

**ICA-JAPAN REGIONAL AGRICULTURAL COOPERATIVE  
MANAGEMENT TRAINING PROJECT FOR ASIA**



**Strengthening Management of  
Agricultural Cooperatives in Asia**

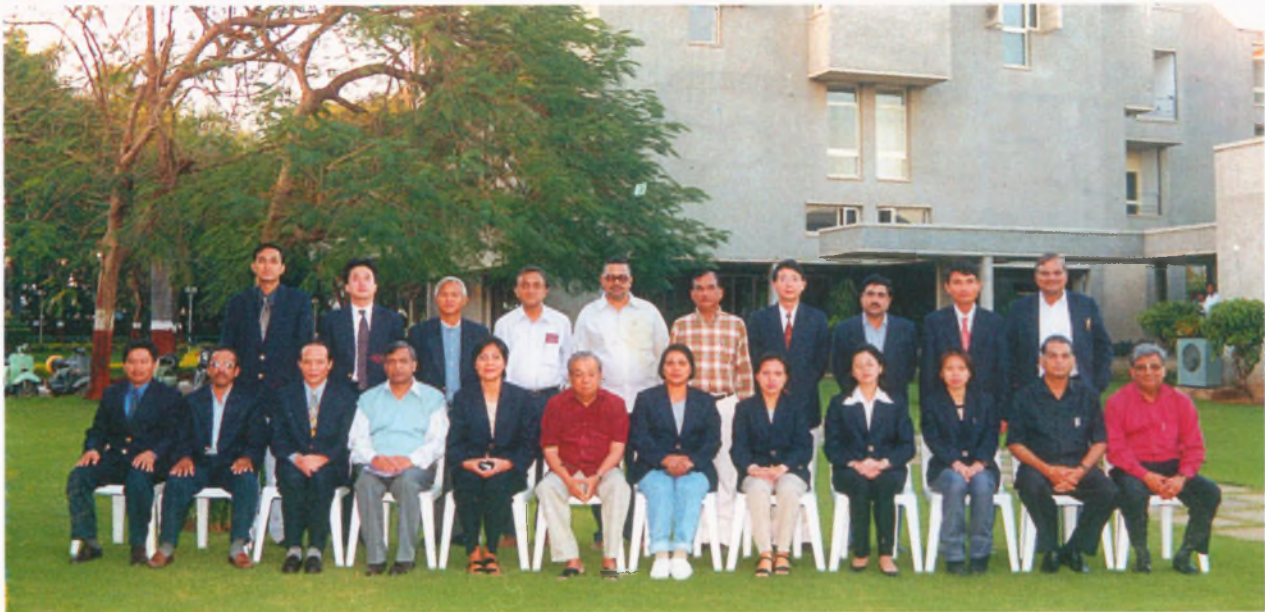
**– Report of the 14th Training Course**

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Inaugural Session of the Training Course held on Tuesday, January 4, 2000 at FMDI-IFFCO, Gurgaon. (left to right) Dr C.S. Rao, Chief Manager (HRD) of IFFCO; Dr G.C. Shrotriya, Chief Manager (Agri Services) of IFFCO; Dr Virendra Kumar, Marketing Director of IFFCO and Chairman of ICA Committee on Agriculture for Asia-Pacific, the Chief Guest; Mr Junichi Taniuchi, First Secretary in the Embassy of Japan; and Dr Daman Prakash, Senior Consultant of the ICA ROAP.



The participants with Dr V. Kurian, Chairman of the Institute of Rural Management, Anand

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ICA-JAPAN INTERNATIONAL TRAINING COURSE ON  
STRENGTHENING MANAGEMENT OF  
AGRICULTURAL COOPERATIVES IN ASIA

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**COURSE REPORT**

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Fourteenth [14th] Training Programme  
held in India, Thailand and Japan.  
November 12 1999-April 22 2000

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ICA

Prepared by

**Daman Prakash**  
Senior Consultant and Project Director



**International Co-operative Alliance**

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Regional Office for Asia and the Pacific, 43 Friends' Colony-East, New Delhi 110065, India

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Report of the  
14th ICA-Japan International Training Course on  
**Strengthening Management of Agricultural Cooperatives in Asia**  
India-Thailand-Japan  
November 12 1999-April 22 2000

*Report compiled and edited by:*

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**REPORT**

of the 14th ICA-Japan International Training Course on  
**Strengthening Management of Agricultural Cooperatives in Asia**  
India-Thailand-Japan  
November 12, 1999-April 22, 2000

Submitted to

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

By

The International Cooperative Alliance

June 2000

## Preface

THIS Report is the result of the successful implementation of the Fourteenth (14th) ICA-Japan Training Course on **Strengthening Management of Agricultural Cooperatives in Asia**, held in India, Thailand and Japan, November 12, 1999-April 22, 2000. The International Cooperative Alliance places on record its highest appreciation and gratitude of the financial contribution made by the Government of Japan in the Ministry of Agriculture, Forestry and Fisheries (MAFF) 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 regional activity. The Alliance is most grateful to its member-organisations in India, Thailand and Japan and our other collaborating specialised agencies and institutions for their help, advice, guidance and logistic support in the successful implementation of this training programme. The most spontaneous and willing cooperation was provided by, among others, the Indian farmers' Fertiliser Cooperative Limited, Institute of Rural Management at Anand, the Cooperative League of Thailand and our other contacts in Japan.

The Alliance is thankful to its member-organisations for sponsoring suitable candidates for participation in our long-term training programme, which, I hope, would contribute significantly to the development of agricultural cooperatives as well as meeting some of their human resource development needs. The Course is keyed to the development of technical capacities and capabilities of managers besides stressing on the concept of 'value-addition through agro-processing' aspects with a view to achieve higher economic returns to the basic level farmer-members. Over the years, our this Training Course has earned a high level of recognition, good reputation and acceptability among the managers of agricultural cooperatives in the Asian Region.

The ICA is extremely grateful to Mr. Yoshitada Nakaoka, Managing Director of the IDACA for conducting the Part-II of the programme at IDACA and for organising study visits to agricultural cooperatives in Japan during which time the participants were able to meet with the leaders and members of these institutions besides visiting the national, prefectural and primary level agricultural cooperatives.

I take this opportunity of commending the sincere efforts made and deep involvement of my colleagues in our Regional Office for Asia and the Pacific, especially, Dr. Robby Tulus, Regional Director, Dr. Daman Prakash, Senior Consultant and Project Director, and Mr. Prem Kumar, Programme Adviser, in organising and conducting this programme in a professional and satisfactory manner.

**Bruce Thordarson**  
Director-General  
International Cooperative Alliance

Geneva, Switzerland  
June 2000

## Foreword

(i)

It is a great pleasure for me to submit this Report to my Director-General for onward transmission and formal submission to the Government of Japan in the Ministry of Agriculture, Forestry and Fisheries (MAFF). This narrative report is not merely a document explaining what has happened during the Training Course, but is also an exhaustive documentation of the situation of agricultural cooperatives in India, Thailand and Japan and how the managers try to operate their agricultural cooperatives in the service of their member-owners. The content of the Training Course was fine-tuned to conform to two major aspects, one, improving the capacities and capabilities of managers of agricultural cooperatives, and secondly, how agro-processing activities in these cooperatives help add value to the basic produce of the basic farmers. The modules of this training programme are segmented on the basis of strong professional experiences gained over the years by the ICA Regional Office and on the combination of efforts sourced by the ICA ROAP from its collaborators i.e., the ICA member-organisations, specialised institutions such as IRMA, the IDACA and other institutions in the Region.

I am extremely pleased to state that many of the beneficiary organisations, former participants, government agencies and cooperative leaders, have considered this programme a unique one, and found it to be comprehensive, very useful and relevant. I am particularly inclined to state that the technical support provided by the Indian Farmers' Fertiliser Cooperative and its Fertiliser Marketing Development Institute-FMDI has gone a long way in making Part-I of the programme very effective and technically useful. My colleague, Dr. Daman Prakash has put his heart and soul in the successful implementation of the programme. He has been able to enlist the support of a large number of institutions, cooperative leaders, professionals and friends in enriching the contents of the programme. I am thankful to him for all his efforts in bringing added-value to this important programme. Mr. Prem Kumar, another colleague of mine, and Adviser to the Programme, has provided his best in the successful implementation of this activity. This team work has been exemplary.

**Robby Tulus**  
ICA Regional Director  
for Asia and the Pacific

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43 Friends' Colony-East  
New Delhi, India

June 2000

REPORT OF THE 14TH ICA-JAPAN INTERNATIONAL TRAINING COURSE ON  
**STRENGTHENING MANAGEMENT OF AGRICULTURAL COOPERATIVES IN ASIA**  
 India-Thailand-Japan. November 12 1999-April 22 2000

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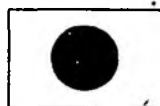
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FOURTEENTH (14TH) ICA-JAPAN  
INTERNATIONAL TRAINING COURSE ON  
**STRENGTHENING MANAGEMENT OF AGRICULTURAL COOPERATIVES IN ASIA**  
INDIA-THAILAND-JAPAN. NOVEMBER 12, 1999 – APRIL 22, 2000

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SECTION-I

**Executive Summary**

The Fourteenth (14th) ICA-Japan International Training Course on **Strengthening Management of Agricultural Cooperatives in Asia** was held in India, Thailand and Japan, from November 12, 1999 to April 22, 2000. The programme was conducted by the International Cooperative Alliance (ICA) in collaboration with JA-Zenchu (Central Union of Agricultural Cooperatives of Japan) and the Institute for the Development of Agricultural Cooperation in Asia (IDACA). A generous financial assistance was provided to the ICA by the Ministry of Agriculture, Forestry and Fisheries (MAFF) of the Government of Japan to conduct the programme. It was executed by the ICA in accordance with the agreement reached between the two organisations. The Course was held in the following two phases:

- |           |     |  |
|-----------|-----|--|
| Phase-I:  | ... | Home Country Assignments (November 12, 1999-January 2, 2000) |
|           | ... | Programme held in India (January 3-February 23, 2000)        |
|           | ... | Programme held in Thailand (February 24-29, 2000)            |
| Phase-II: | ... | Programme held in Japan at IDACA (March 01-April 22, 2000)   |

The fifteen (15) participants to this Training Course were nominated by ICA member-organisations from nine countries i.e., China-02, India-02, Indonesia-01, Malaysia-01, Myanmar-02, the Philippines-02, Sri Lanka-01, Thailand-02 and Vietnam-02. Five of the participants were women.

The main objective of the Training Course was to help improve the capacities and capabilities of managers as management leaders in agricultural cooperatives. It was expected that the trained managers, by using project-oriented approaches, help the basic members at the grassroots level to enhance and sustain their farm income. It was also expected that agricultural cooperatives introduce and accelerate the agro-processing activities to add value to the primary products of their members. This objective was sought to be achieved through intensive classroom teaching, skills development in producing and analysing development project proposals, exchange of experiences and study visits.

Part-I of the Training Course held in India was preceded by the Home Country Assignments. The participants followed comparative field study visits in Thailand from February 24 to 29 2000 which was organised in close collaboration with the ICA member-organisation in Thailand, the Cooperative League of Thailand (CLT). The first part of the training course was organised from January 3 to February 23, 2000 in collaboration with ICA member-organisations in India and in technical collaboration with the Fertiliser Marketing Development Institute of the IFFCO, and the Institute of Rural Management (IRMA). The 14th Course in India was held at the Fertiliser Marketing and Development Institute (FMDI), of the Indian Farmers' Cooperative Limited at Gurgaon, ICA ROAP in New Delhi and at the IRMA. Study visits to cooperative institutions were organised in and around Delhi, in the state of Gujarat and in Thailand.

The Course was inaugurated by Dr. Virendra Kumar, Marketing Director of the Indian Farmers' Fertiliser Cooperative Limited (IFFCO) and Chairman of the ICA Committee on Agriculture for Asia-Pacific at FMDI. Mr. Junichi Taniuchi, First Secretary in the Japanese Embassy in India, attended the inaugural session. The entire training programme was directed by Dr Daman Prakash, Senior Consultant at the ICA Regional Office, assisted by the Programme Adviser, Mr. Prem Kumar. The programme held in Japan was held under the direction of Mr Yoshitada Nakaoka, Managing Director of the IDACA.

As a part of their studies, the participants had produced 15 development project proposals during their Home Country Assignments (HCAs) in accordance with the guidelines developed and provided by the ICA. The concepts of these proposals were developed by them in consultation with their parent organisations. While at IRMA, the participants were imparted training in skills of developing and evaluating project proposals.

The second part of the programme held at IDACA included extensive classroom work and study visits to agricultural cooperatives in and around Tokyo, Fukuoka and Gunma prefectures in Japan. The focus of studies was on the historical development of the Japanese Agricultural Cooperative Movement, innovations, management practices, diversification and business promotion. The participants got acquainted with a variety of national level cooperative federations and other institutions in Tokyo, and held discussions with leaders, members, managers and staff of agricultural cooperatives in Japan.

A continuous process of evaluation and appraisal has been followed throughout the term of the Training Course, e.g., at the end of each component, through evaluation forms and group discussions. An exclusive and comprehensive End-of-the-Course Evaluation was conducted at the conclusion of the Training Course. Certificates of Participation were awarded to the participants at a concluding session held at the IDACA in Tokyo before their departure for their home countries.

As up to the end of the 14th Training Course a total of 210 managers of agricultural cooperatives from 14 countries of Asia had attended the training programmes. A total of 207 project proposals on topical subjects were prepared by them.



REPORT OF THE FOURTEENTH (14TH) ICA-JAPAN TRAINING COURSE ON  
**STRENGTHENING MANAGEMENT  
OF AGRICULTURAL COOPERATIVES IN ASIA**  
India-Thailand-Japan, November 12, 1999-April 22, 2000

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SECTION-II

**COURSE REPORT**

**01 Background**

The Regional Training Project on **Strengthening Management of Agricultural Cooperatives in Asia** was launched by the International Cooperative Alliance (ICA) in 1986 after holding successful negotiations between the Central Union of Agricultural Cooperatives of Japan (JA-Zenchu), a member-organisation of the ICA from Japan; and the Ministry of Agriculture, Forestry and Fisheries (MAFF) of the Government of Japan. The Project was launched for strengthening agricultural cooperative activities in the Asian Region through leadership training in new approaches in management practices and adoption of the concept of "*Value-Addition through Agro-Processing*".

The ICA, an international non-governmental organisation established in 1895, was chosen by the MAFF as the most suitable international organisation for bringing about these changes in the cooperative system in Asia. Within the United Nations, the ICA enjoys Category-1 Status with the UN Economic and Social Council (UN-ECOSOC). The ICA has affiliates in 102 countries with 230 national cooperative organisations and seven international organisations serving over 850 million individual members. The ICA Regional Office for Asia and the Pacific (ICA-ROAP) operating from New Delhi, India, since 1960, serves 67 national-level cooperative organisations from 28 countries and the AGCU, and represents nearly 520 million individual members (over 61% of the total individual membership).

**02 Justification**

Agriculture still continues to be the most important economic activity in almost all countries of the Asian and Pacific Region contributing to the highest percentage of labour force and the GNP. Agriculture is still the major source of livelihood for majority of the population in the Region. However, agricultural productivity is subject to violent fluctuations caused by its heavy dependence on monsoon and damages caused by natural calamities. Measures taken for prevention of damages to agricultural crops are inadequate and systems for disaster compensation are generally inadequate and *ad hoc*.

Agricultural cooperatives are functioning, in one form or another, in almost all the countries of the Asia-Pacific Region. The cooperative activity started mostly with government assistance and initiatives or as a result of development projects sponsored by bilateral or multilateral agencies. Each country has evolved its own pattern for organisational structure and functioning of these cooperatives. One thing common to all, however, is the existence of small and marginal farmers depending entirely for their livelihood on the meagre incomes from their small holdings. The present role of cooperatives in providing a suitable infrastructure which can help add value to primary produce, except in a few cases, where agro-processing has been undertaken with positive results, is far from satisfactory.

The success spectrum within the Cooperative Movements in the Region varies from country to country. There are still managerial problems interlaced with lack of membership participation in the business affairs of these cooperatives. There is a heavy participation and administrative influence of governments in the functioning of these cooperatives due to excessive pressure on these institutions to serve state policies and programmes. As a result, cooperative institutions in many Asian countries are more akin to the policies of the government rather than catering to the needs and requirements of their basic constituents i.e., the members. It has also been observed that in a majority of cases cooperatives do not actually involve the

members in decision-making. Cooperatives are "cooperative-centred" rather than their being "member-centred".

The staff and board members of cooperatives also lack managerial skills mainly due to inadequate training support available within the Movements. Due to limited resources at the command of primary and secondary level cooperatives, it has been difficult for them to sponsor their staff for training at higher level training institutions even within the country or abroad. The management leaders have very little opportunities to interact with their counterparts in other countries. Their understanding and appreciation of cooperative operations remains limited to their home situations. The need is to expand their horizons of knowledge and understanding to improve the quality of management of their own cooperative institutions. The ICA has been providing such opportunities in a limited way to some selected managers and policy-makers through its own programmes. Such opportunities and exposures are considered absolutely essential if the staff and board members are to play effective and fruitful roles in the business activities of their cooperatives.

In spite of the drawbacks and difficulties faced by them, the cooperatives are the best-suited institutions for agricultural development in the Asian Region. To a great extent they are indispensable for accelerating the development in general and agriculture in particular. The remedy lies in streamlining their activities in a manner in which they could increase their own resources and improve their technical and managerial capabilities to safeguard the interests of their members. Successful examples of cooperatives which have taken such initiatives are not lacking. Such streamlining would be possible only if the leadership responsible for cooperative promotion and development and for managing their day-to-day operations is responsible to the needs and aspirations of the farmers. Of special importance to cooperative functioning is the leadership provided by managerial and technical personnel competent to ensure maximum economic advantages to the producers and to ensure that the cooperatives are member-centred. The ICA-Japan Training Project on "Strengthening Management of Agricultural Cooperatives in Asia" is geared to help in creating such leadership in the regional countries.

### 03 Project Objectives

**Development Objective:** The overall objective of the Project is *"to help strengthen and improve agricultural cooperative performance in the Asia-Pacific Region in order to bring about a qualitative improvement in cooperative services to member-farmers at the grass-roots level. The overall aim is to help increase member's income, help improve his standard of living and ensure active member participation in the business and operations of agricultural cooperatives."*

**Immediate Objectives:** With a view to achieve the main development objective, a set of immediate objectives have been developed. These are:

- i) To examine the present organisational structure of agricultural cooperatives in Asia and the Pacific Region and discuss on the basis of results obtained so far and the applicability of an integrated cooperative system for a more effective and result-oriented development process;
- ii) To introduce various forms of improved managerial practices in cooperative functioning supported by backward, forward, horizontal and vertical linkages at appropriate levels;
- iii) To introduce business planning for value addition through cooperative management with special reference to decisions on location, capacity, budgeting, investment, costing and in evolving pricing policies;
- iv) To evolve a project-oriented development approach in cooperatives, and introduce methods for project preparation, appraisal, implementation, monitoring and evaluation;
- v) To study working of multipurpose, single-purpose and commodity-based cooperatives and examine the applicability of their experience in the participating countries;
- vi) To study various ways of resource mobilisation for cooperative development; and



- vii) To induct managerial personnel in farm guidance and better-living activities for cooperative member-farmers in order to increase farm productivity and ensure their welfare and greater participation in cooperative activity.

#### **04 Acknowledgements**

In the implementation of the 14th Training Course, the ICA has received full support and excellent cooperation from the Central Union of Agricultural Cooperatives of Japan (JA-Zenchu), a member-organisation of the ICA from Japan; 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), and other ICA member-organisations and numerous other cooperatives and institutions in the Region and from resource persons specially recruited for the programme. The ICA is grateful to these leaders, managers and members of agricultural cooperative organisations in India, Thailand and Japan, for most willingly receiving the participants and for providing them with a lot of information and advice on their operations.

#### **05 The Fourteenth Year of the Regional Project**

During the fourteenth years of the Project, 210 managerial personnel, both men and women, working in middle to senior level positions in agricultural cooperatives or in their apex level organisations from 14 countries from Asia, i.e., Bangladesh-13, China-21, India-32, Indonesia-16, Iran-03, Korea-20, Malaysia-14, Myanmar-09, Nepal-02, Pakistan-10, Philippines-20, Sri Lanka-19, Thailand-17 and Vietnam-14 were trained. Officials working with government departments or agencies closely associated with planning for cooperatives or cooperative development were also accepted in some cases, as an exception. By and large, a majority of the participants were selected from cooperative organisations, having direct relationship with activities aimed at serving the farmer-members of agricultural cooperatives. Most of the candidates had already received, in their home countries, the basic training related to cooperative principles and the managerial and financial aspects of agricultural cooperatives. Only a very small number of these candidates had the opportunity earlier to study or observe cooperative activities outside their national environments.

The activities of the Project received considerable attention and publicity in the regional countries and has generated keen interest among ICA member-organisations to the extent that in the meetings of the ICA Regional Assembly for Asia and the Pacific and Agricultural Committee for Asia-Pacific, repeated suggestions were made over the past many years for increasing the number of seats in addition to the 15 now being trained annually.

Resolutions appreciating the funding support by the Government of Japan for the Project and requesting further extensions of the Project were passed by regional top-level conferences held on agricultural cooperation in the region from time to time, thus emphasising the importance of the programme and to derive continued maximum advantage of the training programme by Movements in the Region.

Considering the size, number and structure of Agricultural Cooperative Movement in the Asia-Pacific Region, the number of 15 participants per training course appears to be too meagre and inadequate. However, given the proper encouragement for country-based follow-up training programmes on similar lines, it is possible to generate a chain reaction within individual countries to create an atmosphere for applying the management approaches and techniques through improvement of capabilities of increased number of managerial personnel on similar lines.

Throughout the training programme, during these fourteen years, the emphasis was continued to be laid on discussions based on live conditions related to grassroots level cooperative activity. The participants were continuously exposed to experiences in various types of cooperatives in different countries through case studies, by visits to many such cooperatives in ten countries i.e., China, India, Indonesia, Japan, Republic of Korea, Malaysia, Nepal, the Philippines, Sri Lanka, and Thailand.

A large amount of documentation has been generated for the training courses during the previous years. These documents, case studies and working papers had been repeatedly tested and found to be of considerable value before they were inducted for use in this training programme in India and Japan. The

documents prepared for field study visits have further enriched the accumulated knowledge and information material prepared for these training courses.

## **06 Project Funding**

### **-Generous Contribution from the MAFF-Government of Japan**

The positive decision of the Ministry of Agriculture, Forestry and Fisheries (MAFF) of the Government of Japan to contribute funds to the ICA for the fourteenth year of the Project was followed by a grant for its implementation. The financial contribution made by the MAFF has gone a long way to help improve the skills, capabilities and capacities of managers who are managing their agricultural cooperatives in their respective countries in the Region. The ICA is highly appreciative of the contribution and grateful to the Government of Japan for this gesture.

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

Dr Daman Prakash, Senior Consultant at the ICA ROAP, continued to lead the regional project for the fourteenth Course as well. Dr Prakash has the rich experience of working on international projects e.g., Chief Technical Advisor of the ILO/Swiss Cooperative Management Projects in Indonesia, Technical Advisor of the ICA Cooperative Teachers' Training Project in Sri Lanka, Asian Regional Consultant of UNDP-TCDC-ICA "Cooperatives in Asia" Project; Senior Technical Consultant of the JA-Zenchu/JICA-RI Study on Integrated Development of Rural Cooperatives/KUD in Indonesia, and Senior Consultant to the JA-Zenchu/AICAF Survey Mission to Laos PDR on 'Fostering Agricultural Cooperatives in Developing Countries'. He has been working with the ICA ROAP in various capacities since 1962. His contributions in the field of extension, trainers' training and management of rural institutions and farmers' groups are widely acclaimed in the Region.

The entire Training Course, which was coordinated by the Project Director for its full duration, was assisted by the Programme Adviser, Mr. Prem Kumar, who has been working with the ICA ROAP since 1966 in various capacities. The Project Director/Programme Adviser were responsible for the day-to-day implementation of the programme.

## **08 Project Implementation Schedule**

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

### **I. Planning Phase: July 01-November 11, 1999**

- Developing curricula and syllabi including planning of technical session modules and field visits in consultation with the Institute of Rural Management, Anand; and ICA's member-organisations in India;
- Planning the field study visits programme in India and Thailand in consultation with the ICA member-organisations;
- Sending invitation letters to ICA member-organisations to sponsor suitable candidates for the 14th Training Course;
- Identification and recruitment of resource persons and support institutions;
- Preparation and review of case studies and related documentation;
- Selection of participants and finalising arrangements for their studies, travels and accommodation;
- Practical arrangements for organising the first part of the Course in India and Thailand including holding consultations with IDACA for conducting Part-II of the programme in Japan; and
- Financial arrangements for the Training Course.

## II. Implementation Phase: November 12, 1999-January 2, 2000

- Home Country Assignments (HCAs) for actual preparation of project proposals by the selected participants in their own countries. November 12, 1999 - January 2, 2000;
- Part-I of the Course in India, including comparative field study visits. January 2-February 23, 2000. Field Study Visits in Thailand, February 24-29, 2000;
- Part-II of the Training Course at IDACA, Tokyo. March 1-April 22, 2000;
- Final End-of-the-Course Evaluation and the Concluding Session in Tokyo. April 21, 2000; and
- Departure of participants from Japan to their respective countries, April 22, 2000.

## III. Reporting Phase: April 23-June 30, 2000

- Preparation of narrative and financial reports of the 14<sup>th</sup> Training Course and their eventual submission to the MAFF-Government of Japan.

### 09 Design of Training Course Programme

The implementation of the Project Plan of Action (Implementation Schedule) as submitted by the ICA and approved by the MAFF remained steady. The objectives set for the Project were fully and satisfactorily achieved. Course contents and implementation strategies were continuously improved based on the field feed-back, evaluation and appraisal exercises carried out from time to time. Suggestions made by the user-organisations, former participants, collaborating organisations were also taken into consideration towards improving the quality of inputs.

Based on the Project Implementation Schedule and after holding consultations among the ICA, MAFF and IDACA, the day-to-day programme was finalised. The programme design included class-room work, structured assignments, skills development exercises, comparative field studies, group work, interaction with field workers including managers and cooperative leaders and basic members, and continuous evaluation and feed-back sessions.

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

### 10 Reporting and Evaluation

The period from the end of the Training Course in Japan to the end of the Project period was utilised to prepare the work report and financial statements for submission through the ICA Head Office in Geneva to the MAFF, Government of Japan, and to review the Project activities with the ICA authorities, JA-Zenchu, IDACA and MAFF in Japan and other concerned organisations.

The activities of the regional training project have also been continuously reported at the ICA ROAP Committee Meetings and Planning Sessions and their views ascertained. Even otherwise, introspection and a continuous process of evaluation is followed throughout the period of the Project. Until the end of the 14th Training Course, nine National Follow-up and Review Workshops have been held. These were:

01	Korea	...	...	...	...	...	...	May 1993
02	India	...	...	...	...	...	...	Dec 1993
03	Sri Lanka	...	...	...	...	...	...	Dec 1993
04	Thailand	...	...	...	...	...	...	Jan 1994
05	Indonesia	...	...	...	...	...	...	Feb 1995
06	Malaysia	...	...	...	...	...	...	Dec 1995
07	Vietnam	...	...	...	...	...	...	Sep 1997
08	Philippines	...	...	...	...	...	...	Feb 1998
09	Bangladesh	...	...	...	...	...	...	Oct 1998

## 11 Course Participants

### -Selection Procedures & Participating Countries

Upon receipt of confirmation from the Government of Japan to implement the training project, the ICA invited nominations from its member-organisations in the Region. For this purpose a specially-designed nomination form was developed, and criteria for selection of participants established and explained. Based on the nominations received from the ICA member-organisations, and in consultation with collaborating organisations, selection of candidates was finalised. Fifteen (15) participants were selected i.e., from China-02, India-02, Indonesia-01, Malaysia-01, Myanmar-02, Philippines-02, Sri Lanka-01, Thailand-02 and Vietnam-02. Out of them, five were women. All the participants attended the Course for its full duration. A list of Course participants is placed at ANNEXE-II. A list of all the former participants who had attended the 14 training programmes is placed at ANNEXURE-III.

## 12 Location of Training Activities

A part of the sessions of the Part-I of the Course was held at IFFCO's Fertiliser Marketing Development Institute (FMDI) in Gurgaon, and at the campus of the Institute of Rural Management, Anand (IRMA).

