 February 2008

05:40 hrs. Arrival of participants and ICA AP Consultant (TG 316)

Check in at First Hotel

12:00-13:00 hrs. Group lunch at First Hotel

14:00 hrs. Leave First Hotel for the Cooperative League of Thailand (CLT)

14:00-16:30 hrs. Orientation and briefing at CLT 18:30 hrs. Welcome dinner hosted by CLT

### Thursday, 28 February 2008

Breakfast at First Hotel (7th Floor)

09:30 hrs. Leave for the Cooperative Promotion Department (CPD)

10:00-12:00 hrs. Briefing at CPD 12:00-13:00 hrs. Group lunch

14:00-16:00 hrs. Briefing at the Cooperative Auditing Department (CAD)

19:00 hrs. Dinner by participants

### Friday, 29 February 2008

Breakfast at First Hotel (7th Floor)

08:00 hrs. Leave First Hotel for Ayuddaya Province

09:00-11:00 hrs. Visit the Business Activities of Agricultural Cooperative Federation of

Thailand (ACFT) in Ayuddhaya Province

13:00-14.00 hrs. Group Lunch in Ayuddhaya Province

Visit Bangsai Arts and Crafts Centre by H.M. Queen of Thailand

Return to First Hotel Dinner by Participants

#### Saturday, 1 March 2008

Breakfast at First Hotel (7th floor)

9.00 Visit to Pattaya Beach 18.00 Return to First Hotel

Dinner by Participants

#### Sunday, 2 March 2008

Breakfast at First Hotel (7th floor)
09:00 Check out from the First Hotel

10:00 Leaving Bangkok for Uttaradit Province

12:00-13:00 Group lunch at Nakhonsawan Province (on the way)

13:00 Leave Nakhonsawan for Uttaradit Province

15:00 Check in at Friday Hotel

Group dinner at the hotel

### Monday, 3 March 2008

Breakfast at Friday Hotel (5th floor)

08:30 hrs. Check out hotel

09:00 hrs. Proceed to Lablae Primary Agricultural Cooperative, Limited 09:30-12:00 hrs. Visiting activites of Lablae Agricultural Cooperative Ltd.,

- Branch Office activities

- Rice seedling and rice milling factories

12:00-14:00 hrs. Lunch hosted by Lablae Agricultural Cooperative 15.30 Check-in La Paloma Hotel, Phitsanuloke Province

18.30 Group Dinner

### Tuesday, 4 March 2008

Breakfast at La Paloma Hotel

09:00 hrs. Proceed to Wat Chan Primary Agricultural Cooperative

09.30-12:00 hrs. Briefing and observing women Groups Activities in the field of

Shampoo and hair oil making and banana processing at Wat Chan

Agricultural Cooperative Office

12:00 Proceed to Prompiram District, Phitsanuloke Province

13:00 -14.00 Group Lunch at Prompiram District

14:00 hrs. Proceed to Prompiram Agricultural Cooperative Ltd.,

14.30-15.00 Briefing at the office

15.00-16.30 Observing the cooperative activities in the fields of:

- Fresh Flower Growing

- Rice Seed Improvement Plant

16.30 Return to La Paloma Hotel

**Group Dinner** 

# Wednesday, 5 March 2008

08.00 Check-out La Paloma Hotel

Leave Phitsanuloke Province for Ayuddya

12.00 Group Lunch at Ayuddhya Province

15.00 Return to First Hotel, Bangkok

16.30 ICA Farewell Dinner

# Thursday, 6 March 2008

- Check out First Hotel

- Leave for Suvarnabhumi International Airport

- Leave Bangkok for Tokyo, Japan (TG-686 0820/1600)

# PART-III OF THE PROGRAMME IDACA SEGMENT: March 06-April 19, 2008

Mar 6 Thu Arrival of participants

Orientation about comfortable stay at IDACA and course programme

Mar 7 Fri FN Inauguration ceremony (11 am), Group Photo

Mar 8 Sat Free

Mar 9 Sun Free

Mar10 Mon Japan's Economy and Society and History of Japan's

Agricultural Development (Mr. Y Abe, IDACA)

Mar 11 Tue Historical development and business management of JA

(Mr. T. Kigasawa)

Mar 12 Wed Farm Guidance and its Relationship with Marketing Business of JA

(Mr. T. Nakashima, IDACA)

Mar 13 Thu Marketing business of JA (Mr. K. Kasuga, JICA expert)

Mar 14 Fri Visit to JA Hadano to study and learn about its working

Mar 15 Sat Sight-seeing in Tokyo

Mar 16 Sun Free

Mar 17 Mon Formulation of Production and Marketing Plan

(Mr. K. Yanagawa, JA Shonan)

Mar 18 Tue JA's Approach to the Enhancement of Quality and Safety of Farm Products

(Mr. K. Hara, JA Zennoh)

Mar 19 Wed Diversification of Marketing Channels of JA and Examples of its Concrete

Cases in all Prefectures (Ms. K. Yamamoto)

Mar 20 Thu National holiday (spring exinox day)

Mar 21 Fri Ways to develop economic business of Coops in Developing Countries based

On JA's Experiences (Mr. K. Hara, Senior Expert)

Mar 22 Sat Free

Mar 23 Sun Free

Mar 24 Mon Leave for study visits to Nagano Prefecture

Mar 25 Tue Visit to JA Nakano-shi

Observation of JA's facilities and visit to farmers

Mar 26 Wed Visit to JA Nagano Pref. Union & Pref. Government and City Tour

Mar 27 Thu Observation of Wholesale Market, Direct Sales Depots, Agro-Processing

Company and Agriculture Research Centre

Mar 28 Fri Visit to JA Matsumoto Highland

Observation of Direct Sales Shop, Winery etc.

Return to Tokyo

Mar 29 Sat Free

Mar 30 Sun Free

Mar 31 Mon Extension System and Leadership Development and Exercise and

Discussion (Mr. N. Mantani, Hyogo Pref. Govt.)

Apr 1 Tue Participatory Rural Appraisal (PRA) to Promote Greater involvement of

Farmers (Mr. K. Katakura, Farming and Life Research)

Apr 2 Wed Visit to Zen-noh's Fruits and Vegetables Distribution Centre

Apr 3 Thu Women Enterpreneurship Development Activities (Ms. K. Kano, JBIC)

Apr 4 Fri Rural Development Approach with Special Emphasis to Processing

Activities (Ms. H. Tomizawa, WELI)

Apr 5 Sat Free

Apr 6 Sun Free

Apr 7 Mon Leave for Fukuoka Prefecture for the second study visit

**Apr 8 Tue** FN Visit to JA Niji

AN Observation of facilities of JA group

**Apr 9 Wed** Visit to JA Itoshima

Observation of facilities of JA group

Apr 10 Thu Visit to JA Fukuoka Prefectural Union

Visit to Fukuoka Pref. Agriculture Research Centre

Apr 11 Fri Hiroshima city tour

Return to IDACA

Apr 12 Sat Free

Apr 13 Sun Free

Apr 14 Mon Summary of Study Visits

Apr 15 Tue Group discussion and drafting final report

**Apr 16 Wed** Presentation of group reports

**Apr 17 Thu** Presentation of group reports

Apr 18 Fri Evaluation and Closing ceremony

Apr 19 Sat Leave IDACA for Narita International Airport at 6 a.m. by bus

# LIST OF PARTICIPANTS

#### 1. Cambodia

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### 2. China

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#### 6. Laos

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#### **ICA-AP**

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# LIST OF PROJECTS PREPARED BY PARTICIPANTS

# Course 1: Project proposals produced during Course 1 (2006-2007)

| 01 | RICE PROCESSING,            |
|----|-----------------------------|
|    | Mr. Noun Putheara, Cambodia |