The comparative field study visits in Thailand were arranged to primary level cooperative organisations, agricultural cooperative and other cooperative institutions in and around Bangkok. Visit to two very successful primary agricultural cooperatives viz., Pimai Agricultural Cooperative Ltd and Sikhiu Agricultural Cooperative Ltd., in the Nakornrachasima Province were organised. Two representatives from IDACA, M/s T. Takagi and Y. Abe attended part of the programme in Thailand.

Part-II of the Training Course was held at the IDACA premises in Tokyo, Japan, under an agreement signed earlier between the ICA ROAP and the IDACA. Study visits to agricultural cooperative organisations in and around Tokyo and in Fukuoka and Gunma Prefectures were organised in Japan in collaboration with the IDACA and agricultural cooperative organisations in these two prefectures.

## 13 Pedagogy Followed

Except during the regional review period, the entire course programme in India was based on modules prepared for each topic. The pedagogy used for all modules was as follows:

- Class schedule giving the details of the topic and reading material for each session was followed by discussion;
- During the group discussions, faculty members were also present to clarify issues and these discussions were followed by group reports, again followed by further discussions and faculty summaries. Extensive use of computers were made by the participants. Thus case methods, group discussions and audio-visually supported by computer were blended together with class-room discussions to facilitate proper understanding of the subject under study;
- Computer inputs were made specifically for financial and project management modules and their applications;
- During Part-II of the Training Course held at IDACA, the lecture method was combined with group discussion method. Some lectures were based on case studies prepared by the lecturers. Slides, OHTs, documentary and video films were extensively used. Group discussions were arranged on the basis of questions posed by resource persons. Assignments were given to the groups for preparing a Regional Agricultural Promotion Plan (RAPP) for a model multipurpose cooperative; and
- Extensive use of overhead projector, slides, computer projection, maps and charts was also made during the entire programme.



#### **14 Text Books and Support Material Distributed among the Participants**

During the period of the training programme the following major reading and teaching materials were distributed and used:

- 01 Guidelines for the Design of Agricultural Investment Projects. FAO-UN Publication
- 02 Financial Analysis in Agricultural Project Preparation. FAO-UN Publication
- 03 What is a Project? IRMA Publication
- 04 Managerial Decision-Making in Agricultural Cooperatives  
-Some Selected Cases. ICA ROAP/IRMA Publication
- 05 Some Contemporary Issues in Professionalising the Management of Agribusiness Cooperatives.  
IRMA Publication
- 06 Agricultural Cooperatives in Japan - The Dynamics of their Development  
by MV Madane. ICA ROAP Publication
- 07 Perspective Planning for Regional Development by Agricultural Cooperatives - the Japanese  
Experience. ICA ROAP Publication
- 08 Making Farmers' Cooperatives Work by Tushaar Shah. Sage Publications
- 09 Cooperative Democracy vis-à-vis Members' Education by Daman Prakash.  
The Coop Times Publication
- 10 Cooperatives & Environment by Daman Prakash. ICA ROAP Publication
- 11 Our Civil Society and Cooperatives by Daman Prakash. ICA ROAP Publication
- 12 Social Objectives of Cooperatives by Daman Prakash. ICA ROAP Publication
- 13 Management Leadership Development in Agricultural Cooperative Business  
by Daman Prakash. ICA ROAP Publication.
- 14 JA – The Japanese Agricultural Cooperatives by Daman Prakash. ICA ROAP Publication
- 15 Governance and Cooperatives – a paper by Daman Prakash;
- 16 A Prelude to A Manual for Preparation of Agricultural and Agro-Industrial Project Proposals  
by Prof G. Krishnamurthi of IRMA.
- 17 Development of Agricultural Cooperatives – Relevance of Japanese Experiences to Developing  
Countries – a paper by Daman Prakash
- 18 Paradigm Shift in the Management of Agricultural Cooperatives in Asia  
by Daman Prakash and GC Shrotriya. Joint publication of the ICA ROAP and IFFCO.

Copies of reports of previous courses, some selected project proposals prepared by former participants, a variety of teaching modules, handouts and field study compendium were also circulated among the participants.

**Chronology of ICA-Japan International Agricultural Cooperatives Management  
Training Courses held from 1986-87 to 1999-2000**

<i>Course</i>	<i>Dates</i>	<i>Countries where Courses held</i>	<i>Participating Countries</i>
01	Nov. 01 1986- May 03 1987	India, Thailand, Japan and Republic of Korea	Bangladesh, China, India, Indonesia, Korea, Malaysia, Philippines, Sri Lanka and Thailand [09]
02	Oct 26 1987- May 10 1988	India, Thailand, Japan and Republic of Korea	Bangladesh, China, India, Indonesia, Korea, Malaysia, Philippines, Sri Lanka and Thailand [09]
03	Oct 24 1988- May 07 1989	India, Thailand, Japan and People's Rep. of China	Bangladesh, China, India, Korea, Malaysia, Pakistan, Philippines, Sri Lanka and Thailand [09]
04	Oct 23 1989- May 10 1990	India, Thailand, Japan and Republic of Korea	Bangladesh, China, India, Korea, Malaysia, Pakistan, Philippines, Sri Lanka and Thailand [09]
05	Oct 22 1990- May 10 1991	India, Thailand, Japan and Republic of Korea	Bangladesh, China, India, Korea, Malaysia, Pakistan, Philippines, Sri Lanka and Thailand [09]
06	Oct 21 1991- May 10 1992	India, Thailand, Japan and People's Rep. of China	Bangladesh, China, India, Indonesia, Iran, Korea, Malaysia, Pakistan, Philippines, Sri Lanka, Thailand and Vietnam [12]
07	Nov 09 1992- May 08 1993	India, Thailand, Japan and Republic of Korea	Bangladesh, India, Indonesia, Iran, Korea, Malaysia, Pakistan, Philippines, Sri Lanka, Thailand and Vietnam [11]
08	Oct 20 1993- Apr 21 1994	India, Sri Lanka, Thailand and Japan	Bangladesh, India, Indonesia, Iran, Korea, Malaysia, Myanmar, Pakistan, Sri Lanka, Thailand and Vietnam [11]
09	Oct 17 1994- Apr 22 1995	India, Indonesia and Japan	Bangladesh, India, Indonesia, Korea, Myanmar, Philippines, Vietnam [07]
10	Oct 18 1995- Apr 20 1996	India, Malaysia and Japan	Bangladesh, China, India, Indonesia, Korea, Malaysia, Myanmar, Pakistan, Philippines, Sri Lanka, Thailand, and Vietnam [12]
11	Nov 03 1996- Apr 20 1997	India, Sri Lanka and Japan	Bangladesh, China, India, Indonesia, Malaysia, Myanmar, Pakistan, Philippines, Sri Lanka, Thailand, and Vietnam [11]
12	Oct 20 1997- Apr 23 1998	India, Philippines and Japan	Bangladesh, China, India, Indonesia, Malaysia, Myanmar, Pakistan, Philippines, Sri Lanka and Vietnam [10]
13	Nov 16 1998- Apr 24 1999	India, Nepal and Japan	Bangladesh, China, India, Malaysia, Myanmar, Nepal, Pakistan, Philippines, Sri Lanka, Thailand and Vietnam [11]
14	Nov 12 1999- Apr 22 2000	India, Thailand and Japan	China, India, Indonesia, Malaysia, Myanmar, Philippines, Sri Lanka, Thailand, Vietnam [09]

<b>Total Number of Attending Participants</b>	...	...	...	<b>210</b>
<b>Total Number of Training Courses Held</b>	...	...	...	<b>14</b>
<b>Total Number of Countries covered under the Project</b>	...	...	...	<b>14</b>
<b>Total Number of Project Proposals Prepared by the Participants</b>	...	...	...	<b>207</b>

**Countrywise Participation in ICA-Japan International Training Courses on  
"Strengthening Management of Agricultural Cooperatives in Asia"  
held during the period from 1986-87 to 1999-2000**

COUNTRY	1986-87 JTC I	1987-88 JTC II	1988-89 JTC III	1989-90 JTC IV	1990-91 JTC V	1991-92 JTC VI	1992-93 JTC VII	1993-94 JTC VIII	1994-95 JTC IX	1995-96 JTC X	1996-97 JTC XI	1997-98 JTC XII	1998-99 JTC XIII	1999-00 JTC XIV	Total
01 Bangladesh	01	01	01	01	01	01	01	01	01	01	01	01	01	-	13
02 China	02	02	02	02	02	02	-	-	-	01	02	02	02	02	21
03 India	03	03	02	02	02	02	03	02	03	02	02	02	02	02	32
04 Indonesia	01	02	-	-	-	01	01	02	03	01	02	02	-	01	16
05 Iran	-	-	-	-	-	01	01	01	-	-	-	-	-	-	03
06 Korea	02	02	02	02	02	02	02	02	02	02	-	-	-	-	20
07 Malaysia	01	01	01	02	01	01	01	01	-	01	01	01	01	01	14
08 Myanmar	-	-	-	-	-	-	-	01	02	01	01	01	01	02	09
09 Nepal	-	-	-	-	-	-	-	-	-	-	-	-	02	-	02
10 Pakistan	-	-	01	01	01	01	01	01	-	01	01	01	01	-	10
11 Philippines	02	01	02	02	02	01	01	-	02	01	01	02	01	02	20
12 Sri Lanka	01	01	02	01	02	01	02	02	-	02	02	01	01	01	19
13 Thailand	02	02	02	02	02	01	01	01	-	01	-	-	01	02	17
14 Vietnam	-	-	-	-	-	01	01	01	02	01	02	02	02	02	14
<b>TOTAL [14]</b>	<b>15</b>	<b>15</b>	<b>15</b>	<b>15</b>	<b>15</b>	<b>15</b>	<b>15</b>	<b>15</b>	<b>15</b>	<b>15</b>	<b>15</b>	<b>15</b>	<b>15</b>	<b>15</b>	<b>210</b>

## SECTION-III

### PART-I OF THE TRAINING PROGRAMME HELD IN INDIA AND THAILAND

January 02 to February 29, 2000

Part-I of the Training Course was held in India and Thailand during the period January 2 to February 29, 2000. The programme included study visits in and around Delhi and in the states of Gujarat and Haryana, in Thailand in and around Bangkok and to Nakornrachasima Province.

#### 01 Programme Inauguration

The 14th ICA-Japan International Training Course on "Strengthening Management of Agricultural Cooperatives in Asia" was formally inaugurated at the FMDI-IFFCO, Gurgaon on Tuesday, January 4, 2000, by Dr. Virendra Kumar, Marketing Director of IFFCO and Chairperson of the ICA Regional Committee on Agriculture for Asia-Pacific. The representative of the Japanese Embassy in India and the staff of ICA ROAP and IFFCO attended the inaugural function. Mr Junichi Taniuchi, First Secretary in the Embassy of Japan in India, conveyed the greetings on behalf of the Japanese Ambassador and the MAFF-Government of Japan.

Formally inaugurating the 14th Training Course, Dr. Virendra Kumar said: "The slowing pace of growth in agricultural output is being further complicated by decreasing per capita availability of arable land. Thus, the need to intensify agricultural production from the infinite natural resources has assumed greater significance. In meeting this challenge, fertilisers have an important role for two reasons. First, they facilitate the adoption of yield-increasing technologies and thereby promote sustainable growth of food production on limited cultivable land. Second, they help to replenish nutrients removed by crops and, therefore, prevent soil degradation and preserve the resource base. Fertiliser consumption per unit of land in Asia varies considerably ranging from below 40 to over 400 kg per ha. Similarly, the productivity of crops also varies considerably from less than 2 to over 6 tons per hectare. Countries like Bangladesh, India, Nepal, Pakistan, Thailand are below the world average productivity of cereal crops. The productivity of pulse crops in the region is also below the world average. There is sufficient scope to increase the crop productivity through adoption of improved agricultural practices.

"The IFFCO – a cooperative sector giant and a premier organisation is relentlessly engaged in strengthening the cooperative systems and services to the rural community in particular. Though IFFCO is engaged in manufacturing and promotion of fertilisers throughout the country, the extension and educational programmes organised by the Society centred on scientific agriculture and with emphasis on promoting balanced use of fertiliser. Such efforts have benefited the farmers and the cooperatives immensely. IFFCO's strong foundation is grounded on principles and philosophy of Cooperation translated into practice. IFFCO's growth is largely because of its firm and genuine commitment to these universally-accepted principles. A multi-faceted and multi-pronged approach, envisioning, professionalism, corporate planning and commitment to achieve customer satisfaction are some of the guiding principles. These are helping IFFCO to maintain and sustain holistic organisational culture based on teamwork, harmonious relationships and collective decision-making.

"By virtue of dedicated service to the community, the Cooperative has established an image of efficiency and services in the Asian region, and more as an ideal cooperative model. The IFFCO was admitted to the membership of the International Cooperative Alliance in the year 1979. Since then the relationship between ICA and IFFCO has grown stronger. Our participation in ICA Congresses, technical seminars, workshops and training programmes has always been acknowledged and recognised positively. IFFCO officials have contributed in crystallising several basic issues for the development of cooperatives particularly in the Asia and Pacific Region."

Welcoming the Chief Guest, the Project Director, Dr Daman Prakash said that the Project is a unique one, which has ushered in an era of international cooperation between a donor government and a non-governmental international organisation. Successful implementation of this training programme for the last many years by the ICA has made possible the extension of financial support by the Government of Japan to an additional training course for women cooperative leaders as well.



The training programme has so far trained 210 managers working at different levels of positions and tiers of cooperatives from 14 countries of Asia who have prepared 207 viable and bankable development project proposals. He said that 28 projects have been implemented in different countries of the region and around 20 are under active consideration for implementation.

With the 14th Course participants, the Project Director said, 210 participants would have received training in the management techniques and practices in the region. He congratulated the participants on their selection for the Training Course and wished them a very successful training programme. He assured the participants that the structure of the programme would enable them to learn from the comparative field study visits and classroom work.

Dr Daman Prakash expressed his gratitude to the Ministry of Agriculture, Forestry and Fisheries (MAFF) of the Government of Japan for their continued cooperation and support to the programme and to the JA-Zenchu and IDACA for their active collaboration in the successful implementation of the Programme. He expressed his gratitude to Dr. V. Kumar who had kindly agreed to inaugurate the programme and provide all the logistic support to the programme at the FMDI.

Dr. G.C. Shrotriya, Chief Manager (AgriServices) of IFFCO, proposed the vote of thanks.

## **02 Characteristics and Problems of Agricultural Cooperatives in the Participating Countries - A Brief Regional Overview**

The first two weeks of the training programme were devoted to the review of agricultural cooperative situation with special reference to their problems and managerial practices. The reviews were based on the background papers prepared and presented by the participants from 9 countries. The Regional Review Sessions were held at FMDI. Resource persons from the ICA Regional Office and IFFCO participated in the Review Sessions.

### **[01] China**

*Some of the basic indicators of China are as follows: Population-1.21 billion; Land Area-9.6 million sq. km; Cultivated land-95.333 million ha; 26.3% for paddy cultivation, Per capita income-US\$ 620. The main cereal crops cultivated in China include paddy/rice, wheat, maize, millet, and sorghum. The All-China Federation of Supply and Marketing Cooperatives (ACFSMC) is the national apex of the Movement.*

Agriculture occupies a dominant place in the economy. Main crops of China include rice, wheat, corn, soybeans, tubers, oil-seeds, industrial crops etc. The country's total grain output in 1995 was 466.6 million tons, an increase of 4.5% over 1994 production. 80% of the production is of cereal crops and others represent the remaining 20%.

The Cooperative Movement, first started in China in early 20th century, continues to progress under the All-China Federation of Supply and Marketing Cooperatives. The first cooperative was organised in 1918 followed by agricultural marketing cooperatives in cotton growing regions. Consumer cooperatives were formed in the 1920s and the first Cooperative Law was promulgated in 1935. In 1949, after the founding of the Peoples Republic of China, supply and marketing cooperatives were set up in early 1950s to assist the farmers with their input supply and output marketing and to meet their credit requirements.

The supply and marketing cooperatives of China follow a four tier-structure. 33,601 grass-root level supply and marketing cooperatives federate themselves into 2,300 county level cooperatives, which, in turn, are affiliated to the 28 SMCs at municipal and provincial levels. All the SMCs are federated into the All-China Federation of Supply and Marketing Cooperatives (ACFSMC). The ACFSMC was formed in 1954 and became a member of the ICA in 1985. As the representative national apex of the Cooperative Movement, the ACFSMC is responsible for the cooperative reform programme, development strategy, policy coordination, management and protection of interests of SMCs. The ACFSMC coordinates and harmonises actively the relations between the SMCs and other government departments and helps the SMCs across the country to promote foreign trade and technical exchanges with foreign countries.

The SMCs boast an extensive network of 700,000 business units, with a membership of 80% of the Chinese farmers. 0.16 billion farmer-member households as shareholders with a total capital base of 10 billion yuan. The ACFSMC has more than 16,392 industrial enterprises for value addition purposes and about a million employees with a total output of 83.5 billion yuan. 80% of output value comes from agro-processing:

## [02] India

*Some of the basic indicators are as follows: Population-900 million; Land area-328.7 million ha; Cultivated area-142.1 million ha; Average land holding-1.5 to 2 ha; Total number of cooperatives of all type-395,000; Membership-189 million; Per capita Income-US\$ 340. Major products include rice, wheat, sorghum, maize, coarse pulses, pulses, oilseeds, cotton, jute, sugarcane and horticultural crops.*

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 movement in 1904, it has now branched off into several specialised sectors such as marketing, international trade, agro-processing, fertiliser production and supply, production of heavy machinery, housing, consumer, fisheries etc. Agriculture is the strongest segment of the cooperative sector. During 1995, the total number of cooperatives in the country was around 395,267, with a membership of 189.62 million; share capital of Rs. 89 billion, working capital of Rs. 118 billion, and assets worth Rs. 826 billion. Cooperatives cover 99.5% of all villages in the country and rural household coverage of 96%.

Most of the cooperatives are vertically integrated through their respective specialised federations of unions at the district, state and national levels. Twenty-one national level specialised federations 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 and also has membership within the ICA. Primary cooperatives are affiliated to the district level unions/federations, which, in turn, are federated into 284 State level unions/federations.

Agro-processing activities are undertaken by 244 cooperative sugar factories covering 60.5% of sugar produced in the country, 70,188 dairy cooperatives federating themselves into unions, 138 oil seed cooperatives, rubber, horticultural cooperatives and others such as rice and other mills.

Value-adding cooperatives are agro-processing units providing infrastructure for the benefit of farmers. The principal segments of these are: sugar cooperatives, dairy cooperative, rubber cooperatives, oil seeds cooperatives, horticultural cooperatives and fertiliser cooperatives.

The National Cooperative Development Corporation (NCDC), set up by the government, assists in the planning and development of marketing infrastructure and agro-processing industries within the cooperative sector. The Corporation has played an active role in the development of cooperative marketing and processing, dairies, poultry, fishing and has extended financial assistance to the tune of Rs. 3.3 billion since its inception.

India is the fourth largest producer of nitrogenous fertiliser. There are at present 57 fertiliser units manufacturing fertiliser. The installed capacity of "N" has gone upto 9.18 million tons during 1994-95. Fertiliser is distributed through 2.3 million sale points out of which 31% are cooperatives, and 69% private sale points.

The Indian Farmers' Fertiliser Cooperative Limited (IFFCO) is a federation of about 34,000 cooperatives from village level to national level, spread over in 18 states with a share capital of Indian Rs. 3,602 million. It has emerged as Asia's largest fertiliser producing cooperative. During the year 1996-97, IFFCO has paid-up share capital of Rs. 3,625 million, net worth of Rs. 14,308 million and net profit of Rs. 1,664 million. It has established four modern plants located at Kandla and Kalol in Gujarat and at Phulpur and Aonla in Uttar Pradesh. During the year it produced 4.16 million tons of fertiliser material with a capacity utilisation of 120 per cent. During 1996-97 IFFCO has sold 4.00 million tons of fertiliser. The IFFCO's extension programme is the most successful one. The Society has received ISO-9002 Certificate. IFFCO supplies its products through cooperative channel. However, a chain of 168 farmer's service centre (FSC) spread throughout the country provides essential agricultural inputs to the farmers under one roof. Quantity rebate and patronage rebate is given to the member societies on purchase of fertilisers.

The IFFCO, being farmers' organisation, has been extending a helping hand for the cause of increasing agricultural production through production of quality fertilisers and promotion of rural and cooperative development through a wide range of promotional and educational programme. Such programmes are crop demonstration, farmers meeting, field days, crop seminar, special campaign like soil testing and plant protection, seed multiplication, publicity programmes, distribution of critical inputs for demonstration purpose to the weaker-strata of rural community etc. These are some of the additional activities, which could contribute to the prosperity of farmer-members.

### [03] Indonesia

*Some of the basic indicators of Indonesia have been as follows: Population-193 million (60% on Java Island itself), Land area-9.8 million sq. km (land territory only 1.9 million sq. km), Per capita income-US\$ 980, Total number of cooperatives - 35,861 (out of which 9,002 rural cooperatives/KUD), total membership-25.6 million.*

Agricultural cooperatives in Indonesia are organised in a three-tier structure. The multipurpose cooperatives (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 9,064 KUDs and 35,861 other types of cooperatives 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.

KUDs have a membership of 13 million and non-KUDs have a membership of 12.6 million. Main objectives of the KUDs were to consolidate the people, consolidate and rationalise land resources for agricultural production and to provide means of incomes to the people and to use them to maintain national food stocks, mainly rice. Provincial level cooperatives have been formed by the primaries and the provincial level federations have formed the national federation.

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. There is very little active participation by members. KUDs lack suitable infrastructure for marketing, storage and processing and other value-adding activities. Other supportive services like member education, farm guidance and staff training are very inadequate. Government training facilities are available for cooperative employees through its network of 27 provincial level cooperative training centres and one national level cooperative training centre. Due to the recent economic crises and political changes, the role of the KUD has come under a close scrutiny. Their objectives and activities are being readjusted.

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 Institute of Cooperative Management (IKOPIN) at the national level and eight cooperative academies in the country.

The National Federation of Rural Cooperatives (INKUD) is a national cooperative organisation of rural cooperatives in Indonesia. It represents about 9,000 KUDs with a total membership of 13.4 million households. Its principal business functions are food trading, financial management, planning and development for rural cooperatives, procurement and distribution of cloves, development and operation of agro-industrial units, forestry and horticulture activities. In the agro-industry sector, the INKUD deals with palm oil plantations in Sumatera and handling and processing of coffee, rattan, cocoa and vanilla. It also handles procurement of dried casava and its export.

The role of government in the promotion of cooperatives is to create conducive and enabling environment for cooperative development through policy pronouncements and review of cooperative legislation; and to provide guidance, necessary facilities and protection for cooperative business. The Government of Indonesia has initiated a comprehensive study by experts on improvement of management of KUDs. The study has been financially supported by the Japan International Cooperation Agency (JICA) of the Government of Japan and consists of experts from many countries (including one from the ICA ROAP, Dr.

Daman Prakash). All the segments of the study have been completed by now and the reports submitted to the Government of Indonesia.

#### [04] Malaysia

*Some of the key indicators of Malaysia have been as follows: Total population-20.5 million, Total land area-329,758 sq. km; Total number of cooperatives-4,077; Total cooperative membership-4.02 million; Share of agriculture in GDP-14.8; Per capita income-US\$ 3,890. Main products are rubber, oil palm, paddy, coconut, cocoa and tobacco.*

The three main core agricultural activities in Malaysia are the estate sector, the small farm sector and the newly-developed land sector. Plantation crops dominate agriculture. Oil palm cultivation has taken strides over rubber and other plantation crops due to its high returns and less labour demands. Livestock production is restricted to pigs and poultry. Local beef production is only 10% of total demand and the dairy industry is very small, but slowly expanding. The contribution of agriculture to national economy, which was 33% in 1990, dropped to 15.8% in 1993, and the contribution of industry increased from 12.1% to 30.1% during the same period. Agricultural policy, development and its future are being governed by National Agricultural Policy (NAP) 1992-2010. The land usage for agriculture is expected to go down gradually in the future. Small farmers dominate Land holding and the average size varies from 2.4 to 5.6 hectares.

Agricultural cooperatives are involved in various activities e.g., credit disbursement, marketing, rice milling and processing activities and cooperative education activities. Agricultural cooperatives and other cooperatives function under various governmental agencies. At the end of 1995, 3,554 non-agricultural cooperatives were registered and functioning under the Department of Cooperative Development. Agricultural cooperatives are under the registration and supervision of the Farmers' Organisation Authority (FOA). 1,511 agro-based cooperatives serving a total membership of 316,602 and with a share capital of RM 66.2 million were functioning as of 1994.

The ANGKASA (National Cooperative Organisation of Malaysia) is the national apex organisation of all cooperatives in the country and acts as the spokesman of the Movement. The ANGKASA represents the Movement both at national and international levels and conducts education and publicity activities for managerial development. ANGKASA works in close collaboration with all government departments and agencies connected with cooperative development in the country and are the lobbying force for coop-related activities. As a member of the ICA, it is represented in various specialised committees of the ICA and voices its views. ANGKASA also undertakes pre-audit of cooperatives and assists cooperative employees in their salary deduction facilities under the Federal Pension Scheme (BPA). BPA now serves more than 400 cooperatives with one million accounts amounting to more than RM 80 million per month. BPA is on-line with 14 banks in the country making the transactions easier and faster.

#### [05] Myanmar

*Some of the basic indicators of the Union of Myanmar are as follows: Total population-45.6 million; Total land area-676,577 sq. km; Total cultivated land-9,899,010 ha; Total number of cooperatives-24,898; Total cooperative membership-3.0 million; Main products of the country include: rice, cotton, beans and pulses and sugarcane.*

66% of the population was engaged in agriculture. Of the total area of 67.6 million hectare, only 13% are under cultivation. Main crops include cereals like wheat, rice, maize and millet, oil seeds, grams, pulses and cash crops like cotton, jute, sugarcane, rubber and tobacco, vegetables and fruits. In 1995-96, the total cropping area amounted to 32.3 million acres showing an increase of 27% over 1991-92. Animal husbandry is another area where substantial growth has been achieved in recent years. Fertiliser production is not self-sufficient and the needed quantity is imported for meeting the requirements of farmers.

The Cooperative Movement in Myanmar was introduced in 1904 in accordance with the Indian Cooperative Societies' Act. 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. As of September 1996, there were 5,667 new cooperatives and 15,281 reconstituted



cooperatives, which formed themselves into 495 cooperative syndicates which are, in turn, affiliated to five provincial level unions. The total number of members in all the cooperatives is around 2.8 million with a paid-up share capital of Kyat 3.7 billion. Primaries group together themselves into Syndicates (cooperative business unions) and these Syndicates form their own Unions or get affiliated to the national apex of the Cooperative Movement, the Central Cooperative Society (CCS).

The CCS is the national spokesman organisation of the Cooperative Movement and has been a member of the ICA since 1993. The CCS is engaged in business and cooperative promotional activities. CCS 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. Beans and pulses, different species of hard wood besides teak and wood-ware, rattan products, animal feed, handicrafts, dolls etc are exported and palm oil, consumer and household goods, fertiliser, vehicles etc. are imported. Import/export trade is mainly with India, Thailand, Singapore, Hongkong, Japan, South Korea, Germany, France, England and the United States of America.

To strengthen the cooperation and coordination in cooperative agriculture among cooperatives, Union of Agricultural Cooperatives Societies (UAC) was formed on 16th February 1996, comprising 158 syndicates. Now altogether 2,896 primary agricultural cooperatives are functioning on primary level.

#### [06] The Philippines

*Some of the basic indicators of the Philippines are as follows: Total population-72 million, (with an annual growth rate-2.32%); Number of households-13.5 million; Total land area-300,000 sq. km.; Per capita income-US\$ 1,050. Main agricultural products include rice, maize, sugarcane, spices, coconut, coffee, tobacco, abacca and fruits and vegetables.*

The Philippines, comprising 7,107 islands and islets with three main islands of Luzon, Visayas and Mindanao is principally an agricultural country. 47% of its 72 million population is highly dependent on agriculture. Main crops of the country include rice, corn, sugarcane, rubber, fruits and vegetables. Agricultural production in the country suffers every year due to typhoons.

Cooperatives in the Philippines cater to diverse needs of its membership, i.e. credit, consumer, marketing, services etc. and mostly are multipurpose in character. The new Cooperative Societies Act, (RA 6938), enacted in 1990, has made the cooperatives free from government interference and paved the way for a smooth and proper democratic development of the movement. As of June 1996, there were 39,222 registered cooperatives in the country, out of which 24,814 (63%) were agriculture-based; and 8,858 (23%) were non-agriculture based with a total membership of 5.59 million. The cooperatives are growing fast in number and the membership rose from 1.16 million in 1991 to 5.59 million in 1996. Contribution to GDP from the cooperatives has grown from 2.2 to 9% during 1991 to 1996, from Pesos 29 billion to Pesos 141 billion. The Movement has established 44 cooperative banks so far.