02 BUILDING A COFFEE COMPANY Ms. Guo Xiaoru, China

# 03 ESTABLISHMENT OF A RUBBER PROCESSING UNIT Mr. Thomaskutty Thomas, India

# 04 ESTABLISHMENT OF RICE PROCESSING UNIT Dr. Pravir Shukla, India

# 05 DRIED COCOA PROCESSINGMs. Renny Elisabeth Sagala, Indonesia

# 06 IMPROVEMENT ON MANAGEMENT OF AGRICULTURAL PRODUCER GROUP Mr. Silivanh Boulavong, Laos

# 07 EDIBLE OIL PROCESSING PLANTS Ms. Myat Chit Thanda, Myanmar

# 08 BAMBOO PROCESSING UNIT Mr. K.B. Upreti, Nepal

09 CHARCOAL BRIQUETTE PRODUCTION FROM ABANDONED BIOMASS FOR HOUSEHOLD ENERGY, LIVELIHOOD GENERATION AND WASTE MITIGRATION IN ORMOC AND NEIGHBOURING TOWNS AND CITIES IN REGION 8, PHILIPPINES Mr. Jose R. Mosquite, Philippines

# 10 BIG ONION MARKETING PROJECT FOR SRI LANKAN FARMERS Mr. J.D. Somasiri, Sri Lanka

- 11 PROCESSSING PROMOTION FOR MEMBERS' EXTRA INCOME AND POVERTY REDUCTION Mr. Rangsan Deearong, Thailand
- 12 BUILDING A RICE MILLING WORKSHOP IN THUY THANH 2 COOPERATIVE Ms. Dang Thi Anh Tuyet, Vietnam

# Course 2: Project proposals produced during Course 2 (2007-2008)

- 1 KASACTHAN KHMER COOPERATIVE Mr. Khol Many, Cambodia
- 2 HUIMIN VEGETABLE PROCESSING PROJECT Mr. Zhu Xiaguo, China

- 3 ESTABLISHMENT OF SOY-DIET FOODS PROCESSING PLANT Mr. A. Maruthi Kumar, India
- 4 VALUE ADDITION OF MILK THROUGH MILK PROCESSING UNION Mr. Alpesh K. Raval
- 5 ESTABLISHMENT OF A CABBAGE FARMER COOPERATIVE by Ms. Farida, Indonesia
- THE ECONOMIC AND TECHNICAL FEASIBILITY PLAN FOR COLD WATER FISH BREEDING WITH THE CAPACITY OF 20 MT PER YEAR

  Mr. Seyed Ghasem Alavi, Iran
- 7 PIG RAISING ON QUDOMSOUK VILLAGE, BACHIANG DISTRICT, CHAMPASAK PROVINCE Mr. Viengxai Sipaphone, Laos
- 8 TEA FACTORY
  Ms. Cherry Aung, Myanmar
- 9 BEE-KEEPINGMr. Keshav N. Rajbhandari, Nepal
- 10 INSTANT COFFEE 3-IN-1 "CHUMPON COFFEE"
  Mr. W. Sonthisawate, Thailand
- 11 FRUITS HERBS PROCESSING PROJECT, (MAFAI JEEEN)
  Mr. C. Todkaew, Thailand
- 12 BUILDING THE WORKSHOP TO PRODUCE TEA IN WAT CHAN DISTRICT, YEN BAI PROVINCE Ms. Trin Thi Huong, Vietnam



The INTERNATIONAL COOPERATIVE ALLIANCE [ICA] is an independent non-governmental association that unites, represents and serves the cooperatives worldwide. Founded in London on 18th August 1895 by the International Cooperative Congress, the ICA, the largest non-governmental organisation, is headquartered in Geneva. ICA is a member-based organisation with national and international cooperative organisations in 88 countries. ICA's four Offices in Africa, the Americas, Asia & Pacific, and Europe, serve 225 member organizations, representing well over 800 million cooperative members around the world.

The ICAAsia & Pacific Office, one of the five Offices, serves 60 national level organizations from 23 countries, and one international organization [ACCU]. Main activities include: Coordination of

cooperative development efforts within the Region and promotion of exchange and experiences; Project identification, formulation and evaluation; Promotion of establishment and development of national cooperative apex organizations; and Organization of seminars, conferences and technical meetings on specific subjects including support for programmes aimed at the involvement of women and youth in cooperative activities.

The ICA enjoys Category-I Consultative Status with the United Nations Economic and Social Council [UN/ECOSOC] and has active working relations with UN and other international organizations.

# IDACA

The INSTITUTE FOR THE DEVELOPMENT OF AGRICULTURAL COOPERATION IN ASIA [IDACA] was established on July 8, 1963 by the Central Union of Agricultural Cooperatives of Japan [JA Zenchu], with funds raised from among agricultural cooperatives in Japan and with the

support of the Government of Japan.

The Institute, established on the basis of the recommendations of the First Asian Agricultural Cooperative Conference held in Tokyo in April 1962, imparts training to overseas agricultural cooperators.

During the last 41 years, the IDACA has trained more than 5000 participants from 101 countries drawn from Agricultural Cooperative Movements and Governments from different countries of Asia, Latin America and Africa. It has active collaboration on technical assistance programmes with the ICAAsia & Pacific.



The INDIAN FARMERS' FERTILISER COOPERATIVE LIMITED [IFFCO], a member-organization of the International Cooperative Alliance, was registered on November 3, 1967, under the Multi-State Cooperative Societies Act. The IFFCO is owned by more than 38,200 member cooperative societies, which caters to the need of approximately 60 million farmers of India. Presently, IFFCO produces about 10 million tonnes of fertilizer annually and markets the same only through the network of its member cooperative societies. Annual turnover of IFFCO

is approximately US\$ 2.5 billion. It operates its Fertilizer Marketing development Institute [FMDI] besides several farmers' training centers and has established specialized professional Chairs in a number of universities and institutions of higher learning and research. It has been responsible for the creation of other organizations e.g., Krishak Bharati Cooperative Limited [KRIBHCO], Cooperative Rural Development Trust [CORDET], Indian Farm Forestry Development Cooperative Limited [IFFDC] etc.



The INSTITUTE OF RURAL MANAGEMENT, ANAND [IRMA] was established in 1979 at Anand, Gujarat State, India. Beginning with providing management training and research support to the cooperatives in the dairy sector, its mission engages in teaching, training, research and consultancy. It conducts several well-structured, residential programmes – a two-year post-graduate programme in Rural Management [PRM], Certificate in Rural Management [CRM], and Fellow Programme in Rural Management [FPRM] – for training of young fresh graduates/post graduates as well as in-service officers and managers of rural organizations, who are looking for a management career with a social purpose.

The IRMA has been able to develop a good working relationship with the ICA Asia & Pacific Office on cooperative management leadership training and development activities.



The COOPERATIVE LEAGUE OF THAILAND [CLT], was established according to Cooperative Act of 1968, as the national apex body of the Cooperative Movement in the country. It has affiliates of 7,448 cooperatives at all levels serving over 9.8 million households. The CLT plays a major role in the area of cooperation, promotion and development of the cooperatives in Thailand to help and promote sustainable development of Thai cooperatives.

The organizational structure of the CLT is administered by the General Meeting of Cooperative Representatives, Board of Directors, and Executive Director, Two Deputy Executive Directors. There are five bureaus serving the CLT activities – Office of the Director, Cooperative Training Institute, CLT

Cooperative Training Centre, Technical and Propagation Bureau, and Cooperative Promotion and Development Bureau. The National Co-operative Development Board (NCDB) has been set up to advise the government concerning policies and guidelines for promotion and development of co-operatives. NCDB has assigned steering committee mainly from CPD, CAD, and CLT to design framework and policy for development of co-operatives.