The National Confederation of Cooperatives (NATCCO); which is a member of the International Cooperative Alliance (ICA), is the tertiary level organisation of 2697 cooperatives – primary coop federations – across the Philippines. NATCCO was organised in 1977 by coop leaders. NATCCO's registration as a cooperative federation was confirmed by the Cooperative Development Authority (CDA) in December 1990. NATCCO is committed to work towards alternative socio-economic political system guided by self-reliance, democracy, nationalism, solidarity, justice, and gender equality; and evolve a strong and viable cooperative sector and Movement.

The Lamut Grassroots Savings and Development Cooperative (LAGSADECO) started its operation way back 1980 with 14 members and initial capital of Fourteen Thousand Pesos. In November 1987 it was recognised as a cooperative in good standing by the BCOD/DA and granted its status as fullfledged cooperative. LAGSADECO has now 5,800 associate members and 1,311 regular members, 80% farmers, 10% government and private employees and the rest self-employed with a total asset of Pesos 47,634,564.57 and a paid-up share capital of Pesos 17,809,405.41.

The Palompon Community Multi-Purpose Cooperative, Inc (PACCI) in Palompon is the product of the merging in 1975 of the Palompon District Teachers Cooperative Credit Union and the St. Francis Xavier Cooperative Credit Union. As of August 1999 its total membership is more than 4000 with share-capital of more than Pesos 16 million. PACCI is lending services in the field of agricultural production, palay and copra trading, coco-charcoal making, manufacture of coco lumber, clay bricks and hollow blocks making, handicrafts of all kinds, mat weaving, fish, vegetable and meat vending etc. The following are the businesses of the cooperative : loans, savings deposit (fixed, associates and time), bus transportation, consumer store, photocopier, lamination, mortuary and rental of tables and chairs.

#### [07] Sri Lanka

*Some of the basic indicators of Sri Lanka are as follows: Total population-18.2 million; Agriculture is 27% of the GDP; Average land holding is 1.35 ha; Total number of cooperatives 12,026 (multipurpose cooperatives-300); Total cooperative membership 4.5 million; Per capita income-US\$ 700.*

Agriculture occupies a predominant position in the economy of Sri Lanka. It employs 48% of the labour force and 58% of all export earnings for the country is achieved from export of agricultural products. Paddy, coconut, tea, rubber, spices, roots, maize, fruits and vegetables are the principal agricultural products. Livestock production accounts for 6% of GNP. Tea, rubber and coconuts are large-scale plantations and are export crops.

Since the beginning of the Movement in 1906, agricultural cooperatives have played a major role. The first credit cooperative society was established in 1911. In 1972, existing 955 multipurpose cooperatives were amalgamated into 372 stronger and more viable multipurpose societies and today 272 multipurpose cooperatives are functioning. These societies provide production credit through their rural banks, and supply inputs such as fertilisers and in some cases loans for land preparation etc. Today a total of 12,026 cooperatives of all types and at all levels are functioning in the country with a total membership of 4,549,800 members. Majority of these societies are incurring losses in their business operations. Coconut and rubber producer's cooperative societies are mainly involved in processing and marketing their products and have formed their own apex organisations for exporting their products. These societies also provide credit facilities, fertilisers, management advisory services etc.

The National Cooperative Council of Sri Lanka (NCC/SL) is the apex cooperative organisation and is an umbrella organisation of the entire Movement. As a member of the ICA, the NCC/SL acts as the spokesman of the Movement both within and outside the country. The NCC carries out education and training activities through its district councils, education centres and regional training centres. The School of Cooperation, Polgolla, a government institution, offers diploma and certificate courses, both long-term and short-term, both to cooperative employees and officials of the department.

#### [08] Thailand

*Some of the basic indicators of Thailand are as follows: Land Area: 513,115 sq.kms.; Population (1997): 61.3 million; First Cooperative Act 1928; Total number of Cooperatives: 10,332; Total number of members: 6.6 million households; Newly revised Cooperative Societies Act in 1999.*

The Cooperative League of Thailand (CLT) was established under the present Cooperative Society Act of Thailand which was enacted on 7 June 1968, The Act proclaimed that there shall be an institution called the "Cooperative League of Thailand" consisting of members which are cooperative societies throughout the Kingdom without sharing profit of income.

As of October 31, 1998, the League has affiliates of 5,302 primary cooperatives with its membership of 6,650,893 household. The total population of Thailand is 61 million. The CLT represents as a national apex of the Cooperative Movement. It is only organisation dedicated entirely and exclusively to the promotion of Cooperative Movement activities in the country.

The CLT is governed by the general meeting, which is composed of representatives from all types of cooperatives in the country. The number of Board of Directors is 46 persons of which 41 persons are elected and Minister appoints five persons for Agriculture and Cooperatives. The term of office is 2 years. The Board appoints a person whom it deems fit as its Director. The Director is an ex-officio and the term

of office is four years. The organisational structure is comprised of Administrative Division, Finance Division, Planning Division, Cooperative Training Institute and Cooperative Training Centre. At present, there are 74 staff including the Executive Director.

#### [09] Vietnam

*Some of the basic indicators of Vietnam are as follows: Total population-72.5 million; Total land area-330,991 sq. km; Total cooperatives-20,250; Total membership-14.7 million; Per capita income-US\$ 240. Main agricultural products include, rice, soya, peanut, sugar, mung pulses, silk, jute, fresh tea, rubber, tobacco and cotton.*

Agriculture is the mainstay of the economy of Vietnam. 78.3% of the work force depends on agriculture for their livelihood. 50% of GNP is contributed by agriculture. Paddy is the main commodity and the country has been able to achieve an export surplus of 2 million tons yearly. Other main crops include maize, sweet potatoes, cassava, potatoes, soybean, peanuts, rubber and fruits and vegetables. In 1995, there were 16,243 cooperative enterprises (equivalent to multipurpose agricultural cooperative societies) and 2,548 cooperative production groups covering 64% of farming households in the country. Efforts made to strengthen the agricultural cooperatives and redistribution of agricultural land on a limited ownership basis have resulted in a positive impact on average plot yields. Some families are able to generate surplus incomes from farm management. The cooperative enterprises undertake activities in the field of input supply, production credit and marketing. Backward and forward linkages are provided to the members. The cooperative enterprises at the primary level are affiliated to the district unions which, in turn, federate into provincial unions. At the national level all cooperatives federate into the Vietnam Cooperatives Alliance (VCA), which is the apex body of the Movement. It is a member of the ICA. As the apex organisation the VCA represents the Movement in national and international fora.

Many joint ventures between cooperatives and private trade, between cooperatives and multinationals from other countries have been established for manufacture of a variety of products both for domestic consumption and export. With the restructuring programmes announced by the government, the cooperatives, under the leadership of the VCA, are expected to play an important role to strengthen the economy of farmer-members.

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## SECTION-IV

### COMPARATIVE FIELD STUDIES IN INDIA AND THAILAND

#### COMPARATIVE FIELD STUDIES-I: 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. A series of study visits to cooperative institutions in different parts of the country and at different levels of the Movement was arranged for this purpose. These visits enabled the participants to observe for themselves the activities of the cooperative organisations at primary, secondary and national levels. The participants were received and briefed about the activities of the cooperatives by the top leaders, board members and senior level managers. The participants also had an opportunity of meeting Dr V. Kurien, Chairman of the Institute of Rural Management (IRMA) at Anand and exchanging views with him.

Study visits to cooperative institutions in India were organised in and around Delhi, Haryana and Gujarat States. Cooperatives visited were carefully selected to appraise them about the existing horizontal and vertical integration in the field of cooperative credit, marketing and processing institutions and also the backward and forward linkages of their activities and functions. The participants visited the following institutions:

##### *Study Visits in and around Delhi:*

- ICA Regional Office for Asia and the Pacific;
- Fertiliser Marketing Development Institute [FMDI] of IFFCO;
- National Cooperative Union of India (NCUI);
- National Agricultural Cooperative Marketing Federation of India (NAFED-India);
- IFFCO adopted village in Gurgaon District, Haryana.

##### *Study Visits in Gujarat State:*

- The Institute of Rural Management, Anand. (IRMA);
- AMUL Dairy, Anand and its Chocolate Plant;
- Anand Regional Oil Seeds Growers Cooperative Union Ltd. (ARCOGUL);
- Urban Cooperative Bank at Chatrotar in Anand;
- Palej Sugar Cooperative, Gujarat;
- IFFCO Kalol Plant, Gujarat;
- KRIBHCO Production Plant, Hajira, Gujarat;
- Amalsad Multipurpose Cooperative Society, Gujarat.

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 the cooperatives. The participants had detailed discussions with chairmen, board members and chief executives and members of these cooperatives. An on-the-spot visit to the actual working of the cooperative either followed or preceded these detailed discussions. The emphasis during the discussions was on the "value-adding" activities of the cooperatives with the ultimate objective of increasing the incomes of farmer-members. Participants were able to field-test some of the pertinent issues of the organisation and management of the cooperatives on the basis of papers presented and issues discussed. Their subsequent interaction with the leaders, executives and members of cooperatives helped them solve their own points of clarification.

#### Comparative Field Study Visits-II: Thailand

The participants were able to get themselves acquainted with the following: Historical development and organisational structure of the Cooperative Movement of Thailand; The Structure and Organisation of the Ministry of Agriculture and Cooperatives and its Cooperatives Promotion Department; the Organisation, Functioning and Activities of the Cooperative Marketing Federation of Thailand; Historical development, organisational structure and activities of the Cooperative League of Thailand and; the functioning of the

primary level agricultural cooperatives. During their visit in Thailand, the participants visited the following institutions:

- The Cooperative League of Thailand (CLT);
- The Cooperative Training Centre of CLT;
- The Pimai Agricultural Cooperative Limited;
- The Sikhui Agricultural Cooperative Limited.

The participants were received and briefed by Dr. Asanee Ratanamalai, Executive Director of the CLT and his senior officials at the CLT Conference Hall. Dr. Asanee appreciated that the ICA considered it proper to locate the study visits programme of this Course in Thailand after a lapse of five years. Dr. Asanee explained the implementation of the cooperative law and its revisions which is aimed at improving the business and quality of management of cooperatives in the country. He gave a detailed explanation on the rice business undertaken by the primary cooperatives and the role played by the Cooperative Federation. As a part of this study visits, the participants visited two primary level agricultural cooperatives. A brief description of the two cooperatives follows. Mr Phanuwat Wanraway, Foreign Relations Officer of the CLT, a former participant of the 13th Training Course, had kindly coordinated and conducted the study visits programme in Thailand.

#### **[a] The Cooperative League of Thailand**

The Cooperative League of Thailand (CLT) was established under the present Cooperative Society Act of Thailand which was enacted on 7 June 1968, The Act proclaimed that there shall be an institution called the "Cooperative League of Thailand" consisting of members which are cooperative societies throughout the Kingdom without sharing profit of income.

As of October 31, 1998, the League has affiliates of 5,302 primary cooperatives with its membership of 6,650,893 household. The total population of Thailand is 61 million. The CLT represents as a national apex of the Cooperative Movement. It is only organisation dedicated entirely and exclusively to the promotion of Cooperative Movement activities in the country.

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#### **[b] The Pimai Agricultural Cooperative Ltd.**

The cooperative has a total membership of 8,125 with a total capital of 156.2 million Baht. Its main business activities are: accumulation of capital, disbursement of loans to the members, handling supply business e.g. fertiliser, fuel, food for livestock, medicines for livestock and agriculture products and rice collection. At the end of March 1999, the cooperative collected paddy rice worth 35.9 million Baht and sold rice worth 55.3 million Baht, rice bran worth 2.4 million Baht, and husk. Distribution of merchandise and agriculture products and transportation services are provided by the cooperative. Petrol distribution is the high income business of the cooperative. The cooperative also supplies inputs for the pig raising activities of the members. The cooperative encourages the women members to handle the business activities.

#### **[c] The Sikhui Agricultural Cooperative Ltd.**

The Sikhui Agricultural Cooperative Ltd. has 3684 members. Its paid-up share capital was 41.5 million Baht, reserve fund 25.6 million Baht, deposits received 19.8 million Baht, loans given to members 83.9 million Baht, and it had earned a net profit of 8.2 million Baht. Its principal business activities are credit, purchasing business which include fertiliser and consumer goods, marketing business covering maize, paddy and raw milk, agriculture extension business in the sectors of supplies, maize mill, feed blending, paddy seed promotion, dairy farm. The society had a total paid-up share capital of 42.7 million Baht,

reserve fund 28 million Baht and members deposit fund of 19.3 million Baht and the borrowing fund of 152.2 million Baht. The society had borrowed funds from the Bank for Agriculture and Agricultural Cooperatives and the Cooperatives Promotion Department for lending operations amongst its members. The cooperative has very successful petrol pump and a large sized rice mill besides other assets.

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## SECTION-V

### MODULES ON MANAGEMENT PRINCIPLES, METHODS AND TECHNIQUES WITH SPECIAL REFERENCE TO MANAGEMENT LEADERSHIP DEVELOPMENT IN AGRICULTURAL COOPERATIVES IN ASIA - The IRMA Segment

The Management Module of the Fourteenth Training Course was conducted at the Institute of Rural Management, IRMA, at Anand, Gujarat State. The IRMA, an institute of higher learning and of national importance, was chosen by the ICA for conducting the management module for this year's course as well. The IRMA, established in 1979, by the National Dairy Development Board (NDDB), provides management training and research support to the cooperatives engaged in dairy business. It now extends support to a wide variety of cooperatives engaged in the field of oil-seeds, fruits and vegetables, credit, sugar, handlooms and handicrafts sector, voluntary non-governmental agencies, and governmental and other bodies. The core of IRMA's operating philosophy is that the partnership between the rural people and committed professional managers is the basis of sustainable rural development.

IRMA offers a variety of programmes e.g., 2-year Post-Graduate Programme in Rural Management; one-year programme; 6-weeks programme on Management of Agricultural Cooperatives in Developing Countries; 6-week Management Appreciation Programme for Voluntary Organisations; and a variety of workshops and seminars for cooperatives and rural institutions. The IRMA has ideal infrastructural arrangements for studies, boarding and lodging and recreation of the participants in its Executive Training and Development Centre-ETDC. It has a well-developed, computerised modern library, which is open to students for long hours.

#### 01 Inaugural Session

The ICA-IRMA module was conducted at the Institute of Rural Management, Anand, from January 16-February 19, 2000. Prof. Katar Singh, Director of IRMA, formally inaugurated the Management Module on 17 January 2000. He welcomed the participants and ICA Officers and thanked the ICA for assigning IRMA the responsibility for conducting the management modules. He assured the ICA of IRMA's full cooperation in completing the assignment successfully. He wished the participants a fruitful and useful study period during their stay in IRMA.

Dr. Daman Prakash, Project Director, ICA ROAP, 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.

#### 02 Teaching Modules

The entire programme was segmented into teaching modules, which were handled by designated faculty members duly supported by well-prepared documentation and reference material. To undertake implementation of various modules, the Institute constituted a special team of faculty members under the leadership of Prof K.V.Raju. As a back up for the participants, facilities of IRMA computer lab, library and documentation centres were made available.

The day-to-day programme of the module is placed at the end of this section. The management modules consisted of the following main segments:

- 01 Project Management – Methods and Techniques
- 02 Integrated Cooperative System
- 03 Accounting and Costing
- 04 Marketing Management
- 05 Financial Management
- 06 Individual & Group Behaviour
- 07 Personal Computers – awareness and application

### 03 Teaching Faculty

The modules were designed and taught by a team of Professors and was coordinated by Prof. K.V. Raju. Prof G. Krishnamurthi, Prof Prantik Ray, Prof. Shiladitya Roy, Prof. Sukhpal Singh, Prof S.N. Biswas and Prof MR Suresh consisted the faculty team. Mr P.J. Modi and his colleagues helped the participants in the computer training programme. Prof. Katar Singh, Director, IRMA, delivered a 'keynote address on "Agricultural Cooperatives & Professional Management"' at the Training Course. IRMA's faculty members also undertook the following Special Sessions: Prof LK Vaswani covered the topic "Agricultural Cooperatives and Food Security", "Agricultural Cooperatives & New World Trade Regime" by Prof. Sukhpal Singh, "Agricultural Cooperatives & Strategy Management" and "Agricultural Cooperatives & Technology Management" by Prof Haribandhu Panda. Mr Jaiak Patel, MDP Programme Officer provided support in practical matters and in arranging field study visits.

### 04 Pedagogy Followed

A mix of cases, exercises, discussions, computer-based learning, participant project-work and presentations and lecture methods were used. Participants were introduced to the computer lab, library and documentation services. A wide range of audio-visual aids, e.g., video, role-plays, brain storming, simulation exercises, group discussions were used during the period of the training programme. A special emphasis was placed on the study of 'real-life' situations through study visits and open discussions with managers and basic members of cooperative institutions.

### 05 DETAILED MODULE DESIGNS

- **Professionalisation of Management in Agribusiness Cooperatives:** This module served the purpose of setting the tone for the entire training programme, by introducing the participants to a profile of agribusiness cooperatives in India and exposing them to the intent and rationale of professionalisation of their management, and finally, providing the participants an opportunity to discuss some contemporary issues in professionalising their management. The issues identified as obstacles to the professionalisation of management of agribusiness cooperatives included lack of professional managers having values and ethos congenial to cooperative management; lack of appropriate courses and curricula for training cooperative managers; excessive government control and interference; lack of good leadership; small-size of business and hence inability to hire professional managers; lack of performance-based reward systems; and internal work culture and environment not congenial to professionalisation of agribusiness cooperatives in India as well as in other developing countries of Asia. The module enabled the participants to identify potential solutions to the issues in the subsequent modules.

- **Integrated Cooperative System (ICS):** The module explained the evolution of cooperatives as a system and a form of organisation gradually moving from a single-purpose cooperative to a multi-purpose cooperative thus achieving integration with the input on the one hand, and the market, on the other. The presentations on this module also compared and contrasted a traditional service-oriented cooperative to an integrated cooperative. The objectives of forward, backward, horizontal, and vertical integration were discussed. The focus was on logic and the criteria that need to be looked into while decisions regarding integration are taken.

Purpose of integration in the output marketing is to establish direct linkages with consumers. A two-way integration has to be achieved: (i) Forward integration; and (ii) Backward integration. Forward integration implies the extension of marketing activities nearer to the consumers while backward integration is to establish linkages with the producers. Thus an integrated system of output marketing must effectively link the producer at the one end and with the consumers at the other. The factors that may lead to the success of integrated cooperative system within a cooperative could be as follows:

- Charismatic leadership with a large following and devoted to the cause of the society;
- Advanced but appropriate technology;
- Effective management methods and techniques;
- Responsiveness to members' needs;
- Constantly higher prices for the produce; and
- Helping farmers to achieve higher production and productivity.

The concept of ICS with special reference to commodity sectors in India was discussed in detail. The commodity sectors covered included dairy, sugarcane, and paddy in India.

A case study on the dairy sector covered the evolution of "Amul" (Anand Milk Union) as a successful integrated cooperative in Gujarat State and the development of many dairy cooperatives in and outside the State of Gujarat on the *Anand Pattern* was also discussed. The concepts of anchor activity, centrality of the cooperative etc. were discussed. Role play models asking the participants to assume the leadership positions within the cooperative wherein they had to select a proposal for diversification out of given options were introduced. The participants discussed and presented their opinions on why the cooperative should not choose a particular activity so as to achieve the benefits of integration. Discussions were structured and guided by the faculty members.

Case studies on multipurpose cooperatives and their functions and roles in integrated cooperative activities were discussed. Participants were encouraged to make individual presentations building on the concepts they had learnt in the module. Specific emphasis was laid on whether this approach is workable in the participating countries and, if so, the commodity sectors which could be identified; the possible constraints that may be experienced in the implementation of this approach and steps needed to be taken to overcome the bottlenecks. The participants concluded that certain level of integration is existing in their own country situations and further improvements are possible for full integration.

- **Accounting, Costing and Financial Management:** The focus of this module was to understand how financial transactions affect the balance sheet and income and expenditure statements. Participants used the Accounting Primer developed by the IRMA faculty. Progressively they moved from accounting for simple trading on cash transactions, through credit to complex manufacturing transactions. By the end of the module, they were comfortable with balance sheets and income statements. Costing component focused on costs for decision-making. Emphasis was therefore on participants' understanding that costs are relevant in a specific decision-situation. Participants also learnt to distinguish between 'fixed' and 'variable costs' and to carry out 'break-even' analysis.

The financial management component focused on the financial analysis of an organisation using ratios and common sizing and working capital management. Participants learnt to make both quick assessments of working capital requirements, as well as detailed accurate estimates. Participants were taught the time value of money concept. They were introduced to the financial appraisal of capital investments using the payback method, and 'net present value' (NVP) and 'internal rate of return' (IRR) methods. They were also introduced to capital structure decisions and estimation of the weighted average cost of capital. The concepts taught in this module were used extensively in the project management module.

- **Marketing Management:** The marketing module was designed to give the participants an understanding of core marketing concepts and to provide them with the marketing analysis tools and techniques required for preparing a good project report. The module began with coverage of cooperative marketing, the central issue was the threat from increasing competition from the private sector and the range of feasible solutions. Value-addition was a major theme discussed to explore the possibility of shifting from undifferentiated commodity selling to branded products marketing. Cases from a range of cooperatives were used to analyse this shift. Also covered were the issues of monitoring and evaluating the marketing functions.

- **Project Management - with special emphasis on Project Preparation:** The sessions on project management were focused towards building the necessary skills in the participants in the *preparation* and *appraisal* of their project proposals. It was understood and made clear to the participants that in their real life situations, they, as managers, will not only have to produce development projects but also appraise other projects which are sponsored. Managers often have been found lacking the skills in preparations and appraisal of such development project proposals. The sessions also covered the techniques for the preparation of plans for project implementation. Definition of an integrated rural development project, concept of projects and forward and backward integration of an agro-industry with the market and producers' cooperatives was illustrated.

The definition of an *agro-industry* as an enterprise that processes materials of plant or animal origin and the significance of agro-industry as an instrument of rural development were also discussed. A categorisation of agro-industries, on the basis of transformation of raw-materials as proposed by EDI, World Bank, was also illustrated with examples. The opportunity was made use of to explain the special characteristics of agro-

industrial raw materials and their significance and limitations for the design of agro-industrial projects. Linkages between the agro-industry with the farming system and the marketing structure were explained using the flow chart for agro-industrial projects developed by EDI. The following four types of systemic linkages were identified : i) Production chain linkages; ii) Macro-micro policy linkages, iii) Institutional linkages, and iv) International linkages. The concept of project life cycle illustrated the following four-stage framework: Concept phase, Implementation phase, Operations phase, and Abandonment phase.

The broad groups of activities which are generally undertaken in any project during the above four stages and the agencies involved as well as the costs and benefits were explained. A formal definition of project management as developed by the Project Management Institute was presented along with the goals of project management functions. The definition of project management as developed by the World Bank was given to enable the participants to have an appreciation of the several ways of looking at a project.

*World Bank's Definition of a Project..... "A Project ideally consists of an optimum set of investment-oriented actions, based on comprehensive and coherent sector planning, by means of which a defined combination of human and material sources is expected to cause a determined amount of economic and social development. The components of a project must be precisely defined as to character, location and time. Both the resources required in the forms of finance, materials and manpower and the general benefits - such as cost savings, increased production and institutional development are estimated in advance. Costs and benefits are calculated in financial and economic terms or defined (if quantification is not possible) with sufficient precision to permit a reasoned judgement to be made as to the optimum set of actions."*

The specific characteristics of a project from the points of view of the chief executive of an organisation as well as that of a project manager was also illustrated with certain examples of integrated rural development projects. During this discussion, the major forces, which had contributed to the growth of project management as an independent discipline, were also brought out.

Following the above, the major steps involved in the planning of a project were outlined. An overview of the means of identification of projects and methods of idea generation, creativity and technological forecasting was also presented for the benefit of the participants. Since the first step in the project identification happens to be knowledge of the market, a detailed deliberation on the salient features of marketing factor, from the project analysis angle, was made. During the deliberations the framework for marketing plan and its interface with consumer analysis and competition analysis was evolved on the lines of EDI. A brief outline of the various methods of data collection, their analysis, and forecasting methods was also presented.

In view of the peculiar characteristics of raw materials of agro-industries, the problems associated with their procurement were taken up for discussion along the following dimensions: i) Quantity; ii) Quality, iii) Time sensitivity, iv) Cost, and v) Organisation.

In particular, the seasonality, perishability and availability characteristics of raw materials in so far as they affect the project decisions such as location, capacity, etc. were discussed in detail. The primary element of the processing factor to be considered while taking critical project decisions were next discussed along the following lines: a) Processing technology, b) Plant location c) Inventory management, d) Packaging and other materials, e) Production planning and control, and f) By-products. In this context, the significance of quality control and need for building in sound quality systems at the project stage itself were emphasised.

The details of methods for evaluation and selection of projects e.g., 'discounted' and 'non-discounted' methods of cash flows, which were covered in financial module, were re-emphasised. Relevance of these techniques to short-listing the projects and their use as a starting point for the management of projects were brought forth. A case entitled "*Western Pengasinan Organic Fertilisers Project in the Philippines*" (produced by a participant of the 10th Course) was taken up for discussion and to illustrate practical complexities involved in cash-flow preparation in a real-life situation.

As a part of the financial analysis of the projects, methods of calculation of break-even point with special reference to a specific case were discussed. Participants were asked to discuss the segregation of the various cost data given in the case into fixed and variable costs and find out the unit production costs for various production volumes and their break-even points. The procedure for estimation of NPV and IRR was

reinforced with a case and the participants analysed the data given in the case using spreadsheet. The concept of 'sensitivity analysis' was illustrated through a case and participants calculated the NPV at different levels of interest rates to enable them to have a personal feel of the variation of the NPV as one of the influencing variables.

After the participants had a fairly good exposure to the basics of project identification and selection, they were exposed to the techniques of developing a plan for their implementation. The need for integrating implementation plan with the rough/preliminary plan was also stressed. The following techniques were explained in the order given with reference to a milk-chilling centre as an example:

- i. Development of a work breakdown structure (WBS);
- ii. Development of an activity list, including estimation of activity durations and identification of predecessor relationships;
- iii. Development of a network, including procedures for numbering of nodes, calculation of project duration, calculation and significance of free and total floats, identification of critical path and its significance from the point of view of the project manager and other agencies involved in a project;
- iv. Derivation of a bar/Gantt chart from the network and depiction of the floats; and
- v. Incorporation of resources required for the individual activities in the bar chart to estimate the resource profile and use of floats for resource levelling.

The effect of the re-allocation of resources on the cash flows and consequently the NPV was also stressed. To enable the participants to reformulate or reverse their project proposals which were earlier produced by them as their HCAs in their home countries before joining the course, a draft project outline was circulated along with questionnaires on the marketing factor, the procurement factor and the processing factor. The participants were asked to make a presentation of their draft project proposal with a view to improve upon their work and to learn the skills of project preparation and appraisals.

The draft proposals were commented upon by the faculty on sufficiency of details, feasibility of implementation, validity of assumptions, correctness of application of the techniques covered in the module etc. This review enabled the participants to get proper feedback on the comprehension of the principles of project management covered in the module, so that they could review and revise their project proposals independently on their return to their home countries.

- **Communication Strategies:** The communication module was designed to assist the participants in the preparation and presentation of project reports. The participants learnt the techniques of writing elements of proper reports, organising and structuring of the report, and the style requirements. The participants were given an extensive insight into group dynamics and communication skills.

- **Personal Computers - Awareness and Application:** Participants were provided with personal computers to familiarise them through guided daily computer laboratory sessions. Word processing and Lotus spreadsheet software were used. Several modules, which used computer-based learning also, provided the participants with additional exposures to computers. The MDP computer laboratory was made available exclusively for the use of ICA Course participants.

## **06 PROJECTS APPRAISAL SESSIONS**

### **- An Exercise in Skills Development**

**Introduction:** Upon their selection for participation in the Training Course, the participants were given home country assignments. These assignments were to be completed by them while still in their home countries and still working with their respective organisation under the guidance of their chief executive officers. They were also asked to get the help and advice of the former participants. They were asked to produce development project proposals on the subjects in accordance with the priorities of their organisation. A liberal use of internal documentation of the organisation was encouraged. Their sponsoring organisations were, in advance, requested to provide all possible assistance, cooperation and guidance to the

participants in the preparation of these project proposals. In order to enable them to undertake these assignments two background papers entitled: (i) "A Prelude to A Manual for Preparation of Agricultural and Agro-Industrial Project Proposals" produced by Prof. G. Krishnamurthi, and (ii) Project Formulation Methods and Techniques by Dr. Daman Prakash were made available to them. While the participants were at IRMA their project proposals were presented. The faculty of IRMA made comments and suggestions with a view to: (a) improve the contents and quality of these proposals; and (b) to learn the appraisal skills.

**Methodology Adopted:** With a view to objectively appraise the proposals a panel of resource persons was identified. Professor G. Krishnamurthi and Prof. KV Raju from the IRMA, and Dr Daman Prakash, Project Director, worked as resource persons and commented upon the projects presented by the participants.

The participants introduced their projects with the help of overhead transparencies. The participants were divided into three groups to discuss each project in detail and give their comments. Groups sought clarifications, raised questions, made observations as well as suggestions in their feedback to each of them. The presenter was then provided an opportunity to respond to the observations made by the groups. This was followed by comments and suggestions by resource persons. On the basis of the feedback thus received, the participants revised their projects by incorporating additional information and analytical tables.

**Skills Development:** As is shown in the attached illustration on Appraisal Steps, the exercise was intended to serve two basic purposes: i) Help improve the quality of the project proposals; and ii) Help learn the skills of appraising the project. This exercise in developing skills of appraising reinforced the skills in preparing a project proposal, which, in fact, are the principal responsibilities of managers of agricultural cooperatives in their real-life situations.

**Design of Presentations and Areas of Feedback:** The presentations were so designed that every participant could meaningfully evaluate all the project proposals and in the process be made aware of the deficiencies in his/per proposal, apart from gaining insights into other projects.

Feedback on each project was wide-ranging. These were: i) at the first level, issues about the project concept itself were raised. For instance, participants were asked to justify the very need for a project or to justify why possible alternative projects serving similar ends had not been considered; ii) At a second level, feedback was provided on the major design issues of a project. Such feedback covered the choice of implementing agency, the manner in which farmers were to be involved in the project, choice of project location, scale, and of technology, choice of marketing channels, project staffing policies, and pricing policies; iii) At a third level, feedback was provided on details such as the project implementation schedule, capital cost estimations, break-even analysis, and the financial viability,

An evaluation or an appraisal of a development project proposal can be done from various angles e.g., from the point of view of the organisation as to achieve its objectives or from the point of view of the clients/users of services of an organisation.

The participants were encouraged and guided by the IRMA faculty to undertake necessary alterations and improvements in their project proposals before they are finally submitted to their respective organisations for consideration etc.

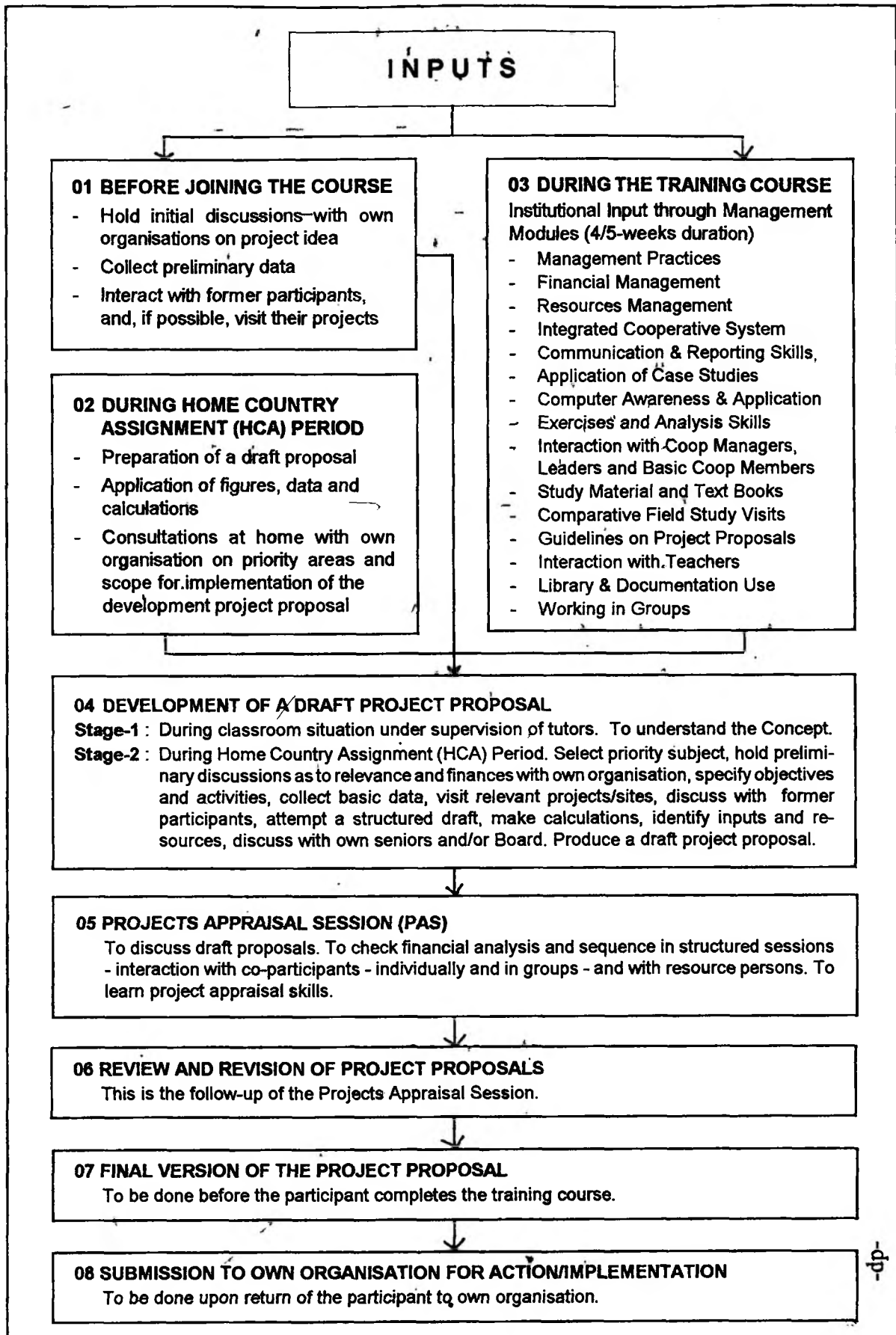
#### **07 General Yardsticks for Appraising a Development Project**

Given below are some of the broad guidelines to evaluate the bankability, feasibility and relevance of the project proposal and the methods applied in its preparation:

- 01 Is the project in conformity with the development strategy of the concerned organisation?
- 02 Is the project in conformity with the development strategy of the government of the participant concerned?
- 03 Does the project represent high priority area within the development strategies of the government/organisation concerned?



**INPUTS FOR THE AGRICULTURAL COOPERATIVE MANAGEMENT TRAINING COURSE  
- A Learning Exercise in Skills Development**



-dp-

**Diagram showing Steps to Follow in Conducting Appraisal Sessions  
for the Project Reports prepared by the Participants during their  
Home Country Assignments**



- STEP-01** During Home Country Assignment the Author prepares a Project Proposal/ Project Report, which consists of:
- An Executive Summary;
  - Main Report – Justification, Objectives, Activities and Evaluation
  - Statistics and Related Calculations re. Cash flow and financial statements
- STEP-02** Distributes the Project Report among the fellow-participants and the Resource Persons for purposes of appraisal
- STEP-03** The Author presents the Project Report by using the OHTs and other media to all the participants who have in advance been divided into three groups [about 1 hour]
- STEP-04** Immediately after the presentation, the Author receives:
- First-hand reactions from the fellow-participants,
  - Points for clarification from the participants
- STEP-05** The groups go in sessions to discuss Project Reports and each group prepares:
- A set of Questions
  - A set of Recommendations, and
  - Seeks Clarifications.
- [All aimed at improving the quality of the Project Report and helping the Author to review/revise the Project Report]
- STEP-06** Group leaders present their findings, one by one [about 5 minutes each]
- STEP-07** The Author replies to the questions, tries to provide clarifications, and takes note of the points made by the groups for improvement of the Project Report
- STEP-08** The Resource Persons offer their expert comments and suggestions to facilitate review/revision of the Project Report by the Author
- STEP-09** The Author revises the Project Report and prepares it for submission to his/her sponsoring organisation proposing its implementation
- STEP-10** The author-participates in the process of final consideration, implementation and continues to make improvements, where necessary.

- 04 Have the project objectives been clearly defined?
- 05 To what extent has the integrated approach been followed e.g., backward, forward and horizontal integration?
- 06 Have the functions and activities to be performed been clearly spelled out?
- 07 Has the technical analysis been properly done?
- 08 Have the procurement of inputs and marketing of outputs been properly spelled out?
- 09 Has the financial and economic viability been systematically done?
- 10 Has the organisation of activities and management structure been defined in line with the functions and activities to be performed?
- 11 Have all the data - explanatory and statistical - been based on field studies, interviews, discussions and generally-accepted principles and norms?
- 12 Have the interests of basic farmer-members been adequately safeguarded?

**08 Development Project Proposals**  
**Produced by the 14th Course Participants**

The following project proposals were prepared and presented by the participants:

- [01] Vegetables and Fruits Processing Factory Project in Qi Dong County  
by Mr. Wen Gao Lian of China
- [02] The Silver Bamboo Shoot Processing Project  
by Mr. Cheng Qingxin of China
- [03] Post-Harvest Management and Value-addition through Cooperative Marketing and Processing of Banana for Sustainable and Economic Rural Development  
by C.S. Ambekar of India
- [04] Integrated Inland Fisheries Development Project in Kerala  
by Surendra Sehgal of India
- [05] Small-Scale Tapioca Starch Industry Programme  
by Ms Indrawati Sinaga of Indonesia
- [06] Reorganization of the Management of Rubber Smallholders Plantations to Commercial Estate Management  
by Mr Wan Zin b Wan Ahmad of Malaysia
- [07] Effective Micro-organism Fermented Compost Production  
by Mr. Ne Linn of Myanmar
- [08] Agricultural and Rural Development Project by Zwe Marn Aung Agricultural Producers' Cooperative Society Ltd.  
by Mr. Aung Zaw Myint of Myanmar
- [09] Conversion of Rice-Hull to Organic Fertiliser  
by Ms. Nanette Dumangeng of Philippines
- [10] Fish Drying Processing Plant  
by Ms Jeanelyn B Apolinar of Philippines

- [11] Tea Nurseries & Plantation Project  
by Mr P.D. Liyanage of Sri Lanka
  - [12] Mounting Processing Business  
by Mr. Wattana Wattanapanee of Thailand
  - [13] Mixed Farming through Cooperative Action  
by Ms Wasana Boonprasit of Thailand
  - [14] Fresh Water Aquaculture Project  
by Mr Nguyen Anh Dung of Vietnam
  - [15] Development of Litchi Production and Processing  
by Ms. Nguyen Que Anh of Vietnam
-

## **A BRIEF ON PROJECT FORMULATION**

### **CHARACTERISTICS OF A PROJECT**

- 01 A Start and a Finish
- 02 A Time Frame for Completion
- 03 A Unique One-Timeness
- 04 An Involvement of Several People on an Ad Hoc Basis
- 05 A Limited Set of Resources
- 06 A Sequencing of Activities and Phases

### **HOW TO MANAGE PROJECTS TO A SUCCESSFUL COMPLETION**

- 01 Bottomline of Project Management
- 02 Completion on Time, Within the Budget and According to Desired Quality Standards
- 03 Effective Project Managers
- 04 Take the Time Necessary to Plan Their Projects and To Manage that Plan Well
- 05 Involve a Large Number of People in the Planning Process
- 06 Know when to Stop Planning and When to Move into Action
- 07 Employ Their Power to Lead the Project through to Completion

### **RULES FOR MANAGING PROJECTS**

- 01 Set a Clear Project Goal
- 02 determine the Project Objectives
- 03 Establish Checkpoints, Activities, Relationships and Time Estimates
- 04 Draw a Picture of the Project Schedule
- 05 Direct People Individually and As a Project Team
- 06 Reinforce the Commitment and Excitement of the Project Team
- 07 Keep Everyone Connected with the Project Informed
- 08 Build Agreements that Vitalise Team Members
- 09 Empower Yourself and Others on the Project Team
- 10 Encourage Risk-Taking and Creativity

### **GOALS HAVE TO BE**

- 01 Clear
- 02 Specific, Measurable, Agreed Upon Realistic and Time-Framed
- 03 Communicated to all Team Members
- 04 Kept Constantly in Front of People

### **OBJECTIVES NEED TO BE**

- 01 SMART
- 02 More Narrowly Defined
- 03 Related to Overall Goal
- 04 Linked to Rewards for Achieving Goal

### **GOOD PROJECT MANAGERS DEFINE**

- 01 Checkpoints to Mark Project Progress
- 02 Activities that Get the Project Done
- 03 Relationships Among Activities
- 04 Time Estimates for Each Activity Schedule

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Material extracted from: W. Alan Randolph & Barry Z. Posner's "Effective Project Planning and Management - Getting the Job Done" .Prentice-Hall of India Private Limited, New Delhi.

## SECTION-VI

### PART-II OF THE TRAINING PROGRAMME HELD IN JAPAN

Management Practices Developed and Adopted by the Agricultural Cooperatives in Japan  
with special reference to "Value-Addition through Agro-Processing"

#### 01 Inaugural Session

The Second Part of the 14th Training Course was formally inaugurated on 2<sup>nd</sup> March 2000 by Mr Toyoshi Miyanaga, Director, Technical Cooperation Division, Economics Affairs Bureau of the Ministry of Agriculture, Forestry and Fisheries (MAFF) of the Government of Japan at IDACA in Tokyo. Mr Yoshitada Nakaoka, Managing Director of IDACA and Dr Daman Prakash, Project Director, ICA ROAP, also addressed the inaugural session. Ms Ayumi Sato, Section Chief of Overseas Technical Cooperation Division, MAFF, was also present.

Welcoming the Chief Guest Mr Toyoshi Miyanaga, Dr Daman Prakash, ICA Project Director said that the participants had completed successfully the first part of the training programme held in India and also the study visits programme in Thailand. He informed that the programme for the fourteenth course has been improved upon based on the suggestions and recommendations made by the former participants in their evaluation sessions and in consultation with the ICA member-organisations.

He said that the second part of the Training Course is an important segment as it exposes the participants to the experiences of the Japanese Agricultural Cooperative Movement. He hoped that the participants would greatly benefit from their two months studies in Japan and learn many new lessons for incorporation into their own country situations. He thanked the MAFF for its continued funding support, and the JA-Zenchu and IDACA for their collaborative support in implementing the training programme. Dr Prakash outlined the work which is still ahead of the participants and also reported on the work done by the participants while they were in India and Thailand. He expressed his gratitude to the ICA member-organisation in Thailand – the Cooperative League of Thailand - for providing spontaneous support in the organisation of study visits.

Delivering his inaugural address, Mr Toyoshi Miyanaga, Director, MAFF, congratulated the participants and welcomed them to Japan. He also appreciated the efforts made by Dr. Daman Prakash, Project Director and Mr. Prem Kumar, Programme Adviser, Mr. Yoshitada Nakaoka, MD, IDACA and all people concerned who assiduously engaged in the preparation and implementation of the Course.

He said: "Agricultural Cooperatives in Japan (JA) are playing pivotal roles, covering wide range for agriculture and farmers through its business activities aiming at enhancement of economical and social status of farmers. Their activities cover farm management guidance to member farmers, supplying agricultural production materials and consumer goods, collection and distribution of agricultural products, acceptance of savings and provision of farm management loan as well as medical and health promotion services to protect health of members. Through these various activities, JA groups are contributing to the development of agriculture and rural area to a great extent.

"The Government of Japan has basically acknowledged the importance of the mission and role played by JA in the development of agriculture in Japan as well as status of farmers and the government has extended necessary assistance for the agricultural cooperative organisations."

In his concluding remarks, he said: "the Training Courses conducted by ICA and IDACA are the genuine training programmes, which we are proud of, and I am convinced that the outcome of these Courses will be useful for your work in home countries".

Mr Yoshitada Nakaoka, Managing Director, of IDACA, welcomed the participants to Japan and IDACA. Mr Nakaoka said that he always felt that this training programme was unique in many respects. The programme has been designed as a "result-oriented" one. He said that Dr Prakash has a deep understanding of the working of agricultural cooperatives in Japan. Due to his efforts and deep involvement the contents and scope of the subjects covered in the Training Course have vastly improved.



He requested the participants to study the experiences of the Japanese Agricultural Cooperative Movement and try to emulate and implement some aspects suited to their own situations and experiences. He said that human development is an important aspect of life and appreciated the role and support of MAFF in extending its funding support towards this cause. He mentioned that the IDACA enjoys a good working relationship with the ICA Regional Office for Asia and the Pacific, and from this relationship both the institutions stand to benefit.

## **02 Characteristics of Agricultural Cooperatives and Rural Communities in Japan - An Overview**

### **Introduction**

Japan consists of four major islands - Hokkaido, Honshu, Shikoku and Kyushu - and a number of island chains. The archipelago, lying off the eastern coast of the Asian continent, stretches in an arc 3,800 km long and covers an area of about 370,000 square km. The climate is generally mild and the four seasons are clearly distinct. Rainfall is abundant, ranging from 1,000 to 2,500 millilitres a year. The country is mountainous and arable land very limited; only about 13% of Japan are cultivated, and paddy fields occupy 54.2% of this area. Total cultivated land in 1993 was 5,124,000 hectares, making the average Japanese farm only 1.4 hectares in size. Agriculture in Japan focuses on: i) to maintain land condition and natural environment; ii) to develop local economy, and iii) to provide employment opportunities.

Agriculture in Japan is supported by some 3.8 million farming households, representing 8.9% of total Japanese households. Farming population is approximately 10.4 million, 10.6% of the total population. The number of farming households, as well as that of farming population, has been steadily declining. Taking advantage of the country's generally mild climate, Japanese farmers produce a diverse range of agricultural products, along with rice. While Japan maintains a national policy that mandates self-sufficiency in rice, beginning in 1995 the country began to accept a set ratio of imported rice. Japanese consumers have traditionally demanded fresh produce and 90% of all vegetables and 60% of all fruit sold in Japan are grown domestically. Similarly, 77% of milk and dairy products, 98% of egg products, and 74% of pork products are produced domestically.

In 1985, 72% of all beef sold in Japan was raised domestically, but since the import quota system was abolished in March 1991, this ratio has decreased to 52% in 1993. Only 12% of wheat consumption and 2% of livestock feed is produced domestically, leading to a heavy reliance on imports for these products.

### **Japanese Agricultural Cooperatives -Then and Now**

**The Origins of Japanese Cooperatives:** The origin of cooperatives in Japan can be traced back to credit unions established by farmer-activists before the Meiji Era (1868-1912). These credit unions embodied the spirit of mutual aid at a time when there were no formal cooperative organisations. In 1868 Japan underwent a great transformation. After 300 years of isolationist policy, Japan opened its doors to join the world-wide family of nations. At the same time it embarked on a course of modernisation and industrialisation. This necessarily led to a situation where traditional small producers were forced to compete with newer, much larger enterprises, creating an urgent demand for cooperative organisations that would bring economies of scale to small operators.

Japan's first modern cooperatives were the sales unions established to facilitate community trade. Between the late 1870s and the late 1890s, silk and tea producers established cooperatives in Gunma and Shizuoka Prefectures. Seeing the need for a formal mechanism to promote cooperative development, the government enacted the Cooperative Society Law in 1900. Through the individual efforts of Yajiro Shinagawa, Tosuke Hirata, and many others this law authorised the formation of four types of primary cooperatives (Sangyo Kumiai - industrial cooperatives): credit, marketing, purchasing, utilisation. Leaders of these single purpose cooperatives soon realised that purchasing and other activities required a stronger financial backing. As a result, in 1906 the government amended the law to allow credit cooperatives to undertake other business activities. Japan's present day multipurpose cooperatives grew from this development.

In 1910, the Cooperative Society Law established the Central Union of Cooperatives (Sangyo Kumiai Chuokai). It launched an energetic campaign to promote the Cooperative Movement on a national scale.

After the World War-I ended, the Japanese economy entered a period of severe depression. Farmers were hit by a drastic fall in agricultural commodity prices. The concurrent financial crisis also affected cooperatives to a great extent. Then, in 1925, cooperative leaders initiated a campaign to revitalise the Movement, calling on all farming households to become members. By that time, cooperative members had seen the necessity of a new business federation and consequently established the National Supply Federation of Cooperatives and the Central Bank for Cooperatives in 1923. Various other national federations were established during this period.

In 1930, Japan again faced an agricultural depression. To overcome this crisis, cooperatives campaigned with government support to establish a cooperative in every town and village in Japan. Such efforts made possible a quick recovery and rapid progress. Although some private merchants campaigned against cooperatives, the strength of the Cooperative Movement assured its ultimate success.

Cooperatives continued to refine their organisational structure and activities. Many of today's agricultural cooperative organisations originated during this era. The *Ie-No-Hikari* magazine was first published in 1924 for the purpose of educating cooperative members, and in 1933, the National Council of Agricultural Cooperative Youth Associations was founded. Cooperatives also began to become involved in providing local medical treatment about this time. Japan became a member of the ICA in 1923. With the beginning of the World War-II, the government reorganised cooperatives and agricultural associations (Nokai, which were engaged in extension services), into agricultural societies (Nogyokai) to secure a War-controlled economy.

**Post-War Agricultural Cooperatives (1945-1960s):** Land reform carried out between 1947 and 1949 completely abolished the tenant-farmer system and gave almost all farmers status as independent farm owners. The Agricultural Cooperative Society Law, enacted in 1947, established agricultural cooperatives (Nokyo) as economic organisations to replace Nogyokai and guaranteed farmers' independence. Consequently, from 1948 to 1949, an increasing number of agricultural cooperatives were established throughout Japan. During this same period, a number of related federations were founded as the Agricultural Cooperative Society Law greatly expanded the activity base of cooperatives. Mutual insurance activities were first established by cooperatives during this time. However, many of these agricultural cooperatives soon encountered serious financial difficulties because of ongoing changes in the post-War economy and the government's deflationary policy. A lack of managerial experience compounded the problem. The government subsequently passed laws to help primary agricultural cooperatives and federations overcome their difficulties, and they drafted plans to revitalise their movements.

In 1954 the Agricultural Cooperative Society Law was revised and an apex organisation, the Central Union of Agricultural Cooperatives (JA ZENCHU) was established to guide and coordinate Japan's Agricultural Cooperative Movement at the national level. Similarly, the Prefectural Unions of Agricultural Cooperatives were established to carry out the same tasks at the prefectural level.

Beginning in 1960, Japanese industries, especially the heavy chemical industry, entered into a period of explosive growth, bolstered by the government's economic policies. However, this led to a serious outflow of rural labour and greatly increased the number of part-time farmers, resulting in decreased production and productivity. The Fundamentals of Agriculture Act was enacted in 1961 to mitigate the situation by bringing farm incomes more in line with those of other industries, selectively expanding production, fostering self-sufficient farming practices, and enhancing agricultural management. Agricultural cooperatives responded by establishing cooperative farming complexes in order to concentrate the functions of cooperatives. Additionally, the Agri-related Association System was introduced to promote cooperative management of agricultural production.

In 1961, the Agricultural Cooperatives Amalgamation Assistance Law was enacted, and by 1965 the number of primary multipurpose agricultural cooperatives decreased by one-third. This reduction made it possible to consolidate the business and management base, improve facilities, and enter into new fields of activity. Moreover, with an increase in associate membership (non-farmers), agricultural cooperative activities became even more widespread. Agricultural cooperatives then began to direct more energy toward international participation. In 1963 the Institute for the Development of Agricultural Cooperation in

Asia (IDACA) was established. It was established to train cooperative leaders from developing countries, including those in Asia. Since then, the Institute has accepted more than a hundred trainees annually.

While agricultural cooperatives have always provided guidance on farm management, during the last decade of this period they aggressively expanded beyond their traditional activities. The involvement of agricultural cooperatives in medical treatment and health care, systematic livelihood improvement, education, and culture expanded significantly during the 1960s. During this time retailing operations were instituted in order to promote sales of daily necessities, supermarkets were opened one after the other, the National Tourism Association of Agricultural Cooperatives was established (1967), and the Central Cooperative College was founded in 1969 to train officials and employees of agricultural cooperatives.

**The Resurgence of Agricultural Cooperatives (1970-1990s):** The Japanese economy slid quickly into a low-growth period after the "oil shocks" in 1973. Since 1974, conditions surrounding agriculture changed qualitatively. While a sufficient level of caloric value had been achieved in terms of food supply, a structural surplus of rice, oranges, milk, and eggs caused stagnation in the price of agricultural products. Despite the setbacks caused by the two oil shocks, Japan found such success at exporting manufactured goods that economic friction with various countries increased. Some countries began to strengthen their trade offensives to increase the export of agricultural products to Japan.

The size of the agricultural population continued to decrease, and farmers continued to grow older. In addition, less land was cultivated and some land was abandoned. At the same time, agricultural cooperatives also faced difficulties in dealing with changing business conditions. Marketing and purchasing were sluggish due to stagnating agricultural production. The deregulation of Japan's financial markets led to a slackening in credit activities such as savings and loans, which provided agricultural cooperatives with operating income. Mutual insurance activity also slowed. From the middle of 1970, agricultural cooperatives have struggled to deal with these challenges by restructuring their organisation and management in order to revitalise agriculture.

**The Future of Agricultural Cooperatives:** Although Japan has developed into one of the world's most dynamic economic powers, JA (JA stands for Japan Agricultural Cooperatives) as the representative of Japanese agriculture is aggressively pursuing reorganisation to cope with the rapidly changing international and domestic economic environments. At the same time, it is promoting activities to further develop Japanese agriculture, increase farming productivity, and provide a higher standard of living for its member. JA's commitment is to meet the diversifying needs of its members by strengthening its ties to rural communities, expanding activities to reflect the changing face of its constituency, and promoting increased community development in rural areas.

Some of JA's new activities include the following:

**Residential Development and Asset Management:** Due to increasing urbanisation, the weakening agricultural economy, the ageing of the farm labour force, and the difficulty of finding successors to take over family farms, many farmers are finding it impossible to continue in agriculture. In order to help these farmers, JA is accepting consignment of farmland and assisting farmers to convert their land to residential use.

**Comprehensive Life and Home Centres:** "A-COOP" Stores (super markets operated by agricultural cooperatives) provide an important source of the goods and services demanded by JA members. The establishment of Comprehensive Life and Home Centres bring needed services including lifestyle-related consultation services to rural communities.

**Public Relations:** To increase consumption of domestic agricultural products, primarily rice, JA undertakes publicity campaigns in advertising media including TV and newspapers. To further promote rice consumption, four "Rice Galleries" have been opened throughout Japan since 1991 and are being actively promoted to urban consumers.

**Welfare for the Elderly:** JA is closely involved in social welfare activities. Since the revision of the Agricultural Cooperative Society Law in 1992 enabled it to provide welfare services to the elderly, JA has undertaken a larger role in this area, notably expanding its programme to train home helpers and provide visiting home health services. This service has been gaining popularity.

**Organic Agriculture and Consumer Relations:** To meet consumer need for fresh and wholesome food, JA initiated direct sales of agricultural products and the production of organic agricultural products. Its intention is to increase productivity to cope with intensified competition and financial and market deregulation. For this purpose, JA set a goal of reducing the number of primary units (multipurpose agricultural cooperatives) to approximately 570 by the year 2000 through amalgamation. At present, JAs are organised on three-tier basis encompassing national, prefectural, and city, town and village levels. This system will be reorganised and the three levels will be combined into two.

Recently, the simple acronym "JA", for Japan Agricultural Cooperatives, was adopted to popularise the organisation among Japanese from every walk of life. In 1992, the Ministry of Agriculture, Forestry, and Fisheries (MAFF) embarked a new agricultural policy that focused on fostering large-scale farming. With this, Japanese agriculture entered a new age. Concurrently, JA responded by ratifying a new resolution "**Challenge and Reform Toward the 21st Century**" that expressed its determination to begin a reformation of the Japanese agricultural industry, while reaffirming its commitment to the revitalisation of rural communities. JA is committed to continuing its efforts to protect Japanese agriculture and bring new life to rural communities.

### **The Structure of Agricultural Cooperatives**

**Membership:** JA membership is approximately 8,820,000 (as of March 1994), and includes almost all farmers in Japan. A typical cooperative (having around 3,036 members, on average) consists of farmers as regular members and non-farmers as associate members. Membership requisites are stipulated in the articles of association for respective cooperatives, but they generally require farmers to operate farmland of 10 acres or larger and be engaged in farming 90 days or more a year. Agri-related Association that manages farming operations can also obtain cooperative membership. Any citizen residing in the vicinity of respective JA can become an associate member of that JA. Associate members benefit from JA services, but cannot vote in general meetings or become board members. Use of any JA's services by non-members is limited by law to less than one-fifth that of the members. Regular members account for 70% to 80% of total membership in farming regions, but there are cooperatives in urban areas where the ratio of regular members is less than 50%. Investment in multipurpose cooperatives averages Yen 140,000 per member. Average investment per cooperative is Yen 428 million, and total investment is Yen 1,243.1 billion.

**Types of Agricultural Cooperatives:** JA encompasses both multipurpose and single-purpose cooperatives, the difference determined by the type of farming conducted and services provided. Farmers organise an agricultural cooperative and use its services as well as operate the cooperative.

The spread of agricultural cooperative is broad and wide. The JA covers almost every village in Japan. In terms of total membership, multipurpose agricultural cooperatives predominate in Japan. They offer guidance on farming and lifestyle matters, marketing agricultural products, supply production materials and daily necessities, loan and invest funds, provide insurance against emergencies, and establish facilities for joint use. Multipurpose agricultural cooperatives cover all the cities, towns and villages throughout Japan. At present, there are 2,905 (as of July 1995), but reorganisation is expected to reduce this number to 570 agricultural cooperatives by the year 2000.

Single-purpose agricultural cooperatives are organised by farmers who are active in specific areas of production such as dairy farming, raising livestock, sericulture, and other specialised farming. They focus on marketing member farmers' products and supplying production materials and guidance. Only a few single-purpose agricultural cooperatives manage credit services. As of March 1994, there were 3,829 single-purpose agricultural cooperatives throughout Japan.

### **The JA Group**

An organisational Structure of the Agricultural Cooperatives in Japan and a flow chart on Integrated Approach of Multipurpose Cooperatives are **attached** for an easy understanding of the relationship among various types of cooperatives.

**Prefectural Level Organisations:** Agricultural cooperatives are administered through the Prefectural Federations of Agricultural Cooperative Associations and the Prefectural Unions of Agricultural Cooperatives. There are several prefectural federations and a single prefectural union in each prefecture.

The prefectural federations being economies of scale to individual cooperatives and serve to co-ordinate the activities of the cooperatives within their jurisdictions. The prefectural federations provide financial, insurance, marketing and purchasing, and welfare services to their member-cooperatives. Prefectural unions coordinate the activities of member-prefectural federations and member-cooperatives. They provide leadership on issues concerning organisation, services, operations, management, education, and research, as well as make recommendations to government agencies. In their role as leaders of JA operations at the prefectural level, prefectural unions are legally bound to oversee and administer the overall activities of affiliated JAs. The prefectural unions are funded through levies imposed on their members.

**National Federations and other Organisations:** National federations administer prefectural federations individually and collectively, and through them the agricultural cooperatives that form their membership. The major national organisations of JA are as follows:

**-National Federation of Agricultural Cooperative Association (JA-ZEN-NOH):** The JA-ZEN-NOH's primary function is to market products produced by JA members to consumers and to provide members with the purchasing and materials necessary for business. In order to maintain stable production levels, JA-ZEN-NOH also carries out nation-wide production planning. It provides members with production materials and supplies (livestock feed, fertilisers, agrochemical, farming machinery, and packaging materials) as well as daily necessities (household goods, gas and oil) purchased in quantity at low prices. The ZEN-NOH has established several trading branches in several countries to import raw materials needed to produce cattle-feed and other products, sold through the JAs in the country. Its membership consists of the Prefectural Economic Federations (JA-KEIZAIKEN).

**-National Mutual Insurance Federation of Agricultural Cooperatives (JA-ZENKYOREN):** The JA-ZENKYOREN brings stability to the lives of JA members by providing insurance against sickness and disaster. It offers a full range of insurance services including life insurance, and insurance for buildings and automobiles, with high coverage guarantees at low premiums. Besides controlling risk, JA-ZENKYOREN develops overall systems, investment, and lends support to JA and the Prefectural Mutual Insurance Federations.

**-Central Cooperative Bank for Agriculture, Forestry and Fisheries (JA-NORINCHUKIN Bank):** The JA-Norinchukin Bank is a specialised bank for the agriculture, forestry, and fisheries industries. Its major investors are JA, fisheries cooperative associations and forestry associations, and federations such as the Prefectural Credit Federations of Agricultural Cooperatives. Backed by substantial assets, JA -Norinchukin Bank also extends funds to related industries and local environmental development projects. Norinchukin Bank offers a wide range of services to JA members including savings programmes, foreign exchange services, securities transaction services, international services, and the issue of its bank debentures.

**-National Welfare Federation of Agricultural Cooperatives (JA-ZENKOHREN):** The JA-ZENKOHREN and its members, the Prefectural Welfare Federations, oversee health and medical services for JA. Although its medical facilities are available to non-members at no extra charge, JAZENKOHREN, in cooperation with JA, conducts its health service, such as group health examinations, to meet the needs of rural communities and JA members. It also provides health-care services and supplies, including medicine, through the Prefectural Welfare Federations.

**-National Press & Information Federation of Agricultural Cooperatives (J- SHINBUNREN):** The JA-SHINBUNREN publishes the daily Nihon Nogyo Shimbun (The Japan Agricultural News), with a circulation of 500,000 and is a member of the Japan Newspaper Publishers' and Editors' Association. "Nihon Nogyo Shimbun" contains timely articles on a range of topics including political, economic, and social trends, written from a viewpoint that takes into account the interests of JA members. It also provides information essential for farmers such as new farming technologies, market conditions, and consumer trends. Additionally, JA SHINBUNREN also publishes a magazine targeted at consumers, holds seminars to deepen consumer understanding of agriculture, and conducts educational activities such as overseas training seminars.

**-IE-NO-HIKARI Association Agricultural Cooperative Publisher:** The "IE-NO-HIKARI" (Light of the Home) is a best-selling monthly magazine filled with light readings on politics, sports, entertainment, agriculture and JA issues, as well as practical articles on farming and lifestyles. Its current circulation is 1.1

million. In addition, the IE-NO-HIKARI Association also publishes a second general-interest monthly magazine "Chijoh", and "Chagurin", a monthly magazine for children.

**-JA-NOKYO KANKO Tokyo Tourism Cooperative:** The JA-NOKYO KANKO (Tokyo Tourism Cooperative) serves as a travel agent for JA members, cooperative officials, and employees. It plans group tours (domestic and overseas) and arranges railway and airline tickets for individual tourists. Travel corners have already been established at some JA offices. The Nokyo Kanko also sets up mutual exchange programmes through tie-ins with foreign travel agencies.

**-JA-UnicoopJapan Trading Company of Agricultural Cooperatives:** The JA-UnicoopJapan is a trading company established in 1961 through which JA, fishermen's cooperative associations, and forestry associations export products on their own initiative and import necessary raw materials and production materials. It operates seven overseas branch and representative offices (including one in Beijing), and subsidiaries in four countries. JA UnicoopJapan trades in grains and livestock feed; livestock products; vegetables and fruit; agricultural and marine processed products; agricultural materials, machinery, and facilities; LP gas and fuel oil; chemical fertilisers; agrochemical; and consumer goods.

**-The Institute for the Development of Agricultural Cooperation in Asia (IDACA-Japan):** The IDACA was established in 1963 to carry out research activities and conduct training seminars for cooperative representatives in developing regions. Every year approximately 100 leaders from cooperatives outside Japan, mainly in Asia, are invited to Japan to learn about Japanese agricultural methods and JA. So far more than 3,500 cooperative officials and workers have undergone training at the Institute.

**-The Central Union of Agricultural Cooperatives of Japan (JA-Zenchu):** The JA-Zenchu is the apex organisation of JA Group. Its primary objective is to establish management policies for JA and JA federations throughout Japan, disseminate and support JA-Group policies and initiatives, and maintain the sound development of the cooperative system. JA-Zenchu conducts many of the same activities as the prefectural unions while, at the same time, providing them with leadership and guidance. It also assists in training JA members, officials and employees.

JA-Zenchu is represented in international organisations such as the International Cooperative Alliance (ICA) and participates in international cooperative progress and activities. It has active collaborative relations with other international organisations e.g., FAO, WTO, IFAP, AARRO, ACDI etc. Prefectural unions and national federations make up JA Zenchu's membership. JA-Zenchu plays a very important role in representing a united JA Group in furthering JA's goals in Japan and around the world, and in providing leadership in how best to achieve these goals. Its basic policies are decided at the JA National Congress, held once every three years.

**-JA-Youth and Women's Associations:** JA youth and women's associations can be found within every JA. The JA Youth Association provides young farmers with opportunities to participate in educational activities covering farm operations and management, consumer trends, agricultural issues, and JA policies, as well as exchange programmes among JAs and cultural and sports pursuits. About 108,000 young people participate in 1,339 (as on April 1995) youth associations throughout Japan. Councils at both the prefectural and national levels administer the JA youth associations.

JA Women's Associations (JAWAs) count on a membership of approximately 1.81 million women in 2,274 (as of April 1995) women's associations around the country. Members include women who are not only responsible for taking care of household budgets but are also active in farm operations. They join Agricultural Cooperative Women's Associations to improve health care, standards of living, and buying power. As with the youth associations, women's associations are also represented through councils at the prefectural and national levels.

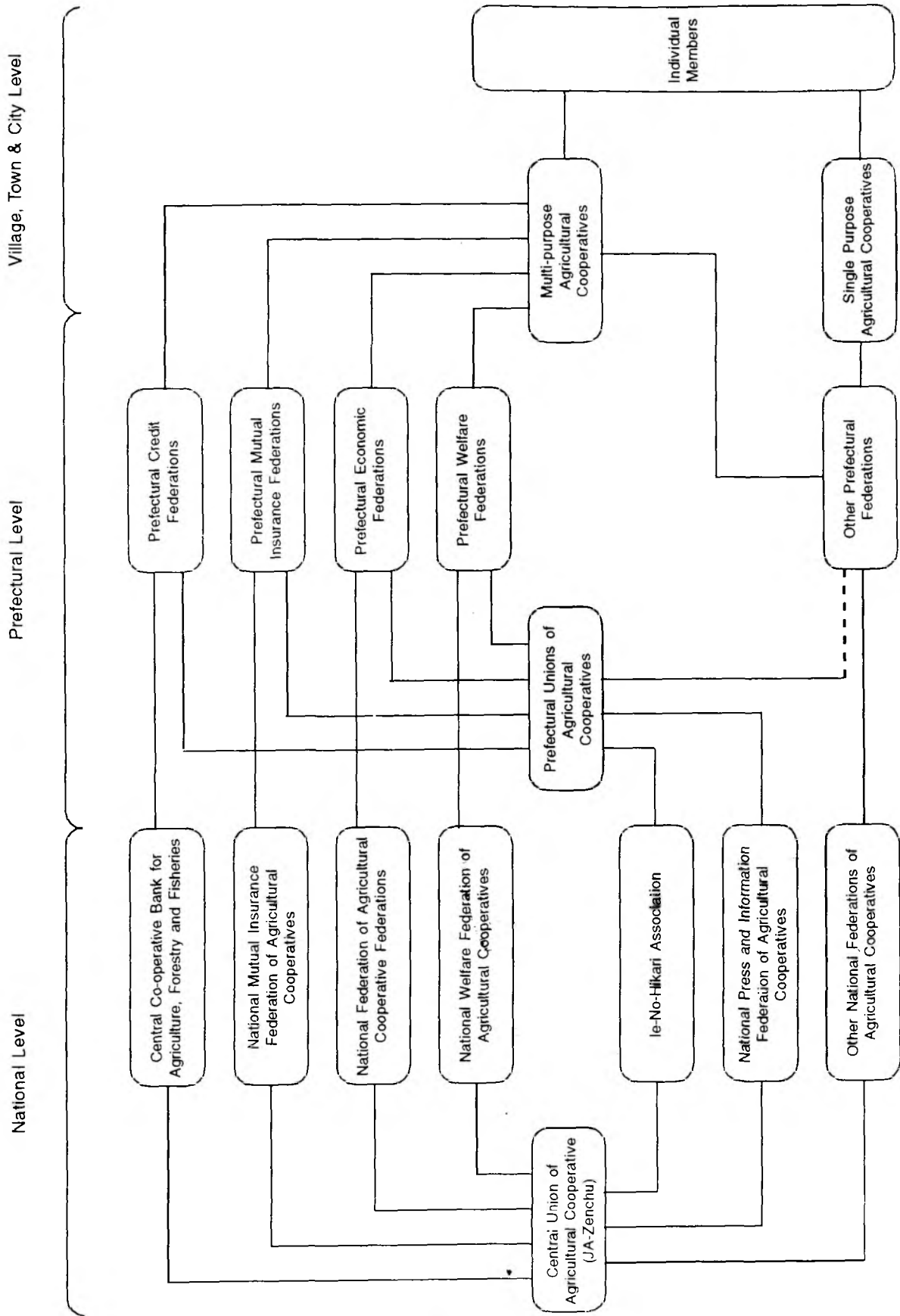
## **An Introduction to JA's Activities**

JA is mandated by the Agricultural Cooperative Society Law to conduct the following activities:

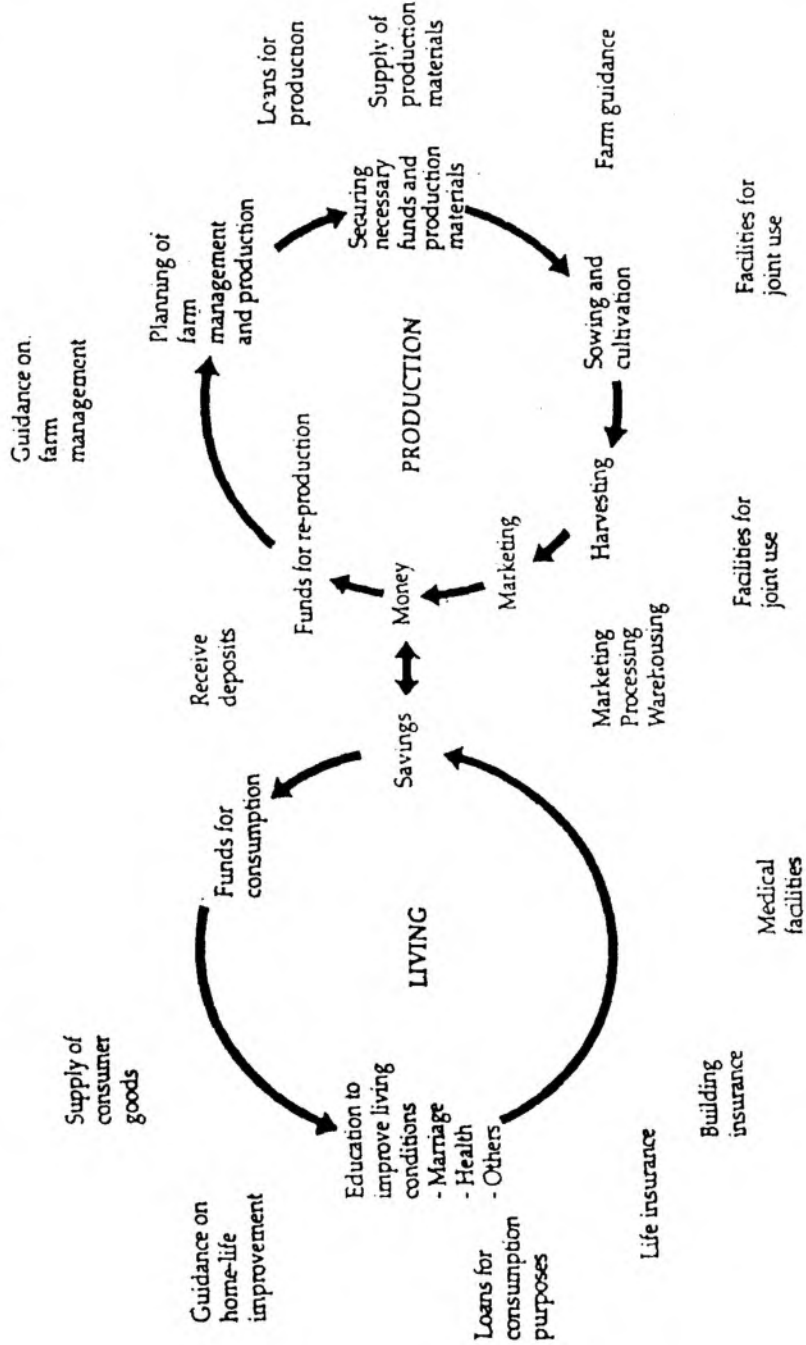
Education and Public Relations, Guidance on Farming and Lifestyle Issues: Providing educational programmes for improving agricultural technology and operations, enhancing living standards, and promoting cultural activities;



# THE ORGANISATION OF JAPAN'S AGRICULTURAL COOPERATIVES



THE INTEGRATED APPROACH OF MULTIPURPOSE COOPERATIVES



- Activities Related to Agricultural Production: Developing and improving farmland, joint use of irrigation facilities and joint farming work, installation of facilities to improve labour efficiency;
- Entrusted Farm Operations: Operating farmland entrusted by JA members;
- Farmland Trust: Overseeing farmland trust holdings;
- Marketing: Marketing, storage and transport of agricultural products;
- Purchasing: Supplying production materials and essential goods;
- Credit: Loaning funds for agricultural production and living expenses, accepting deposits;
- Insurance: Providing mutual life, fire, automobile, and building endowment insurance;
- Utilisation: Establishing agricultural production and residential facilities for joint utilisation;
- Processing: Processing agricultural products;
- Public Welfare: Establishing hospitals and clinics;
- Senior Citizens' Welfare: Establishing facilities and programmes to care for senior citizens;
- Residential Land Administration: Transferring and purchasing farmland entrusted for residential development.

**Farm Guidance Activities:** Farm guidance is offered to help farmers operate their farms more efficiently. In addition to providing technical advice, agricultural cooperatives help farming groups in rural communities to establish rational agricultural management. There are currently about 19,000 cooperative farm advisors working throughout Japan who, in cooperation with administrative agencies, agricultural research stations, veterinarians, and other groups, are helping farmers bring their farms into the 21st century.

Guidance in overall agricultural management is available to all JA farmers. Specific guidance is offered in regional agricultural planning, quality improvement, and development of group production systems, lowering production costs through joint use of machinery and facilities and joint purchase of production materials, and regional production and marketing. In recent years, to promote more effective use of farmland, JA has taken the lead in leasing or buying members' farmland to sublease or resell to farmers looking to expand their operations. Many JAs also manage land entrusted by their members, arrange for farms to be worked on a commission basis, and secure needed manpower for member farmers.

A salient feature of Japanese agricultural cooperatives is its farm guidance advisory service that is provided to their members. This merits special attention since this service is sought to improve the economic situation of the member as well as provide quality products to the consumers. The members with an aim of improving their farm management and life establish agricultural cooperatives. This service, which, in fact, is a prime mover of economic business between the cooperative and the member, has the following principal functions:

-Counsellor	...	...	...	Consultation/Guidance: Farm Management
-Planner	...	...	...	Planning & Development of Farm Management
-Engineer	...	...	...	Technical Guidance
-Consultant	...	...	...	Management Guidance
-Organiser	...	...	...	Organisation of Producers
-Communicator	...	...	...	Information Communication
-Marketing Researcher	...	...	...	Response to Markets
-Manager	...	...	...	Management of Facilities

**Table Showing the Difference between the Agricultural Extension Workers  
and Farm Guidance Advisors in the Japanese Agricultural Cooperatives**

<b>Points</b>	<b>Extension Workers</b>	<b>Farm Guidance Advisors</b>
Status/Character	Government Employees	Employees of Agricultural Cooperatives
Qualifications/ Ability	Go through qualifying examinations. Homogenous ability.	No qualifications needed. In some prefectures qualifying examinations have been prescribed. Not homogeneous.
Objects for guidance and operational area	Farm households who are engaged in farming. Over the area of city, town, village [average five municipalities per office]	Member-farm households of agricultural cooperatives. Operational area of the agricultural cooperatives.
Guidance Method	Individual to group	Collective guidance for commodity-wise group
Type of Guidance	Objective	Subjective – as per the need of the cooperative
Contents of Guidance	High technology	General technology
Relations with administration	Comprehensive. Concentrated guidance for farmers and groups. Planned and continuous guidance based on extension plan in response to needs of farmers and the region.	Service to all members. Promotion of agricultural cooperatives. Guidance linked with economic business. Group guidance on common problems of members.
Relations with research institutions	Direct. Needed technology is available.	Not established systematically. Limitation of technical sources.
Limitation of responsibility	Advice is the main. Comparatively light.	Strongly and precisely as requested by members and agricultural Cooperatives.
Expenses	Shared by central government and local governments.	Paid by agricultural cooperatives and contributions made by members and users.

This service is not a direct income-generating activity of the cooperative. In view of its importance, the service is regarded as an integral component of the cooperative and of special significance, since through its successful results it has been possible for the Japanese farmers to achieve one of the world's highest yields of paddy (4.5 to 5.5 tons per ha), as well as the most acceptable highest quality of rice. The financing of this service is done through the following sources:

- The farmer-member contributes 22.5%;
- 40.5% is the government assistance; and
- The beneficiaries share 37.0%.

The farm guidance advisors are the employees of the Movement. The JA-Zenchu and the prefectural unions, develop an implementation strategy in consultation with the agricultural cooperatives, and then help implement the programme through an established network. The **attached chart** distinguishes the roles played by the government-employed Agricultural Extension Workers and the Movement-Employed Farm Guidance Advisors.

**Better-Living Guidance Activities:** In order to create liveable communities and enhance the standard of living of farmers and their families, JA offers comprehensive lifestyle consulting services to members. There are about 3,000 better-living advisors located around the country. Some of the services offered include:

- Health check-ups for members and their families;
- Consultation about traffic accidents, taxes, housing, pensions, and asset management;
- Guidance in lifestyle design and home budgeting;
- Activities to improve living standards including promoting self-sufficiency in agricultural products, joint purchase of fresh foods, and doing surveys on commodity prices;
- Cultural activities, including cultural festivals, athletic meet, cooking and folk song classes, and ceremonies;
- Environmental awareness, including such activities as recycling, cleaning, and maintaining a safe water supply;
- Activities to give purpose to senior citizens, including employment opportunities, home helpers, bathing assistance, meal delivery, and visiting home health-care services;

**Marketing Activities:** Agricultural product prices are inherently unstable due to variations in weather conditions, consumer demand, and competition. The utilisation rate for JA's marketing system is more than 90% for rice and around 50% for vegetables, beef and milk. JA's marketing focus is to increase members' profits by selling their products through joint marketing and distribution. The four basic characteristics of the JA marketing system are:

- Unconditional consignment - Farmers consign the marketing of their products to JA without any price, time, and destination conditions;
- Commission charges - JA collects commissions that cover personnel, communication, and travel expenditures;
- Pooled accounts - Farmers pool products of the same quality shipped in the same period and collect a stable income based on price averaging;
- Full utilisation - Farmers gain economies of scale by taking advantage of JA's mass marketing and distribution system. Although the shipped volume of JA products been increasing annually, sales volume is stagnant due to declining prices, a result of the strong Yen and increased imports. This situation has been worsened by flat rice sales caused by a shift in consumer preferences towards other grains.

**Product Processing Activities:** Product processing generally falls into two categories: processing of goods for sale to the public and processing of goods for home use. Starch, miso, soy sauce, milk, vegetables, fruit, juice, ham, and sausage are all processed for sale to the public at JA plants. Additionally, many JA members use cooperative facilities to process products such as miso and pickles for home use. Although some JAs and prefectural federations have the facilities to process significant volumes of agricultural products, most JAs have comparatively small plants. These plants are used to process products that are for home use or to be marketed within the community.

*Oita Prefecture's "one product, one village" offers an excellent example of an alternative use. Special local delicacies were processed and marketed to the general public, promoting regional industries and revitalising small communities. With some processed products such as rice cakes, rice crackers, and pickles, a common method is to consign processing to private manufacturers in the same region. This system recognises the shortage of JA personnel and processing facilities, while assisting in the development of local industries.*

**Purchasing Activities:** This service exists to supply JA members with reasonably priced, high-quality production materials and consumer goods. Member's place advanced orders that are then pooled together, whereupon goods are purchased in quantity. The foundation of the system is made up of stores located at each JA. As of the end of fiscal 1993, there were 1,668 large "A-COOP" outlets nation-wide, among many others. Utilisation of the system has been gradually declining in the face of increased competition from outside retailers and less advantageous terms from affiliated suppliers, particularly those for consumer goods, automobiles, and livestock feed.

**Credit Business Activities:** Credit activities mainly encompass collection of savings and the extension of loans to members. To recoup the operating expenses made requisite by the need to offer services to all members, JA credit organisations engage in a variety of businesses including discounting of bill, domestic exchange transactions, liability guarantees, loans to non-members securities transactions, foreign exchange transactions, and trust management. Due to recent financial deregulation, competition with ordinary banks and other financial institutions has intensified.

In the interest of fair competition, JA has been granted to expand its business activities including financial services. Today, JA cardholders can perform transactions at almost all financial institutions using the same card, including all JA, ordinary banks, and credit unions across Japan. They are also able to pay telephone and electrical bills through an automatic bank transfer system.

**Insurance Business:** The purpose of offering insurance is to have a system that compensates members in times of misfortune, thereby guaranteeing their personal and financial security. Major types of insurance offered include:

*Long-Term Insurance:* Endowment Life Insurance: Compensates the policy holder when the insured or family members die, fall ill, or are injured or upon maturity; Whole Life Insurance: Compensates the policy holder upon death of the insured; Building Endowment Insurance: Compensates the policy holder for property damage caused by fire, storm, flood, or earthquake or upon maturity; Agricultural Machinery Renewal Insurance: Compensates the policy holder when agricultural machinery is damaged by collision, fire, storm or flood or upon maturity; Pension Insurance: The insured pays premiums until a predetermined age, after which time the insured receives regular payments until a certain age or death; Children's Insurance: Children are insured against their own death and injury until finished their education, while their parents are simultaneously insured against death or injury.

*Short-Term Insurance:* Fire Insurance: Compensates the policy holder in case of damage by fire to buildings and non-real estate property; Automobile Insurance: Compensates the policy holder against damage to the insured vehicle(s); includes vehicle liability, personal liability, other liability, and automobile liability insurance; Personal Accident Insurance: Compensates the policy holder when the insured suffers injury from any accident, in traffic, during work or while travelling.

Premiums for these types of insurance are lower than those offered by private insurers, and a portion of the premiums are rebated to members as mid-or long-term funds. At present, JA's insurance accounts for 39%

of total insurance on deposit by farmers. JA does not provide crop insurance that compensates for damages in agricultural products caused by natural disaster.

**Utilisation Business:** The purpose of joint-use facilities is to provide members with access to facilities that otherwise would be unavailable for individual use. There are many joint-use facilities, which can be classified into two types; agricultural production facilities and home/life facilities. Agricultural production facilities include rice production facilities, grain elevators, grading and packing plants, plant nurseries, and agricultural warehouses. Home/life facilities include "A-COOP" stores, meeting rooms, home/life centres, ceremonial halls, and gas stands.

**Welfare Activities:** Health and welfare services protect members from disease by providing medical and health facilities, thereby bringing medical treatment and preventive care within the reach of all JA members. JA medical facilities are also open to non-members at no extra charge. Treatment is mainly conducted at JA hospitals run by prefectural welfare federations. Preventive health care services are important for maintaining good health and include periodic health check-ups, preventive examinations for geriatric diseases, and health consulting services.

**Real Estate Business:** With encroaching urbanisation, a significant amount of farmland is being converted to residential use, often leading to inappropriate and uncontrolled development. JA is helping to prevent this by administering the conversion of members' land in a manner that protects their assets, while still permitting controlled residential development that minimises damage to the environment and nearby farms. JAs located in urban areas run cooperative farming and housing complexes and apartments at their own initiative, and in a fashion.

**Tourism Business:** Japanese generally love to travel, and JA members are no exception. Travel provides a release from the stress of work and domestic chores, and improves health and mental outlook. The Nokyō Tourist Cooperation (N/Tour) was established in 1967 to provide domestic and overseas travel services to members. Arranged group tours organised by JA youth and women's associations, business travel, and cultural trips are very popular. Recently, the number of JAs travel centres, which can arrange railway tickets and hotels reservations, is increasing.

**Education Programmes:** Education plays an important role in maintaining the viability of Japanese agriculture and extensive educational programmes are offered to members, officials, and employees. Members can enrol in any number of regularly scheduled classes and also attend special educational seminars, training sessions, or international research trips. JA publications, including *Ie-No-Hikari* (The Light of the Home) and the *Nihon Nogyō Shimbun* (The Japan Agricultural News) play a large part in bringing members up-to-date on the latest trends, topics, and technology.

JA officials undergo continuing education to improve their leadership abilities, and JA employees must constantly update their knowledge on business trends and technical innovations. To provide a location where members, executives, senior employees, and newcomers can come to take classes and participate in meetings and seminars ranging from farm management consulting to lifestyle advice, auditing, and computer training. Each prefecture and all JA national organisations maintain specialised training facilities.

**Public Relations Activities:** Public relations provide a vital connection between JA organisations, their members, and the general public. Internal public relations help build solidarity among members while external public relations help educate the public and disseminate JA views and policies. Public relations directed at cooperative members consist primarily of print media, including pamphlets and leaflets, but also includes some TV utilisation, mainly through small cable channels. JA federations publish newspapers and magazines, and JA-ZENCHU publishes a monthly bulletin targeted to officials and employees of JA Group.

The importance of external public relations is increasing. In the light of recent overseas trade conflicts, the main impetus is to educate the public on the essential role that agriculture and farming communities play in society and emphasise the importance of maintaining a safe and stable food supply. The primary vehicles for disseminating external public relations remain the mass media including newspapers, magazines, TV, and radio, along with various special events such as fairs and JA festivals.

**Lobbying Initiatives:** JA engages in lobbying as a means to promote specific policies. It lobbies at all levels of government to press members' interest on policies concerning land use, production, pricing, distribution, budgets, taxes, social security, and the environment. Lobbying methods range from simple request submissions to major public demonstrations. On important issues, the prefectural and national unions mainly spearhead lobbying efforts.

### **Democratic Control and Management**

Federations and central unions are governed under the Agricultural Cooperative Society Law, as follows:

**The General Meeting:** The annual General Meeting is the supreme decision-making body of JA. At the General Meeting, changes in the Articles of Association are resolved, the year's business plan is approved, and officers elected. Resolutions are usually passed by a majority vote of the attending members. However, important resolutions on changes in the Articles of Association and resolutions regarding cooperative mergers, for example, must be approved by at least a two-thirds vote of the attending members. Large cooperatives with many members (more than 500 regular members) may organise a representatives' meeting with decision-making authority. A quorum for the representatives' meeting is at least one-fifth of the total number of regular members.

**Directors and Auditors:** Directors enact business according to policies adopted at the General Meeting. Auditors review business performances and submit this review at the General Meeting. Directors and auditors serve for not more than three years with the President being elected from among directors by director's mutual vote. Recently with the ongoing mergers among multipurpose cooperatives, the number of full-time officers is decreasing.

**Employees:** JA employees provide the energy that keeps this vast organisation functioning and on track. Their ability to coordinate their efforts within the organisation is a key element in maintaining the smooth operation of JA. The total number of JA employees, including those of federations, is approximately 400,000.

### **JA's Principles**

JA's principles are derived from the Agricultural Cooperative Society Law, and govern the day-to-day management of the organisation. They are as follows:

- Becoming a member of, and resigning from, JA is of one's free will.
- Elections are determined by '**One regular member, one vote**';
- JA is a non-profit organisation whose mission is to protect and enhance Japanese agriculture and improve the standard of living of agricultural workers. For this reason, dividend is limited to not more than 7% for multipurpose JAs, and not more than 8% for federations;
- Concerning the settlement of the surplus, in case the loss happens this surplus is allocated to cover this loss. And after funds for JA business development and those to be carried forward are deducted. Surplus shall be paid to cooperative members in the proportion to which they utilised the cooperative services;
- In order that training programmes for new members be adequately financed, not less than one-twentieth of a cooperative's surplus must be carried forward to the next fiscal year.

### **Governmental Guidance and Supervision**

The government audits national and prefectural federations and central unions, while prefectural governments audit JAs within respective prefectures. The government may issue necessary orders to carry out the sound management of JA. Audit is carried out to safeguard members' interest and to improve cooperative management. Four kinds of audit are available:



- 01 Internal auditors appointed by general meeting;
- 02 Special audit by staff members as per direction of the President of a cooperative;
- 03 Audit by the Central Union; and
- 04 Audit by the Government.

### **To Sum Up**

Agricultural Cooperatives in Japan are the most sophisticated high-tech managed cooperative institutions which, not only produce and market the needed agricultural products but also look after the members and their interests in its totality. The phenomenal rise of Japanese post-War economy can safely be attributed to the hard and systematic work done by these agricultural cooperatives in consolidating people, land resources and producing the needed food and providing the needed services to the community. These services range from the "cradle to the coffin". The Japanese agricultural cooperatives stand committed to "3-H Agriculture" - **Healthy, High Quality and High Technology**.

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**State of Agriculture in Japan**  
(Source: Statistical Handbook of Japan 1999)

Japan's agricultural villages play a variety of roles in the nation's life. They provide a stable supply of food, which is essential to the lives of the people. They also serve to maintain local communities, as well as to preserve the land and the natural environment. In recent years, however, the climate surrounding agriculture and agricultural villages has become quite challenging. Issues that have arisen include a decline in the number of farming families, the ageing of the farming population, increasing abandonment of farming in hilly areas, and competition with imported agricultural produce in the wake of the Uruguay Round of Agricultural Agreements. It is therefore crucial that agriculture be strengthened through such measures as assuring the availability of high-quality agricultural land, and ensuring that agricultural land of sufficient size is in the hands of agriculturists with strong managerial talent, so that farming operations will be efficient and stable.

**Trends in Agricultural Labour and Land Use**

The number of agricultural households has consistently declined since around 1960, when the nation's rapid economic growth began to hit full stride. In 1998, there were 3.29 million agricultural households, a total that was less than 60% of that in 1960 (6.06 million). Of the 1998 total, 2.52 million households engaged in farming as a business (those with cultivated acreage of at least 30 ares, or sales of agricultural products with a value of at least Yen 500,000 annually). Of those, 17.2% were farming households dedicated exclusively to farming, 15.2% were farming households that had nonfarm income, but in which income from farming exceeded nonfarm income, while 67.6% were farming households in which nonfarm income exceeded farm income.

In 1995, the agricultural population (total number of farmers) totalled 4.9 million, only about one-third of the 1960 level (14.54 million). Moreover, the ageing of the agricultural labour force is evident in that in 1998 approximately 50% of all the agricultural workers (those engaged in farming as a business) were aged 65 or older.

In addition, Japan's land area under cultivation has been dwindling for many years, declining from 6.09 million ha in 1961 to 4.91 million ha in 1998, a decrease of 20%. The total planted area amounted to 4.72 million ha in 1997, a decline of 40% from 8.07 million ha in 1961.

**Agricultural Production and Income**

In 1997, agricultural production (quantity) declined in such categories as rice, vegetables, and cattle and chickens for meat production. However, increase occurred in such categories as wheat and related grains, fruit and pigs and production overall rose 0.4% from the previous year. The value of agricultural production (estimated) was 9.83 trillion Yens, down 4.7% from the previous year. That occurred despite growth in wheat-related grains and beef cattle, and was attributable to declines in rice, fruit, crops requiring processing before they can be marketed, vegetables in general, and others.

**Supply of Cereals**

Fiscal Year	Area Planted (1000 ha)	Production (1000 t)	Yield per hectare (t)	Imports (1000 t)	Supplies for domestic consumption (1000 t)
<b>RICE</b>					
1980	2,377	9,751	4.10	27	11,209
1985	2,342	11,662	4.98	30	10,849
1990	2,074	10,499	5.06	50	10,484
1995	2,118	10,748	5.07	495	10,485
1997	1,953	10,025	5.13	634	10,107
<b>WHEAT</b>					
1980	191	583	3.05	5,564	6,054
1985	234	874	3.74	5,194	6,101
1990	260	952	3.66	5,307	6,270
1995	151	444	2.94	5,750	6,355
1997	158	573	3.63	5,993	6,290

Source: Ministry of Agriculture, Forestry and Fisheries

Total per household farm income (for households engaging in farming as a business) was 8.8 million Yen, down 1.6%. Of that amount, farm income was 1.2 million Yen and nonfarm income was 5.47 million Yen with annuities, gifts and other income totalling 2.12 million Yen.

### Agricultural Production (Thousand Tons)

Product	1980	1985	1990	1995	1997
<b>Vegetables and Pulses</b>					
Potatoes ...	3,421	3,727	3,552	3,365	3,395
Soybeans, dried ...	174	228	220	119	145
Cucumbers ...	1,018	1,033	931	827	798
Tomatoes ...	1,014	802	767	753	780
Cabbage ...	1,545	1,589	1,544	1,544	1,502
Chinese Cabbage ...	1,616	1,478	1,220	1,163	1,135
Onions ...	1,152	1,326	1,317	1,278	1,257
Lettuce ...	381	459	518	537	533
Japanese Radish ...	2,690	2,544	2,336	2,148	2,020
Carrots ...	600	663	655	725	716
<b>Fruits</b>					
Mandarin Oranges ...	2,892	2,491	1,653	1,378	1,555
Apples ...	960	910	1,053	963	993
Grapes ...	323	311	276	250	251
Japanese Pears ...	485	461	432	383	405
<b>Industrial Crops</b>					
Tobacco Leaves ...	141	116	81	70	69
Crude Tea ...	102	96	90	80	87
Sugar Beets ...	3,550	3,921	3,994	3,813	3,685

Source: Ministry of Agriculture, Forestry and Fisheries

### Production of Meat, Cow Milk and Eggs (Tons)

Product	1980	1985	1990	1995	1997
Pork ...	1,475,00	51,531,914	1,555,226	1,322,065	1,283,316
Beef ...	415,837	552,959	548,358	600,099	529,699
Veal ...	2,225	2,297	1,120	806	601
Horse Meat ...	3,741	5,418	4,737	8,433	7,971
Mutton and lamb ...	41	143	249	208	164
Goat Meat ...	76	118	146	153	120
Chicken ...	1,419,032	1,750,005	1,811,687	1,631,060	1,601,571
Cow milk ...	6,504,457	7,380,369	8,189,348	8,382,162	8,645,455
Eggs ...	2,001,582	2,152,356	2,419,081	2,550,586	2,566,607

Source: Ministry of Agriculture, Forestry and Fisheries

#### Efforts to Ensure Food self-sufficiency and Stability

Japan's food self-sufficiency ratio has long been on a downward spiral. The rate of self-sufficiency in terms of the supply of calories dropped from 73% in fiscal 1965 to 41% in fiscal 1997. Self-sufficiency in grains went from 62% to 28% over the same time period. Thus, both categories showed dramatic declines. As a result, Japan's self-sufficiency ratio in grains is now the lowest among the world's major developed countries. That is due to the fact that, although consumption of rice, in which Japan is self-sufficient, is diminishing, the consumption of livestock products, which rely for their production on imports of feed grains and oily seed, as well as the use of fats and oils, has been increasing. For these and other reasons, the diet of the Japanese people is undergoing great change. Nonetheless, the major factor in the decline in food self-sufficiency is stepped-up imports to supplement domestic agricultural production. Moreover, a comparison of per-capita agricultural land area among the major developed nations in 1994 reveals a great gap: although for Japan the per capita amount was 4 ares, for Great Britain it was 29 ares, for Germany, 21 ares, and for France, 52 ares. Thus, Japan's limited agricultural land area is a big factor in the nation's low self-sufficiency in grains.

## SECTION-VII

### COMPARATIVE FIELD STUDIES-III: JAPAN

#### 01 Field Study Visits in Japan

During Part-II of the Training Course in Japan, study visits were arranged in Fukuoka and Gunma Prefectures and to cooperative institutions in and around Tokyo.

The participants visited the following institutions during their stay in Japan:

- 01 Ministry of Agriculture, Forestry and Fisheries (MAFF), Tokyo
- 02 Ohta Wholesale Market, Tokyo
- 03 Central Agricultural Cooperative College, Tokyo
- 04 Institute for the Development of Agricultural Cooperation in Asia, Tokyo
- 05 Fukuoka Prefectural Union of Agricultural Cooperatives
- 06 JA-Niji
- 07 JA-Itoshima
- 08 Fukuoka City Fisheries Cooperative
- 09 Gunma Prefectural Union of Agricultural Cooperatives
- 10 Gunma Prefectural Economic Federation of Agricultural Cooperatives
- 11 JA-Sawada and its facilities
- 12 JA-Tone Numata and its facilities
- 13 Agricultural Research & Development Centre of JA-ZENNOH

#### 02 Study Visits in Fukuoka Prefecture

The prefecture has 110,580 farm households, out of which 52,740 are engaged in farming and there were 38,970 core farmers. The total cultivated area was 31,300 hectares. Average income of a farm household in the prefecture was 6.1 million Yen and 35.9% were dependent on agriculture in the prefecture. The main products of the prefecture are: paddy, welsh onion, leak, egg plant, paprika, green pepper, okra. Some of the farmers are engaged in dairy and beef cattle business. Some efforts have been made in the prefecture by having new workers in agriculture. There have been instances of "U-Turn" farmers. 48.5% of cultivable land is used for paddy and 17.7% is used for vegetables.

**The Prefectural Union of Agricultural Cooperatives in Fukuoka** is responsible for restructuring of regional agriculture and strengthening of production and marketing business; implementation of integrated business activities aimed at building up a comfortable life and living standards; and reform of business and organisation and the creation of firm management systems.

The business implementation plan developed by the Union covers the following segments:

- Promotion of amalgamation of JAs
- Promotion of agricultural promotion measures for restructuring of regional agriculture
- Agricultural policy activities
- Promotion of better-living activities
- Evolving a campaign for publicity and PR activities
- Upgrading of guidance for management improvement
- Establishing a strong management system
- Improvement of capacity and capability of officials and employees
- Act as the secretariat for officials/Board members
- General affairs

The Prefectural Union is also operating a Prefectural Agricultural Cooperative Centre, which is run under the general guidance of JA-Zenchu Guidance Department. The main objectives of the training centre are to improve the quality of managers and other employees working with the JAs in the prefecture. Under the new guidelines of the Agricultural Cooperative Movement the prefectural centre also offers a number of

business-oriented training programmes aimed at improving the productivity capacity of individual farmers and business operations of JAs.

There were 35 JAs in the prefecture as on September 1998 with a total membership of 118,548 members, out of which 80,484 were regular members and 37,064 were associate members. There were a total number of 689 members of Boards (192 auditor members and 3465 employees) of JAs in the prefecture. The strongest business of JAs in the prefecture was credit (732 billion yen for savings and 136 billion yen for loan). All cooperatives were engaged in mutual insurance, purchasing and marketing business. It was mentioned that the business activities have currently been operating on a reducing scale.

**JA-Niji:** It has a total membership of 10,646 (7,073 regular members and 3,573 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 164.54 km and stretching 20 km from East to West and 8 km from South to North. In the area, there is a 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 rationalisation and efficient business operations; safety assurance in community life; provision of information and education; and creation of vigorous farm villages through positive agricultural policy activities.

The land is divided into two categories that is, the plain land of the Chikugo river basin and the Minou mountains. It is blessed with a good climate congenial for agriculture with the 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.

Main Business Activities of JA-Niji: Major business activities of the JA are, among others, as follows:

**Farm Guidance Activity:** the ratio of joint marketing of commodity-wise groups such as paddy, fruits, vegetables, trees, flowers and livestock, thereby attempting to establish competitive production area with high quality and stable production. Strive to reinforce farm guidance planning function and strengthen farm guidance system to create an attractive agricultural basis.

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

**Credit-Mutual Insurance Activity:** Play a role of regional financial institution 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 realise 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).

**JA-Itoshima:** Itoshima area, located in the west of Fukuoka prefecture with mild climate affected by Tsushima Warm Current, is flanked by Fukuoka city in the east and by Saga prefecture in Seburu-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 located. Separated by old Itoshima Water Works, Itoshima peninsular is formed in Genkai Sea with Shima town.

JA-Itoshima has a total membership of 8,546 households (regular members: 4,710 and associate members: 3,836). The total cultivated area is 3,869 hectares, out of which 3,220 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 cooperative has a board of directors of 17 members, 7 auditors and 506 employees. The main facilities of the cooperative include: 15 branch offices, 3 country elevators, 3 A-Coop Stores, 4 gas filling stations and other facilities like general farm management centre, cooperative markets, laundry, farm machinery centre and livestock market. There are a number of commodity-wise groups, women association, youth association, asset management group, tax filing group, production associations and pension club. The largest number of production groups are in horticulture business, especially for persimmon, strawberry, citrus fruit, cabbage, eggplant, pumpkin, ornamental flowers and trees and various types of fruits and vegetables groups.

The cooperative has 5 main departments to operate its business, e.g., planning and audit department, management department, financial department, farm management department and better living department.

The cooperative has developed a comprehensive Plan of Action for the 21<sup>st</sup> Century. The main purpose is to develop energetic human resources, to develop farming in Itoshima area. The components of the Plan are:

- to foster core farmers
- to foster production groups such as farm management association
- to foster commodity-wise groups
- to provide assistance to farmers' groups
- to provide assistance to women engaging in farming
- assistance to U-turn (people who once left for big cities to be engaged in non-agricultural sector and return to their home for farming) and the new entry
- measures for the aged farmers and part-time farmers
- fostering leadership

**Fukuoka City Fisheries Cooperative:** At a briefing it was mentioned that the principal objective of the cooperative are similar to those of JA, i.e., the promotion of economic activity of the members and enhancing their social and economic status. The cooperative is engaged in supporting their members in catching of fish, handling and marketing. The main business of the cooperative are: provision of loans to members, obtaining supplies for them, providing facilities, welfare activities, and supply of information, savings and loan. The cooperative supports the members in the marketing of fish and fish products, control of marine resources and protection of the fishing areas. The main fishing area of the cooperative is Fukuoka Bay.

The cooperative is an association of those members who have been given licences for fishing. According to the regulations in Japan, only licensed members can do fishing and their activities are conducted through a cooperative. Individuals and private operators are not allowed to do the fishing in the sea. The cooperative has a board of directors of 17 members and 5 auditors. The cooperative has 76 employees, and 896 fishing boats. The share capital of the cooperative is 1,420 million Yen.

### 03 Study Visits in Gunma Prefecture

Agriculture in Gunma Prefecture is blessed with rich natural conditions like rich water resources from the Tone River, mild climate and a wide range of cultivated land altitude from 10m to 1,400m. It is located near the mass consumption areas of Tokyo Metropolitan, and takes a good advantage of it. Besides, it develops varieties of agricultural products based on high production technology.

They produce variety of commodity and livestock and vegetable products, which have been developed recently besides traditional commodity, like rice, sericulture and konjak. The Gunma Prefecture becomes famous as one of the "Agricultural Prefecture" in Japan.

#### Plan for Promotion of Agriculture and Farming Village in Gunma Prefecture

The Prefectural Union of Agricultural Cooperatives has an important role in the prefecture. The role of the Prefectural Union includes: to lead cooperatives in the prefecture; to guide cooperatives; to audit the 39 JAs; to provide training and education to cooperatives through its training centre and other activities; drafting of Agriculture and Agricultural Cooperative Promotion Plan and Promotion of Regional Plan (community development).

In the amalgamation of cooperatives, the Prefectural Union is directly involved through guidance and by despatching its employees to target cooperatives and guide them on formulation of an amalgamation plan. The Prefectural Union works on the following principal activities:

1. GRAPE Plan : In a bid to open up future vistas of agriculture and farming villages in Gunma Prefecture five year plan has been implemented from 1996 targeting the year 2000 centring prefecture, municipalities and agricultural cooperatives. **GRAPE** Plan was named after the capital letter of Gunma, Rural district, Agriculture and PEOple. The plan intends also to grow a high quality grapes through systematically linkages between administration/JA (as a stem of grape) and agricultural products (as a fruit);
2. Fostering of farm management;
3. Promotion of production/distribution of value-added unique agricultural products.

The emphasis is laid on: a) vegetables, b) fruits, c) floriculture, d) dairy/beef cattle, e) pig raising and poultry farming, and rice and meat. The Gunma Prefecture is known for its quality rice “GOROPIKARI” – it is a brand name of the rice produced in this area.

The Plan of the Prefectural Union also focuses on development of a comfortable and affluent rural community, development of a new distribution marketing strategy which ensures maximum economic returns to the farmers, promotion and dissemination of an upgraded technology and the implementation of the Regional Agricultural Promotion Plan.

During the study visits, two primary level cooperatives were studied i.e., JA-Sawada and JA-Tone Numata with special focus on promotion of diversification and high quality production and creation of agricultural utopia of Tone

**JA-SAWADA:** The operation area of JA-Sawada is located at North-West of Nakanojo-machi in the mountainous land. The Northern part of the area is the mountain area with the elevation of 1,000 meters or more and hamlets are developed in the basin. JA Sawada’s head office is located in the centre of the area. In the area, the complex farming of product mix with paddy, vegetables, livestock, sericulture and mushrooms are popular farm management. There are two hot spring resorts in the operation area of the JA-Shima Spa and Sawatari Spa. The major industries are agriculture, forestry and tourism.

Total land area-16,602 ha; Arable land area-520ha (3.1%); Average land holding per household 0.75ha. Membership (as at the end of February 1998): Total members-899 persons (845 households); Regular members-525 persons (499 households); Associate members-374 persons (346 households) & organisations. Officials and employees (as at the end of February 1998): Directors-11 (full-time 2); Auditors-3; Employees-53 (male 40, female 13) of which 2 farm advisors, 2 better living advisors; 1 internal auditor selected among employees 60 part-time workers constantly employed throughout the year.

*Outline of Agricultural Processing Business of JA-Sawada:* In a bid to maintain the market price of local products of mushroom and vegetables through shipping control as well as to secure advantageous prices by giving additional values to the products, agricultural processing business of the JA was launched in fiscal 1976. The construction of processing facilities was preceded in 1975, implemented by adoption of the 2<sup>nd</sup> Agricultural Structure Improvement Project.

Various facilities were additionally established in accordance with the expansion of business by adopting the New Agricultural Structure Improvement Projects. When it was started, a lot of trials and errors were made due to lack of experience in commodity development and marketing. It took a certain time to develop the unique homemade tastes of Sawada by adopting our manual technology. At present, the cooperative is selling the products with the brand name of SAWADA which are highly appreciated by customers and are popular in the market.

In the procurement of the raw material, the JA has adopted three channels namely: contract base farming by members of JA; shipping control to the market; buying products which are collected by members in the mountain area. As means of marketing the processed products, JA adopt two channels namely: sales at direct sale outlets and correspondence and; wholesale to retail shops. About 50% of the products are distributed at direct sale outlets; thus the cost of distribution was rationalised.

*Present situation of Sawada district and its problems:* Sawada district is the cool highland area located in the North-west part of Gunma Prefecture developed the South foot of the Mikuni Mountains. The total land area is 16,602ha, the most of the land are mountain and the farmland area is only 511.7ha accounting for 3.1%. The major industries are agriculture, forestry and tourism. There are two hot spring resorts, Shima spa and Sawatari spa in the Joshinetsu Highland National Park. About 46,000 tourists visit this area throughout the year.

The JA has formulated a five-year plan for development of agriculture in the area on the basis of an extensive field survey. Looking at the result of the questionnaire used the JA found that the number of all types of farm households has decreased in the area. Moreover, the number of part-time-II farm households which has not engaged in marketing of commodities they produce agricultural products for their own consumption has increased. Looking at the age of core farmers, over 65 years accounts for 43% of them and it is prospected that it will be 60% after 5 years. The JA has also conducted questionnaire to young farm successors. As a result 84% of them either have no intention to succeed farm management of parents nor they want to maintain farming for their own consumption. The potential agricultural production power has dropped in the area. The future of agriculture in the area appears to be uncomfortable.

The plan for comprehensive development of local industries includes: development of local industries, development of commodities, agricultural development, agricultural processing business, strengthening herb business, promotion of green tourism, development of high land fresh park, holding seasonal events and attracting visitors to the area.

**JA-Tone Numata:** The operation area of JA-Tone Numata is located in the Northern part of Gunma Prefecture. Total land area is 1,374 km. The elevation from the sea level is from 300 m to 2000 m. The climate conditions are diversified reflecting various topographical conditions. Located 150 km away from Tokyo, access to Numata becomes easy with the construction of the Kanetsu Highway and Joetsu Shinkansen. It is classified as semi-cool highland area located at 300m to 800m from the sea level. Major products: are vegetables produced in summer and winter season and production of konjaku is popular as a special local product. The area is supplying vegetables to consumers in the prefecture as well as in Tokyo and Yokohama area.

The cooperative has 12,563 regular members (regular members 8,629) with a total strength of 429 employees. The JA-Numata is the result of amalgamation of 14 multipurpose agricultural cooperatives and one single-purpose agricultural cooperative (dairy). The distinctive feature of JA-Tone Numata is creation of establishment of three farm management centres e.g., Central Farm Management Centre, Western Farm Management Centre, Southern Farm Management Centre. Farm management centre is positioned as key station for business operation while the branch office is positioned as key station for management of organisations. Farm management centre is expected to perform four major functions: guidance, marketing, purchasing of inputs, and management of facilities.

JA-Tone Numata on the basis of which a basic plan for management of the JA was developed conducted a comprehensive survey of the area. The plan contains 4 sub-plans such as Regional Agriculture Promotion Plan, Basic Plan for Better Living Activities of JA, Basic Plan for Regional Development of JA, and, Basic Plan for Management Administration of JA.

The basic plan for regional agricultural promotion of JA-Tone Numata places emphasis on: establishment of the brand name products for Konjaku, sericulture and dairy. For this purpose, a number of committees have been established e.g., horticulture committee, and fruits committee, flowers and ornament plant committee. The *three pillars of the Basic Plan for Management* of JA-Tone Numata are: i) Development of the advanced production area in the 21st century; ii) Creation of JA to be reliable and harmonised with local community; and iii) Creation of unique JA.



#### **04 Lessons Drawn from Study Visits**

Some of the major impressions revolved around: i) amalgamation of primary cooperatives to make them more viable and high service-oriented; ii) amalgamation to be promoted through consensus and by streamlining the business operations and placements of personnel; iii) improvement of marketing strategies to bring higher income to the members; iv) strong rallying role played by the prefectural unions by providing consultancy, guidance and advisory services; v) primary cooperatives taking initiatives in non-agricultural business e.g., real estates, tax-consultancy etc.; vi) a reasonable working relationship between the agricultural experimental stations and the farm guidance advisors on technology; vii) encouraging new blood to enter the profession of farming; and viii) renewed efforts to enlist more and new members to JA Women's and Youth Associations and inducting them in the profession of farming.

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## SECTION-VIII

### EXPERIENCES OF JAPANESE AGRICULTURAL COOPERATIVES Lessons Relevant for the Developing Countries

Based on the experiences of agricultural cooperatives at the primary, secondary and national levels in various countries of the Region, including Japan, the following lessons can be derived:

- Government should give more importance and provide greater support to agriculture if agricultural cooperatives are to perform satisfactorily;
- Cooperatives would function well with least government intervention. Discipline and good governance contributes much to the efficient operation of cooperatives. Cooperatives should be non-political and self-reliant organisations. Complete trust and confidence is necessary for cooperatives to succeed;
- Cooperatives should be managed in a more business-like manner – these are not social clubs or charity organisations;
- Cooperative's guidance and active participation is valuable in the formulation and execution of farm production plans. Knowledge of scientific farming, provision of high quality inputs such as seeds, and mechanisation are important factors for enhancing productivity. Technological innovations that are pertinent to the changing needs of agriculture and the environment should be promoted. Introduction of new technology and methods of production is needed to develop agriculture;
- Cooperatives should provide advice to farmers on crops to plant which earn them higher income. Regular dialogues among farmers, cooperatives and market authorities should be undertaken to resolve problems. For success the farmers' orientation should be on improving productivity and quality;
- Organisation should be led and managed by energetic, professional and dynamic persons. Business should be conducted in accordance with modern management principles;
- Elected officials viz., Board members including Presidents and Auditors should be paid. Honorary elected officials tend to be a drain on the resources of the cooperatives; and
- Improved packaging and marketing are important to enhancing the business operations of cooperatives. Agricultural cooperatives could be encouraged to participate as wholesalers in the market and hence, enhance the benefits of their members; and good grading and packaging add to the final price of the product and enable efficient handling and distribution.

These lessons can very well form the basic guidelines for the leadership of agricultural cooperatives elsewhere.

#### **Problems Faced by the JAs**

The present stage of development of the Japanese agricultural cooperatives is the result of 100 years of experimentation, innovations and improvements. These successes are not devoid of impediments. Some of the problems encountered by the JAs have been identified as follows:

- Lack of ability for management and ability of planning and development;
- Lack of leaders' management ability;

- Lack of products development ability;
- Inadequate system of national/regional level research institutions;
- Insufficient study and research of consumers' needs and trends of market;
- Failure to establish brand names;
- Lack of development of distribution channels;
- Lack of understanding between processed foods and perishable foods;
- Inadequate linkages with the public information, events planning;
- Insufficient public relations in rural areas;
- Shortage of raw material faced when enlarging the business scale;
- No linkages with Regional Agriculture Promotion Plan [RAPP];
- Raw materials are expensive;
- Operations are based on season;
- Shortage of assorting commodities;
- JA factories tend to operate independently;
- No establishment of cooperation system with members for management.

### **Lessons Relevant to the Developing Agricultural Cooperative Movements**

Some of the most recent experiences of the Japanese Agricultural Cooperative Movement would indicate that the agricultural cooperatives have to be run on strong economic lines and direct their total efforts and service at the farmer-members/associate members who are the owners of the institutions and users of services. These are discussed briefly below:

01 *Creation of a Corporate Identity:* With a view to bring unity within the agricultural cooperatives and to highlight the quality of JA products, the Movement adopted a Corporate Identity – JA [representing the Japanese Agricultural Cooperative]. “JA” is printed on all products which are supplied through the agricultural cooperatives channels. CA “JA” is recognised as a strong commercial group just like any other CI and the brand is associated with fresh, healthy and good product.

02 *Amalgamation of Agricultural Cooperatives:* The main aim is to strengthen the JA group and to make the cooperatives economically viable. There is an ‘amalgamation’ trend in the country – banks, telecommunication companies, automobile companies and other business houses are merging together to enhance and consolidate their economic strength. JAs have been following this programme with the following objectives: making the farming operations viable, making the cooperatives strong and viable, and facing the market competitions bravely through a strong collective bargaining power. The process has been slow and painful. Some of the problems faced by cooperatives in the process of amalgamation have been: a] Division of assets and liabilities, b] Placement of personnel, c] Difficulties in arriving at consensus, and d] Egoistic attitudes of local leaders. The process is based on consensus and with the agreement of all the members. Government directives or instructions have no place in the process.

While there are several good merits of the process, several demerits have also been cited. Some of the drawbacks of the process of amalgamation have been stated as: a] Cooperatives will become too large to manage; b] Cooperatives will lose contacts with the members; c] Members will feel distanced; d] Bureaucratic tendencies will develop; e] Leaders due to their power and wide area of influence and business operations will get involved in local politics or may get involved in party politics; f] Failure of a large cooperative will result into huge economic losses, etc. Some of the amalgamated cooperatives have, however, shown good results.

03 *Farm Guidance Activities:* This concept is not only to provide technical information to the farmers on cultivation of various crops but also to assist their farmer to increase their income. The farm guidance activity revolves around the total economic business of the farmer as well as of the cooperative. The farmer is guided on technical and economic aspects of particular crops e.g., higher income can be derived by taking up floriculture instead of rice, or cultivation of a special variety of rice, or a special kind of tomatoes, and by the application of methods of cultivation e.g., hydroponics cultivation etc. The main aim of this service is to enhance the income. Without provision of this service, the JA is not called as a multipurpose cooperative. Farm guidance is the key

to the success and strength of the business of the JA. The service is linked with farm planning, provision of farm inputs and other supplies, and marketing of the ultimate product.

04 *Regional Agricultural Promotion Planning [RAPP]:* In the production of food the JAs are the basic units. Each farmer produces a production plan, the JA collates these plans and produces a comprehensive regional plan. The municipal/city administration and prefectural governments and the national government develop their respective plans, and support the basic farmers with inputs, technical advice, equipment and recognition. The RAPP not only produces a comprehensive agricultural promotion plan, but also summarises a few other things e.g., the quantity and quality of rice, barley, corn, fruits and vegetables, the approximate requirements of fertilisers, farm chemicals, farm implements etc. This data enables the JAs to prepare the supplies and timing of these supplies.

05 *One-Village-One Product Concept:* The JAs have supported the members to specialise in their respective products. Members are encouraged to improve upon the product. The cooperatives provide all the needed technical and promotional support. These village products eventually become the specialised products of the respective prefectures. Some of the examples are: Nagano's Fuji oranges, Kyoho Grapes, Carnations and Turkish bellflowers, Enoki-take mushrooms, pickled apricots, beef cattle; Fukuoka's Persimmon fruit, Kochi's cucumbers etc. are the result of the application of this concept.

06 *Diversification of Agricultural Practices:* JAs are not restricting themselves to produce rice and vegetables alone. They have taken up other activities e.g., herbs garden, green tourism promoted by the JA-Sawada in Gunma prefecture, The members of this cooperative decided to pool their lands to create a very large herbs garden which has assumed importance for green tourism in the country.

07 *Farm Management Centres:* These technical units are created to provide all services and equipment related to farming to the farmer-members. They provide technical information on the equipment, their use, and maintenance. Farmers find it very convenient to obtain all their supplies and the required technical information and guidance from one single point.

08 *Producer-Consumer Contact Markets:* These are often called 'Morning Markets'. The JA provides space to farmer-members to sell their products [fruits, vegetables, flowers, potted plants etc.] directly to the consumers without going through the process of middleman or local markets. These are usually located in one corner of the JA or its "A-Coop" Store. The idea is also to give a chance to the busy citizen/consumer to come in direct contact with the producer – the farmer, thereby creating a kind of goodwill for the farming community and the JA.

09 *Chemical-Free Food/Agriculture:* The concept is to meet the growing demand for "Fresh, Healthy, Safe and Chemical-free Food". Farmers are advised to gradually increase the use of bio-fertiliser and avoid use of farm chemicals. Farmers who are engaged in dairying, hog-raising and poultry business are often confronted with the problem of disposal of wastes. These are natural bio-fertilisers which could enhance the quality and safety of farm products. Under this concept the farmers are entering into purchase and sale agreements with each other, thereby, increasing the economic transactions and producing the safe and chemical-free products.

10 *Women's Associations:* These are supporting the JA in many ways. These are informal groups but the structure is parallel to the JA structure – from the basic step to the national level. [There were 1,526 JA Women Associations with a total membership of 1.4 million as at the end of 1999]. These associations supplement and compliment the social and economic activities of the JA besides enriching the social aspects at the family level. They also contribute significantly in the operations of JA's "A-Coops" – large size departmental stores run by the primary cooperatives. In fact, these associations try to promote the business activities of JAs.

11 *Ethics and Good Governance in Agricultural Cooperatives:* By tradition the Japanese society respects the rule of law. The JA Board is responsible for the business operations, and in the event of economic losses, all the members are obliged to make good such losses. The elected officials e.g., board members and auditors are paid officials and their term of office is fixed. Decision-making and implementation process is based on the principles of 'accountability' and 'answerability'. There is a good and harmonious relationship between the chief executive and the Board. The Chief Executive is the Managing Director of the JA [who sits on the Board

and is naturally well-informed of the trend of discussion and the decisions taken]. There are good ethics within JAs and everyone in power in the organisation – small or big – takes care of the members. Care for the community is another important factor for the success of JAs. These are: taking care of the aged through welfare homes and supply of their food and household requirements, medical facilities, establishment of child nurseries etc. These services are instituted because these are the needs of the community and the cooperatives have not to seek the permission of the government or any other authority to initiate such facilities and services except for obtaining the approval of their members. The JAs have good working relationship with the local governmental authorities and other non-governmental organisations.

12 *Open Membership:* The JAs have opened their doors to farmers and non-farmers in the form of Full Members and Associate Members. In the provision of services to both the categories there are no restrictions – the only difference is the right to vote. Associate members are not qualified to vote. Since the cooperatives are community/village based, it is the duty of the cooperative to serve all the members of the community. Also the inclusion of Associate Members helps increase the capital base and business operations of the JAs. In many countries, agricultural cooperatives do not serve the non-members and do not have the practice of formally accepting non-members as associate members.

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## SECTION-IX

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

#### Introduction

An End-of-the-Course Evaluation covering the entire duration of the Training Course was conducted at IDACA in the last week of the 14th Training Course by using a specially-designed evaluation form. 15 participants representing 9 countries attended the Course. The Course was conducted with the objective of strengthening management of agricultural cooperatives by laying stress on improving the capacities and capabilities of managers, and through adopting a project-oriented approach. The theme of the Training Course was 'value-addition through agro-processing'. The participants were exposed to theoretical and practical aspects of value-addition and significance of marketing in the three countries (India, Thailand & Japan) covered by the Training Course.

Evaluations, appraisals and introspections are integral elements of the Training Course. These are carried out at the end of each segment by using various instruments e.g., evaluation forms, rating sheets, group discussions and by holding individual discussions with the participants. Such initiatives provide a lot of feedback to the organisers to improve the quality of future training programmes.

#### 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

Given below is a **brief summary** of the evaluation:

75% have stated that the objectives of the Training Course have been achieved. It has covered all the segments, which were listed in the Course Information given earlier by the ICA.

80% of the **participants' own objectives** were said to have been achieved. These objectives, which were different from the Course objectives, were stated to be as follows:

- To improve communication skills and abilities and to learn about the culture and society of three countries;
- To enhance knowledge on the process of amalgamation of agricultural cooperatives in Japan;
- To improve knowledge, skills and techniques on the management system of agricultural cooperatives in various countries;
- To understand the problems of reorganisation of cooperatives in the context of open market economy;
- To understand methods of strengthening the cooperative business federations;
- To understand the process of group dynamics;
- To study similar organisations in other countries

**From which part of the Training Course you have benefited the most:** The replies were: Comparative Field Study visits in Japan; development of management leadership; agro-processing in Indian cooperatives; preparation of project proposals; marketing and integrated cooperative development. Group discussions were of high value.

The inputs made by senior officers of IFFCO during FMDI sessions were of a high order, extremely useful and relevant. The lectures delivered by the Japanese lecturers were authentic, substantive and full of practical operational value. Video film and discussions reinforced the lectures.

**Overall assessment of the programme - over 83% positive rating.**

**The general impression on the total structure, contents, location and conduct** was rated thus: Well structured, comprehensive, very appropriate locations and professionally executed.

The project leadership provided spontaneous learning motivation besides looking after all the minute details regarding the time management, comfort of the participants, travel arrangements, provision of training material and coordination. The Project Director provided comprehensive summaries, which helped keep the participants on track all the time. It was suggested that brief summaries be given to the participants for comprehension purposes.

**Priority ranking of subjects covered** during the Training Course was as follows:

- 01 Integrated Cooperative Development Strategies
- 02 Value-addition and marketing
- 03 Preparation and appraisals of development project proposals
- 04 Management Leadership – Board-Manager and Manager-Member
- 05 Skills in collecting primary data, narration and its utilisation
- 06 Analysing (and preparing) financial statements
- 07 Decision-making & Management Techniques
- 08 Working in groups.

**Study visits in India, Thailand and Japan:** These were well-conducted, very helpful and supported by adequate written back-up material. 80% of the institutions selected and visited were relevant. The comparative study visits to the sugar, milk cooperatives and fertiliser cooperatives in India were of great relevance and significance. The study visits were carefully planned and well conducted..

**The most rewarding experiences were from:** India (Dairy Cooperatives, Sugar Cooperatives, IFFCO, KRIBHCO & IRMA); Japan (JA-Sawada, Ohta Wholesale Market, Zen-Noh's Agricultural Research Station and vegetable grading, packing and shipment activities in Fukuoka Prefecture. JA-Sawada was an experience in itself.

**Most important aspects of training programme in Japan:** Study visits, preparation and respect for regional agricultural plans, marketing strategies ensuring constant income for basic farmers, farm guidance, better-living activities, and women's associations. JA-Sawada's new venture on herbs cultivation is unique. It has generated also the trend of "green tourism". It can be replicated in our countries.

**Relevance of the programme to your own work:** Extremely relevant. Managerial capabilities improved, agro-processing activities in India and Japan; Board-member and Board-Manager relationship in enhancing cooperative business; clear identification of responsibilities among Board members in Japan and their non-interference in the day-to-day work of JAs.

**Do you think this training programme is useful and relevant:** Highly relevant for managers. Should be continued as it fulfils the needs of managers of agricultural cooperatives; Helps improve skills in producing project proposals and assessing them. It should be continued. Its scope and duration should be expanded.

Highest technical input is received from IRMA, FMDI and IDACA components. It was highly satisfactory to involve IFFCO-FMDI. The Director was instrumental in harnessing these resources.

Some of the comments picked up from the Evaluation Sheets stated: “Mr Prakash who has vast knowledge of the Movement and experience of working with cooperatives professionally conducts the programme implementation” ... “He has a good understanding of the Japanese agricultural cooperatives and good professional relations with the Movements in the Region” ... “He has provided us guidance, encouragement and technical inputs from the start to the end.” All participants expressed their total satisfaction with the leadership of the ICA ROAP, IDACA and especially with Mr Hiroshi Terunuma, Mr Y. Abe, Mr Nakashima, the programme coordinators for the Part-II of the programme held in Japan.

### **General Comments, Suggestions and Recommendations**

Some of the comments made by the participants were:

- In view of the pressures of open market economy, Agricultural Cooperatives find it difficult to expand their business. These cooperatives need a better and more enlightened management. This Course fulfils the needs and, therefore, it should be continued;
- The scope and intake of participants per Course should be expanded;
- The ICA should organise short-term reunion or refresher courses for the former participants;
- Those participants should not be selected who are not engaged in cooperative activities;
- One participant, one country;
- The duration of the programme is JUST RIGHT;
- The sponsoring organisations should provide genuine support in the project formulation and implementation;
- The Home Country Assignments on preparation of projects should be held after IRMA component;
- IRMA component should not be reduced. It is very useful. It has excellent facilities and appropriate environment for learning; The IRMA Module should be expanded in duration with more emphasis on project management;
- The technical sessions held at FMDI should be increased. IFFCO should continue to support the programme;
- The study visits in Thailand should have been expanded;
- Third country visits should be avoided. Instead, more time be given to the IRMA component;
- ICA ROAP to enlist the support of other member-organisations to enrich the contents of the programme;
- Group dynamics among the participants was needed;
- Some of the participants did not open up or participate in any discussion in the classroom or outside. The Director should try to encourage the participants to participate in discussions. A component of “ice-breaking” or “group dynamic” should be held right in the beginning of the Training Course;
- More of group discussions should be held rather than prolonged class room lectures;



The sponsoring organisations should have some commitment in the project implementation which are prepared by their own participants;

A session with a Farm Guidance Advisor should be held at one of the visiting JAs.

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## SECTION-X

### COURSE CONCLUDING SESSION AND AWARDING OF CERTIFICATES

The concluding session of the Fourteenth Training Course was held at IDACA on April 21, 2000. The session was attended by Mr. Itoshi Miyanaga, Director, Overseas Technical Cooperation Division of the MAFF, Ms Ayumi Sato, Section Chief, MAFF, and Dr Daman Prakash, Senior Consultant of the ICA ROAP, among others. Mr. Yoshitada Nakaoka, Managing Director of the IDACA, could not attend the session as he was away from Japan. He was, however, represented by Mr. T. Ishii, Acting General Manager of IDACA, including all the senior staff of IDACA.

Addressing the session, Mr Miyanaga said that the Government of Japan recognises the importance of this training course and its relevance for the development of management of agricultural cooperatives in the Region. In the present day environment of open market economy and management of food resources, agricultural cooperatives have to face forces of competition and sustain the income levels of farmer-members. In spite of the squeeze on overseas development assistance programmes, the Government of Japan recognises that the activities of this regional training project should continue to safeguard the initiatives of grass-roots farmer-members and their cooperative institutions.

He was happy that the participants have learnt a great deal from their participation in the training programme and hoped that they will contribute effectively to the development of their own organisations. He was satisfied that the ICA has been able to implement the training programme efficiently. Mr Miyanaga felt encouraged that several of the project proposals produced by the participants during previous courses have been considered fit for implementation. Such a trend is a good source of strength for the training project.

Mr Miyanaga said that he was new to the management of this Project. He would try to learn from the experiences of the ICA ROAP, IDACA and the participants about the importance of this type of technical training. He said that he would try his best to support this activity during the term of his office.

Mr. Yoshitada Nakaoka, Managing Director of the IDACA, (in his speech, read in his absence by Mr Y. Abe, Senior Programme Coordinator) said that the Training Course, as reported earlier by Dr Daman Prakash, has been running well because it tries to meet some of the training needs of agricultural cooperative organisations. The structure and contents of the programme are most ideally suited to the needs of present-day managers. The programme has been a unique one in the sense that it tries to satisfy all the needs of managers – meetings with the primary level members and managers besides having discussions with the top leaders and also going through the written technical material. He said that the implementation of the programme through the ICA has been done very carefully. The component of the programme in Japan is very effective as it brings the situation, as it is, before the participants. Japan has also passed through a period of innovations and renovations, and the stages of development of agricultural cooperatives of Japan of olden days are more or less similar to the present day conditions of agricultural cooperatives elsewhere. But that is not a negative situation – it is a process of development. After all the development of present-day agricultural cooperatives in Japan had gone through a process of development. The IDACA, therefore, serves its part carefully through the provision of learning material and on-the-spot study of agricultural cooperatives.

Dr. Daman Prakash at the outset mentioned that although Dr Robby Tulus, ICA Regional Director for Asia and the Pacific who had promised to be present at the Concluding Session, could not do so due to his involvement with the meeting of the ICA Board in Israel. Dr Prakash presented a brief report on the conduct of the Training Course and a summary of the End-of-the-Course Evaluation for the benefit of the distinguished guests and the participants. He expressed his full satisfaction on the successful completion of the programme in spite of several practical difficulties e.g., reduced financial contributions due to the current ODA regulations and the operational costs going up. He assured the MAFF, JA-Zenchu and the IDACA that the ICA would ensure that the regional project is conducted in a professional manner. He said that he has been able to manage the programme to the entire satisfaction not only of the ICA, but also of the MAFF, JA-Zenchu and the IDACA. He thanked the JA-Zenchu and the IDACA for their continued support and

collaboration in carrying out several of the ICA's technical assistance programmes in the Region. He congratulated the participants on their completing the training programme successfully.

He conveyed his highest appreciation to the participants for cooperating with him in the day-to-day conduct of the training programme. He said that the success of the training programme was due to the understanding of the participants, collaborating agencies and the authorities of the ICA. If there has been any flaw anywhere, it was due to him, he said. He thanked the MAFF, JA-Zenchu, IDACA, ICA member-organisations, and institutions which provided support to the successful implementation of the long-term training programme.

Mr Cheng Qingxin, a participant from China, spoke on behalf of all the participants. He recounted the experiences and feelings of the participants right from the time of their admission to the Training Course until the time of their departure from Japan upon the completion of the Training Course. He expressed that all the participants felt that the programme was highly relevant for the present-day managers of agricultural cooperatives in Asia and hence should be continued. He expressed a sense of satisfaction with the overall conduct of the training programme, the places where the participants had gone and stayed and the knowledge they all had gained from this new experience of visits to India, Thailand and Japan.

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. The ICA Certificate was signed by Mr Bruce Thordarson, Director-General of the International Cooperative Alliance, and the IDACA Certificate was signed by Mr Yoshitada Nakaoka, Managing Director. Mr Miyanaga, Ms Sato and Dr Prakash handed over the Certificates to the participants.

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## ANNEXURE-1

### COURSE PROGRAMME

#### PART-I OF THE TRAINING COURSE/INDIA & THAILAND

Nov 12 1999-  
Jan 3 2000 **Home Country Assignments [HCAs].** Consultations with Parent Organisations in home countries, collection of basic data, analysis, documentation, narration and preparation of draft project proposals.

#### ICA/IFFCO Training & Development Module on Review of Management of Agricultural Cooperatives in the Region held at the Fertiliser Marketing Development Institute (FMDI-IFFCO), Gurgaon

Jan 02 Sun		-Arrival of Participants in New Delhi -Stay at IFFCO/FMDI, Gurgaon
Jan 03, Mon		-Registration at FMDI -General Orientation and Information on Practical Matters -Introduction to India
	AN	Regional Review Session-I Regional Review Session-II
Jan 04 Tue	1000	Inaugural Session at IFFCO/FMDI, Gurgaon
	AN	Regional Review Session-III Regional Review Session-IV
	18.30	Welcome Dinner at Bonow House, New Delhi
Jan 05 Wed	FN	Regional Review Session-V Regional Review Session-VI
	AN	Regional Review Session-VII Regional Review Session-VIII (concluded)
Jan 06 Thu	FN	Technical Session-01 An Overview of Activities of IFFCO Indian Farmers' Fertiliser Cooperative Ltd., Mr DK Bhatt, Executive Director (Marketing), IFFCO
		Technical Session-02 Recent Developments in the Management of Cooperatives in Asia-Pacific Mr BD Sharma, Director, ICA ROAP
	AN	Technical Session-03 Food Security and Contributions of Agricultural Cooperatives Dr SL Tripathi, former Chief Director (Cooperation) Ministry of Agriculture, Government of India
		Technical Session-04 Genesis, Vision and Mission of IFFCO Dr. Om Prakash, General Manager (Marketing), IFFCO

Jan 07	Fri	FN	<p>Technical Session-05 Cooperative Legislation – A Regional Review Mr. GK Sharma, former Regional Director of ICA ROAP</p> <p>Technical Session-06 Review of Project Proposals prepared by the Participants Dr. Daman Prakash, Course Director</p>
		AN	<p>Technical Session-07 Governance in Agricultural Cooperatives in Asia Dr. Gopal N. Saxena, Joint General Manager (Coop Services), IFFCO</p> <p>Technical Session-08 Member Participation in Cooperatives with special reference to IFFCO Dr. Gopal N. Saxena, Joint General Manager (Coop Services), IFFCO</p>
Jan 08	Sat		Day Visit to Agra-Taj Mahal
Jan 09	Sun		Free. Visit to New Delhi
Jan 10	Mon	FN	<p>Technical Session-09 Introduction to IFFDC-Indian Farm Forestry Development Cooperative Ltd. Dr OP Gaur, Chief Executive, IFFDC</p> <p>Technical Session-10 Development and Management of Farm Forestry Cooperatives By Dr. OP Gaur, CE &amp; Dr. KG Wankhade, Manager (Training)</p>
		AN	<p>Technical Session-11 Natural Resource Management – Experiences of Agricultural Cooperatives Dr. GC Shrotriya, Chief Manager (Agri Services), IFFCO</p> <p>Technical Session-12 Application of Nominal Group Technique for Environment Management Dr GC Shrotriya, Chief Manager (Agri Services), IFFCO</p>
Jan 11	Tue	FN	<p>Technical Session-13 Management of transport System in India Dr DK Shukla, Executive Director (Transportation), IFFCO</p> <p>Technical Session-14 Management of Fertiliser Distribution in India – Experiences of IFFCO Mr BD Singh, Joint General Manager (Marketing), IFFCO</p>
		AN	<p>Technical Session-15 Management of Warehousing System in India Dr BP Govil, Joint General Manager (Marketing), IFFCO</p> <p>Technical Session-16 Women Cooperatives and Women-in-Cooperative Development Experiences from India Ms. Anita Manchanda, Director, National Cooperative Union of India</p>
Jan 12	Wed		<p>Study visits programme in New Delhi -ICA Regional Office for Asia and the Pacific -National Cooperative Union of India-NCUI</p>

-National Agricultural Cooperative Marketing Federation of India-NAFED

Jan 13 Thu	FN	<p>Technical Session-17 Total Quality Management-TQM Dr. CS Rao, Chief Manager (HRD), IFFCO</p> <p>Technical Session-18 Quality Standards in ISO Mr AK Alambain, Chief Manager (Marketing), IFFCO</p>
	AN	<p>Technical Session-19 Implementation of ISO in IFFCO Mr. AK Alambain, Chief Manager (Marketing), IFFCO</p> <p>Technical Session-20 Quality Management in HRD functions of Cooperatives Dr. CS Rao, Chief Manager (HRD), IFFCO</p>
Jan 14 Fri	FN	<p>Technical Session-21 Management of Agro-Input Distribution in Cooperatives Mr. RC Gupta, Joint General Manager (Marketing), IFFCO</p> <p>Technical Session-22 Agricultural Services provided by IFFCO Dr. GC Shrotriya, Chief Manager (Agri Services), IFFCO</p> <p>Technical Session-23 FIELD VISIT TO IFFCO VILLAGE IN GURGAON DISTRICT</p>
Jan 15 Sat	FN	<p>Technical Session-24 Evaluation Session on FMDI/IFFCO Segment</p> <p>FREE. Preparations for departure for IRMA</p>
Jan 16 Sun		<p>Departure for Baroda on way to IRMA by the morning flight from the IGI-Delhi (Palam) Domestic Airport. (IC-815 0600/0725)</p>

**Strengthening Management of Agricultural Cooperatives in Asia. Fourteenth [14TH] ICA-Japan International Training Programme  
Schedule for Module at IRMA: 17 January 2000 – 19 February 2000**

<b>Date</b>	<b>9:15 – 10:45</b>	<b>11:15 – 12:45</b>	<b>14:00 – 15:30</b>	<b>16:00 – 17:30</b>
17.01.2000. Mon	Inauguration & Introduction/campus tour		IGB-1	IGB-2
18.01.2000. Tue	Project Presentations		Project Presentations	
19.01.2000. Wed	PM – 1	ACCOUNTING - 1	MM-1	Computers-1
20.01.2000. Thu	PM-2	ACCOUNTING-2	MM-2	Computers-2
21.01.2000. Fri	PM-3	ACCOUNTING-3	MM-3	IGB-3
22.01.2000. Sat	FIELD VISIT : DAIRY COOP, AMUL, ARCOGUL			
23.01.2000. Sun	FREE			
24.01.2000. Mon	PM-4	ACCOUNTING-4	MM-4	Computers-3
25.01.2000. Tue	PM-5	ACCOUNTING-5	MM-5	Computers-4
26.01.2000. Wed	Republic Day	Group Discussion	MM-6	Computers-5
26.01.2000. Wed	PM-7	FM-3	MM-3	Computers-6
27.01.2000 Thu	PM-6	ACCOUNTING-6	FM-1	Computers-7
28.01.2000. Fri	PM-7	FM-2	ICS-1	Dr Kurien
29.01.2000. Sat	FIELD VISIT: URBAN COOP BANK & PALEJ SUGAR COOPERATIVE			

30.01.2000. Sun	FREE		
31.01.2000. Mon	Agri Coops & New World FM-3		IGB-4
01.02.2000. Tue	IGB-5	FM-4	Amalsad MP Cooperative Society
02.02.2000. Wed	PM-8	FM-5	ICS-2 Computers-8
03.02.2000. Thu	PM-9	FM-6	ICS-3 Computers-9
04.02.2000. Fri	PM-10	FM-7	ICS-4 Computers-10
05.02.2000. Sat	FIELD VISIT: IFFCO KALOL PLANT		
06.02.2000. Sun	FREE		
07.02.2000. Mon	PM-11	FM-8	Agri Coops & Professional Management
08.02.2000. Tue	PM-12	PPS-1	FM-9 Agri Coops & Food Security
09.02.2000. Wed	PM-13	PPS-2	Guest speaker: Uttam Dairy, Ahmedabad
10.02.2000. Thu	PM-14	PPS-3	Field visit: Gambhira Cooperative
11.02.2000. Fri	PM-15	PPS-4	IGB-6 Strategy Management
12.02.2000. Sat	Technology Management	ICS-5	FREE
13.02.2000. Sun	FREE		
14.02.2000. Mon	PPS-5	APPRAISAL OF PROEJCTS & REVISION	
15.02.2000. Tue	APPRAISAL OF PROJECTS & REVISION		
16.02.2000. Wed	APPRAISAL OF PROJECTS	VALEDICTORY	
17.02 – 19.02.2000	FIELD VISIT; KRIBHCO'S HAJIRA PLANT & AMALSAD COOP		
19.02.2000 Sat	LEAVING FOR DELHI FROM AHMEDABAD		

Course/Topic	No. of Sessions	Resource Persons
<b>1. Project Management</b>	<b>16 Sessions</b>	<b>Prof G. Krishnamurthi</b>
<p><b>Focus:</b> Project Management in agricultural cooperatives is the central theme of this module of training at IRMA. Participants are expected to work on a Project already identified by them. Project presentation and appraisals are now part of the module at IRMA itself, and occupy a significant chunk. Other courses/topics are included to provide meaningful inputs to the participants in preparing and executing projects in agricultural cooperatives. As such examples and illustrations are expected to be closely related to agricultural cooperatives in Asia.</p>		
<b>2. Analysis of Accounting Statements {AAS}</b>	<b>6 Sessions</b>	<b>Prof Prantik Ray</b>
<p><b>Focus:</b> Receipts and payments statement; Trading and Profit-Loss Statements; Balance Sheets Ratio analysis</p>		
<b>3. Financial Management {FM}</b>	<b>09 Sessions</b>	<b>Prof Shiladitya Roy</b>
<p><b>Focus:</b> Working capital management; Time value of money; estimating relevant cash-flows; financial criteria for investment decisions in agricultural cooperatives.</p>		
<b>4. Marketing Management {MM}</b>	<b>06 Sessions</b>	<b>Prof Sukhpal Singh</b>
<p><b>Focus:</b> Ps of Marketing; Product life cycle; Marketing strategies for agricultural coops' products Under different markets.</p>		
<b>5. Pricing of Products and Services (PPS)</b>	<b>05 Sessions</b>	<b>Prof MR Suresh</b>
<p><b>Focus:</b> Costing and Pricing of products and services in agricultural coops; Break-even analysis; Cost-Volume and Profit relations.</p>		
<b>6. Integrated Cooperative Systems {ICS}</b>	<b>04 Sessions</b>	<b>Prof KV Raju</b>
<p><b>Focus:</b> Integrated services; Vertical and horizontal integration; Federal cooperatives.</p>		
<b>7. Individual &amp; Group Behaviour</b>	<b>06 Sessions</b>	<b>Prof SN Biswas</b>
<b>8. Computers</b>	<b>10 Sessions</b>	<b>Mr PJ Modi</b>
<b>9. Field Visit</b>		<b>Mr Janak Patel</b>

**Special Sessions:**

1. Agricultural Cooperatives & Professional Management	...	...	...	Dr.Katar Singh
2. Agricultural Cooperatives & Food Security	...	...	...	Prof LK Vaswani
3. Agricultural Cooperatives & New World Trade Regime	...	...	...	Prof Sukhpal Singh
4. Agricultural Cooperatives & Strategy Management	...	...	...	Prof H.Panda
5. Agricultural Cooperatives & Technology Management	...	...	...	Prof. H. Panda
6. Guest Lectures-2				

(A special session was also held on Friday, January 28, 2000 which was addressed by Padma Vibhushan Dr V. Kurien, Chairman of the IRMA and former Chairman of the National Dairy Development Board-NDDB)

Feb 19 Sat		- Return to New Delhi from Ahmedabad (IC-862 2115/2230) -Stay at Hotel Vikram, Lajpatnagar, New Delhi
Feb 20 Sun		FREE
Feb 21 Mon		Wrap-up Session at ICA ROAP, New Delhi
Feb 22 Tue		-Wrap-up Session at ICA ROAP, New Delhi -Preparations for departure for Bangkok -ICA Farewell Dinner at ICA Regional Office
Feb 23 Wed	FN	Wrap-up Session at ICA ROAP, New Delhi Preparations for departure for Bangkok
	AN	Depart from Hotel at 2000 hrs for IGI-Delhi Airport for Bangkok

**ICA/CLT Comparative Field Study Visits to Agricultural Cooperatives in Thailand.  
February 24-29 2000**

Feb 24 2000	FN	Arrival of the group from New Delhi by Thai Flight TG-316 at 05.40 hrs Transfer to the CLT Hostel by bus from the Bangkok Airport
	AN	14.00-16.30 Briefing on "Cooperative Movement of Thailand and its Collaboration with Government Agencies" at the CLT Office by Dr. Asanee Ratanamalai, Executive Director 1800 hrs Welcome Dinner
Feb 25 2000		Participation in the HRD ICA Seminar at CLT
Feb 26 2000	0700-0900	Thai Cooperative Day Celebrations at CLT Departure for Pattaya Beach (full day)
Feb 27 2000	0700-2000	Departure for Ayudthaya Ancient City, Ayudthaya Province
Feb 28 2000		Travel to Pimai Agricultural Cooperative Ltd. And Sikiew Agricultural Cooperative Ltd., Nakornrachasima Province
Feb 29 2000	0900-1030	Introduction of NEDAC – Technical Cooperation among Developing Countries – Mr. Wim Polman, FAO
	1100-1300	Other briefing on Japan etc by M/s Y Abe & Daman Prakash [1400 hrs] Visit to the Wholesale Market
Mar 1 2000		Departure from the CLT Hostel for Bangkok Airport for travel to Tokyo TG-640 at 10.50 hrs.



## PART-II OF THE TRAINING COURSE HELD IN JAPAN

Management Practices adopted by the Agricultural Cooperatives in Japan with special reference to "Value-addition through Agro-Processing" and Comparative Field Study Visits to Agricultural Cooperatives in Japan in Fukuoka and Gunma Prefectures

Mar 01 Wed	-Arrival of participants from Bangkok
Mar 02 Thu	-9.30 Orientation -11.00 Opening Ceremony -13.00 Lecture : Japanese Culture, Society and Economy (IDACA T.Nakashima)
Mar 03 Fri	Lecture : Agriculture in Japan (IDACA T.Nakashima)
Mar 04 Sat	Sightseeing in Tokyo
Mar 05 Sun	Free
Mar 06 Mon	Lecture:Development of Rural Community and History of Agricultural Cooperatives (IDACA H. Terunuma) Evening: Japanese Conversation 1 (19.00-20.30)
Mar 07 Tue	Lecture: Organisation and Business of Agricultural Cooperatives (IDACA H.Terunuma) Evening: Japanese Conversation 2
Mar 08 Wed	Lecture: Marketing and Purchasing Business of Agricultural Cooperatives (IDACA Y.Nakaoka)
Mar 09 Thu	Visit to the Ministry of Agriculture, Forestry and Fisheries
Mar 10 Fri	Lecture: Farm Guidance of JA and Commodity-wise Group (IDACA Y.Abe) Evening: Japanese Conversation 3
Mar 11 Sat	Group Discussion
Mar 12 Sun	Free
Mar 13 Mon	Travel for Study Visit to Fukuoka
Mar 14 Tue	Visit to Fukuoka Prefectural Union of Agricultural Cooperatives Observation of Facilities of Economic Federation
Mar 15 Wed	Visit to JA Niji
Mar 16 Thu	Visit to JA Itoshima
Mar 17 Fri	Visit to Fishery Cooperatives – Move to Hiroshima
Mar 18 Sat	Observation in Hiroshima – Move to Tokyo
Mar 19 Sun	Free
Mar 20 Mon	National Holiday (Free)
Mar 21 Tue	Lecture: Credit Business of JA (Norin Chukin Research Institute T Suda) Evening : Japanese Conversation 4
Mar 22 Wed	Lecture : FN Mutual Insurance Business (JA Zenkyoren T. Yamamoto) AN : ODA System of Japan (JICA F.Kikuchi)

Mar 23 Thu	Lecture: Management Guidance by Unions (JA Zenchu T. Hamada)
Mar 24 Fri	Lecture: Significance of Multi-purpose Business Operation in JA (IDACA Y. Nakaoka) Evening : Japanese Conversation 5
Mar 25 Sat	Group Discussion
Mar 26 Sun	Free
Mar 27 Mon	Observation of Ohta Wholesale Market, Observation of Yokohama
Mar 28 Tue	Lecture: Development of Village Industries in Japan (Nagano Prefecture Rural Development Institute of Agricultural Cooperatives K. Okuma) Evening : Japanese Conversation 6
Mar 29 Wed	Lecture: Activities of Women's Association of Agricultural Cooperatives (JA Zenchu T. Tanaka)
Mar 30 Thu	Lecture : Entrepreneurship-Development for Rural Women (Rural Life Research Centre S. Abe) Evening: Japanese Conversation 7
Mar 31 Fri	Lecture : Public Relations and Member Communications (JA-Zenchu S Fukamachi) Evening : Japanese Conversation 8
Apr 1 Sat	Group Discussion
Apr 2 Sun	Free
Apr 3 Mon	Lecture : Farm Guidance and Distribution System of JA (JA Kamiina H. Kitahara) Evening : Japanese Conversation 9
Apr 4 Tue	Observation : Agricultural Research & Development Centre of JA Zen-Noh
Apr 5 Wed	Lecture : Marketing Strategy of JA for agricultural products (Research Institute for Distribution of Agricultural Products K. Harada)
Apr 6 Thu	Lecture : Facility Planning of Agricultural Cooperatives (Zen-Noh Architects & Engineers Inc. T. Narahara)
Apr 7 Fri	Major Problems for Agricultural Cooperative Development in Asia, (IDACA Y. Nakaoka) Evening : Japanese Conversation 10
Apr 8 Sat	Group Discussion
Apr 9 Sun	Free
Apr 10 Mon	Travel for Study Visit to Gunma
Apr 11 Tue	Visit to the Gunma Prefectural Union of Agricultural Cooperatives Observation of Distribution and Processing Facilities of the Prefecture Economic Federation
Apr 12 Wed	Visit to JA Sawada (Processing Activities)
Apr 13 Thu	Visit to JA Tone Numata (Regional Agriculture Promotion)
Apr 14 Fri	Move to Tokyo

Apr 15 Sat	Group Discussion
Apr 16 Sun	Free
Apr 17 Mon	Lecture : Case Study of Regional Agricultural Development Plan (IDACA Y Abe)
Apr 18 Tue	Lecture : Relevance of Japanese Experiences of JA for Developing Countries (ICA ROAP D Prakash)
Apr 19 Wed	Group Discussion and report writing
Apr 20 Thu	Lecture : Japanese Experience of Agricultural Cooperative Development in Asia (Cooperative Management Institute H. Yamamoto)
Apr 21 Fri	Evaluation and Closing Ceremony/Move to Narita for Departure
Apr 22 Sat	Departure of the participants

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## ANNEXE-II

### COURSE PARTICIPANTS

#### 01 CHINA

- 01 Mr. Wen Gao Lian, Attorney, Section Chief (Cooperative Guidance Department)  
All-China Federation of Supply and Marketing Coops (ACFSMC)  
45 Fuxingmen Nei Street, Beijing 100-801 China
- 02 Mr. Cheng Qingxin, Education Officer,  
(Department of Science, Technology, Education and Industry)  
All-China Federation of Supply and Marketing Cooperatives (ACFSMC)  
45 Fuxingmen Nei Street, Beijing 100-801 China

#### 02 INDIA

- 03 Mr. C.S. Ambekar, Deputy Area Manager  
Indian Farmers' Fertiliser Cooperative Limited-IFFCO\  
Bafna Building, Adalat Road, Aurangabad 431-005 Maharashtra India
- 04 Mr. Surendra Sehgal, Programme Officer  
National Cooperative Development Corporation-NCDC  
D-314 Vivek Vihar, Delhi 110-095 India

#### 03 INDONESIA

- 05 Ms. Indrawati Sinaga, Senior Staff (Business Development)  
INKUD-National Federation of Rural Cooperatives  
"Graha INKUD", Lt 3, Jalan Warung Buncit Raya No. 18-20  
Pejaten, Jakarta 12510 Indonesia

#### 04 MALAYSIA

- 06 Mr. Wan Zin b Wan Ahmad  
General Manager  
NARSCO-National Rubber Smallholders' Cooperative  
Lot 2544 Kampung Kubang Gali  
Jalan Machang, 17500 Tanah Merah, Kelantan, Malaysia

#### 05 MYANMAR

- 07 U Ne Linn, Director-Secretary  
Htet Arkar Kyaw Agricultural Cooperative Syndicate Ltd.  
18/22 Top Floor, 23<sup>rd</sup> Street, Latha Township, Yangon, Myanmar
- 08 U Aung Zaw Myint, Vice President  
Zwe Marn Aung Agricultural Producers' Cooperative Ltd.  
Kyauktan Township Myanmar

#### 06 PHILIPPINES

- 09 Ms. Nanette Dumangeng, Operations Chief  
Lamut Grassroots Savings & Development Cooperative LAGSADECO  
Poblacion West, Lamut 3605 Ifugao, Philippines

- 10 Ms. Jeanelyn Basug Apolinar  
Head, Business Enterprise Department  
Palompon Community Multipurpose Cooperative-PACCI  
Rizal Street, Palompon 6538 Leyte /Philippines

**07 SRI LANKA**

- 11 Mr. Premadasa D. Liyanage, Secretary  
Galle District Tea Manufacturing and Multifunction  
Cooperative Union Ltd.,  
147 Pettigalawatta, Galle Sri Lanka

**08 THAILAND**

- 12 Mr. Wattana Wattanapanee, Board Member/Secretary  
Sikhiu Agricultural Cooperative Ltd.,  
400 Moo 1, Tumbol Sikhiu  
Sikhiu District, Nakornrajasima Province, Thailand
- 13 Ms Wasana Boonprasit, Manager  
Tak Agricultural Cooperative Ltd.,  
259/3 Mahadthaibumroong Road  
Tak City 63000, Tak District Thailand

**09 VIETNAM**

- 14 Mr. Nguyen Anh Dung, Expert  
International Economic Relations Department  
Vietnam Cooperative Alliance-VCA  
77 Nguyen Thai Hoc Street, Hanoi Vietnam
- 15 Ms. Nguyen Que Anh, Expert  
International Economic Relations Department  
Vietnam Cooperative Alliance-VCA  
77 Nguyen Thai Hoc Street, Hanoi Vietnam

**ICA ROAP**

Dr Daman Prakash, Senior Consultant & Project Director  
ICA-Japan Agricoops Management Training Project  
International Cooperative Alliance  
Regional Office for Asia and the Pacific  
Bonow House, 43 Friends' Colony-East, New Delhi 110065. India

Mr Prem Kumar, Programme Advisor,  
International Cooperative Alliance  
Regional Office for Asia and the Pacific  
Bonow House, 43 Friends' Colony-East, New Delhi 110065. India.

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### ANNEXURE-III

#### ICA-JAPAN REGIONAL TRAINING COURSES ON STRENGTHENING MANAGEMENT OF AGRICULTURAL COOPERATIVES IN ASIA

#### CONSOLIDATED LIST OF PARTICIPANTS [1986-87, 1987-88, 1988-89, 1989-90, 1990-91, 1991-92, 1992-93, 1993-94, 1994-95, 1995-96, 1996-97, 1997-98, 1998-99 & 1999-2000]

Sr. No.	Names of Participants and the Participating Countries	
<b>01</b>	<b>BANGLADESH</b>	
001	1986-87	Mr Md Abdus Samee, Bangladesh Samabaya Marketing Society Ltd.
002	1987-88	Mr Abdul Mannaf Mir, Bangladesh Samabaya Bank Ltd.
003	1988-89	Mr Fakir Mohd. Anwarul Quadir, Bangladesh Samabaya Marketing Society.
004	1989-90	Mr Mohd. Nuruzzaman Bhuiyan, Bangladesh Samabaya Bank Ltd.
005	1990-91	Mr Mohd. Nurul Hoque, Manager, Bangladesh Samabaya Bank Ltd.
006	1991-92	Mr Sudhir Chandra Das, Bangladesh Milk Producers' Cooperative Union Ltd.
007	1992-93	Mr Mohd Habibullah, Bangladesh Samabaya Bank Ltd.
008	1993-94	Mr Md Anwaruzzaman, Bangladesh Samabaya Bank Ltd.
009	1994-95	Mr Siddiqur Rahman, Bangladesh Milk Producers' Coop Union, Milkvita,
010	1995-96	Mr Md Zillur Rahman, Bangladesh Samabaya Bank Ltd.
011	1996-97	Mr Nur Mohammad Molla, Bangladesh Samabaya Bank Limited
012	1997-98	Mr Kazi Zahirul Hoque, Bangladesh Samabaya Bank Limited
013	1998-99	Mr Mosharraf Hossain, Bangladesh Milk Producers' Cooperative Union Ltd
<b>02</b>	<b>CHINA</b>	
014	1986-87	Mr Aiguo Guan, All-China Federation of Supply & Marketing Cooperatives
015		Mrs Xinzheng Liu, All-China Fedn of Supply & Marketing Cooperatives
016	1987-88	Ms He Lanchai, All-China Federation of Supply & Marketing Cooperatives
017		Mr Shi Yue Jin, Zhejiang Supply and Marketing Cooperatives,
018	1988-89	Mr Bi Meijia, All-China Federation of Supply & Marketing Cooperatives
019		Mr Gao Jihai, Shandong Federation of Supply & Marketing Cooperatives
020	1989-90	Mr Jia Min Sheng, All-China Federation of Supply & Marketing Cooperatives
021		Mr Yang Bao Guo, Shanghai Federation of Supply & Marketing Coops Ltd.
022	1990-91	Mr Rong Jun, All-China Federation of Supply & Marketing Cooperatives
023		Mr Huang Yadong, Hubei Provincial Fedn of Supply-Marketing Cooperatives
024	1991-92	Mr Zhang Guang Lun, Shaanxi Provincial Supply & Marketing Coop Union,
025		Ms Liu Quan, Shanghai Federation of Supply and Marketing Cooperatives,
026	1995-96	Mr Liu Hui, All-China Federation of Supply & Marketing Cooperatives
027	1996-97	Mr Wang Songjun, All-China Fedn of Supply & Marketing Cooperatives
028		Mr Feilong Liu, Ningbo Supply and Marketing Cooperatives
029	1997-98	Mr Gao Mao Lin, All-China Fedn of Supply and Marketing Cooperatives
030		Mr Bai Tao, Shanxi Provincial Fedn of Supply and Marketing Cooperatives

031	1998-99	Mr Xu Guoliang, Qingdao Dongfang Group Company Limited
032		Mr Huang Xiao, Shandong Supply and Marketing Coop [Group]
033	1999-2000	Mr Wen Gao Lian, All-China Fedn of Supply and Marketing Cooperatives
034		Mr Cheng Qingxin, All-China Fedn of Supply and Marketing Cooperatives
<b>03</b>	<b>INDIA</b>	
035	1986-87	Mr N.N. Joshi, Rajasthan State Cooperative Bank Ltd.
036		Dr N.P.Sharma, National Cooperative Union of India
037		Mr C.D. Singal, Haryana State Cooperative Bank Ltd.
038	1987-88	Mr Thondup Pintso Bhutia, Joint Registrar of Cooperative Societies, Sikkim
039		Mr Rajiv I.D. Mehta, ICA Regional Office for Asia and the Pacific
040		Mr Ganesh Prasad Néma, M.P. State Cooperative Land Development Bank
041	1988-89	Mr G. Ganga Rao, Krishna District Central Cooperative Bank Ltd.
042		Mr Prómód Kumar Pandey, National Agri Cooperative Marketing Federation
043	1989-90	Mr D.T. Rangáswamy, Karnataka State Cooperative Bank Ltd.
044		Mr Lokendra Singh Rawal, Krishak Bhañti Cooperative Ltd., KRIBHCO
045	1990-91	Mr Ziley Singh, Department of Civil Supplies, Govt of India
046		Mr Raj Pal Gabá, National Agricultural Coop Marketing Fedn of India.
047	1991-92	Mr Ram Niwas Kundu, Indian Farmers-Fertilizer Cooperative Ltd (IFFCO)
048		Mr Virinder Singh Sidhu, Integrated Cooperative Development Project
049	1992-93	Mr I.K.Kadu, Padamshri Dr Vithalrao Vikhe Patil Sugar Factory
050		Mr Subhash Singh, National Agricultural Cooperative Federation
051		Mr Ram Swaroop Jakhar, Rajasthan Agr Dev Bank Ltd.
052	1993-94	Dr K.G.Wankhade, IFFDC Project, IFFCO
053		Mr Deepak Kumar Saxena, Rajasthan State Cooperative Bank Ltd.
054	1994-95	Dr Durga Pada Patra, Indian Farmers Fertilizer Cooperative Ltd.(IFFCO)
055		Mr K.L.Nalwayá, National Cooperative Union of India
056		Mr C. Sehar, Tamil Nadu Cooperative Marketing Federation Ltd.
057	1995-96	Mr George Kuriakose, Kerala State Coop Agri & Rural Development Bank
058		Mr S. Gopal Parashar, National Cooperative Union of India
059	1996-97	Mr M. Rama Gopal, Andhra Pradesh Dairy Cooperative Federation Ltd
060		Ms Urmil Aneja, National Agri Coop Marketing Fedn of India Ltd (NAFED)
061	1997-98	Dr R.R. Rándad, Indian Farmers' Fertiliser Cooperative Ltd/IFFCO
062		Dr V.N. Ramakrishna, Bijapur Distt Coop Milk Producers' Union Ltd
063	1998-99	Mr Deshpal Singh Tomar, Indian Farmers' Fertiliser Cooperative Limited
064		Mr Amar Pal Singh Bhullar, Punjab State Cooperative Bank Limited
065	1999-2000	Mr CS Ambekar, Indian Farmers' Fertiliser Cooperative Limited
066		Mr Surendra Sehgal, National Cooperative Development Corporation-NCDC

**04 INDONESIA**

- 067 1986-87 Mr Samsul Arief, Dewan Koperasi Indonesia (DEKOPIN)
- 068 1987-88 Mr Yoyok Sunaryo Soekarno, Union of Dairy Coops of Indonesia, GKSI  
069 Mr Maharsi Adi Sucipto, Union of Dairy Cooperatives of Indonesia
- 070 1991-92 Mr Johny Priyana, Union of Dairy Cooperatives of Indonesia-GKSI  
071 1992-93 Mr Achmad Kosasih, Union of Dairy Coops of Indonesia GKSI
- 072 1993-94 Mr Tanoyo, Adi, Union of Dairy Cooperatives of Indonesia-GKSI  
073 Mr Iskandar Muchlas, Union of Dairy Cooperatives of Indonesia-GKSI
- 074 1994-95 Mr Ayi Suhendi, KPSBU Lembang, Bandung, West Jawa. GKSI  
075 Ms Marleen Erna Dien, Rural Unit Coop Federation, North Sulawesi. GKSI  
076 Ms Rias Dyah Tri Silvana, KUD SUKA MAKMUR, Malang
- 077 1995-96 Mr Andy Satyana, Manager, KUD Setia Kawan. GKSI
- 078 1996-97 Ms Carolina H.K., DVM, KUD Suka Mulya, Wates Kediri. East Java. GKSI  
079 Mr Hermaniadi, KUD Dah, DAU, Malang. East Java. GKSI
- 080 1997-98 Mr Abdurahman Sopa, KUD Bayongbong. Garut. West Java. GKSI  
081 Mr Taryat Ali Nursidik, North Bandung Dairy Cooperatives/KPSBU
- 082 1999-2000 Ms Indrawati-Sinaga, INKUD

**05 IRAN**

- 083 1991-92 Mr Mohammed Reza Gramipour, Central Organisation for Rural Coop of Iran  
084 1992-93 Mr Morteza Hafezi, Central Organisation for Rural Coops of Iran  
085 1993-94 Mr Ali Arbabi, Central Organisation for Rural Coops of Iran

**06 KOREA, REPUBLIC OF**

- 086 1986-87 Mr Chong Hyun Baik, National Agricultural Cooperative Federation-NACF  
087 Mr Jin Woo Kim, National Agricultural Cooperative Federation-NACF
- 088 1987-88 Mr Yun Hee Lee, National Agricultural Cooperative Federation-NACF  
089 Mr Chung Shik Shim, National Agricultural Cooperative Federation-NACF
- 090 1988-89 Mr Hyang Kyu Lee, National Agricultural Cooperatives Federation-NACF  
091 Mr Byung Ho Jeong, National Livestock Cooperatives Federation-NLCF
- 092 1989-90 Mr Sang Derk Lee, Anseong Agri Coop Leaders' Training Institute, NACF  
093 Mr Byung O Kang, National Livestock Cooperatives Federation-NLCF
- 094 1990-91 Mr Shie Kie Yup, National Agricultural Cooperatives Federation-NACF  
095 Mr Kyu Hyun Lee, National Livestock Cooperatives Federation-NLCF
- 096 1991-92 Mr Hyun Keun Myung, National Agricultural Cooperatives Federation-NACF  
097 Mr Won-Tae Kim, National Livestock Cooperatives Federation-NLCF
- 098 1992-93 Mr Han Ju Lee, National Agricultural Cooperatives Federation-NACF  
099 Mr Byeong Hak Lee, Seoul Dairy Cooperative  
100 1993-94 Mr Do Hwan Woo, National Agricultural Cooperatives Federation-NACF



101		Mr Kwang Seog Song, National Livestock Cooperatives Federation-NLCF
102	1994-95	Mr Jong Soo Lee, National Agricultural Cooperatives Federation-NACF
103		Mr Pyeong Woo Min, National Livestock Cooperatives Federation-NLCF
104	1995-96	Mr Dong Young Kim, National Agricultural Cooperatives Federation-NACF
105		Mr Sun Hak Kim, National Livestock Cooperatives Federation-NLCF
<b>07</b>	<b>MALAYSIA</b>	
106	1986-87	Mr Mohd Redza Haji Baba, Kementerian Pertanian Tingkat 7
107	1987-88	Mr Wan Abdul Rahman bin Wan Mohd. Zain, (FOA)
108	1988-89	Mr Ghani Fikri, Machang Rubber Smallholders' Cooperative-RISDA
109	1989-90	Mr Abdul Razak Jamin, Federal Land Development Authority (FELDA)
110		Mr Abu Bakar Ujang, Asrama FELDA Semai Bakti Kelana Jaya
111	1990-91	Mr Ku Mohd Rodzi, Pejabat Pengarah FELCRA Negari Pulau Pinang
112	1991-92	Mr Rofien Sapiin, KESEDOR HQs,
113	1992-93	Mr Salleh bin Rehduan, Department of Cooperative Development
114	1993-94	Mr Anthony Samuel, Department of Cooperative Development
115	1995-96	Mr Nik Mohd Nabil bin Nik Mansur, (RISDA)
116	1996-97	Mr Arikrishnan, FELDA Cawangan Kuantan
117	1997-98	Mr Zahari Mat Amin, NARSCO Cooperative Federation
118	1998-99	Mr Azhar b. Yunus, Farmers' Organisation Authority-FOA
119	1999-2000	Mr Wan Zin B. Wan Ahmad, NARSCO
<b>08</b>	<b>MYANMAR</b>	
120	1993-94	Ms Sein Sein Htay, Mon State Cooperative Syndicate
121	1994-95	Mr Aung Maung, Sagaing Division Cooperative Syndicate
122		Ms Htay Htay, Township Cooperative Society
123	1995-96	Ms Khin Khin Nyunt, Hinthada Township Cooperative Society
124	1996-97	Mr Htin Kyaw Linn, Union of Agricultural Producers Coop Syndicate Ltd
125	1997-98	Mr Sein Win, Union of Agricultural Cooperatives
126	1998-99	U Zaw Myint, Ministry of Cooperatives-Myanmar
127	1999-2000	U Ne Linn, Htet Arkar Kyaw Agricultural Cooperative Syndicate
128		U Aung Zaw Myint, Swe Marh Aung Agricultural Producers' Coop Ltd
<b>09</b>	<b>NEPAL</b>	
129	1998-99	Mr Ram Bhajan Shah, National Cooperative Federation of Nepal
130		Mr Umesh Mahaseth, District Cooperative Union Ltd-Nepalganj
<b>10</b>	<b>PAKISTAN</b>	
131	1988-89	Mr Agha Zaid Hussain, Provincial Cooperative Bank, HO,
132	1989-90	Mr Tariq Hussain Nadeem, Mercantile Finance Corporation
133	1990-91	Mr Islam Madni, National Cooperative Supply Corporation Ltd
134	1991-92	Mr Gul Muhammad, Federal Bank for Cooperatives
135	1992-93	Mr Syed Maqbool Hussain Shah, Circle Registrar, Forest Coop Societies
136	1993-94	Mr Tasadduq Hussain, Punjab Provincial Cooperative Bank Ltd.
137	1995-96	Mr Riaz Akhtar, Federal Bank for Cooperatives

138	1996-97	Mr Muhammad Nasir, Federal Bank for Cooperatives
139	1997-98	Mr Muhammad Ashraf, Panjab Provincial Cooperative Bank Limited
140	1998-99	Mr Tahir Iqbal Butt, Punjab Provincial Cooperative Bank Limited
<b>11</b>	<b>PHILIPPINES</b>	
141	1986-87	Mr Cesar Alcantara, Department of Agriculture-Tarlac, Tarlac, Philippines:
142		Mrs Jean N Abdurasad, Agricultural Cooperative Marketing Federation
143	1987-88	Ms Bernardia L Barranco, Federation of Area Marketing Cooperatives Inc.
144	1988-89	Mr S.E. Coliyat, Soro-Soro Ibaba Development Cooperative
145		Mr Jose C. Palmares, Talongonan-Agtabo, Ilawad Multipurpose Cooperative
146	1989-90	Mr Adolfo Dele Pena, Department of Agrarian Reforms
147		Mr Abundio V Felin, San Isidro Development Cooperative
148	1990-91	Miss Amelita Provideo, CDA Iloilo Extension Office
149		Ms Edith Susan Valdez, Cooperative Rural Bank, San Pablo
150	1991-92	Ms Belma H Sales, Cooperative Rural Bank
151	1992-93	Mr Philmore C. Quilat, Cooperative Management Consultants
152	1994-95	Mr Edilberto B Lantaca Jr., Perpetual Help Credit Cooperative
153	1994-95	Mr Rony L Farquerabao, EARN Romblon Federation of Cooperatives
154	1995-96	Mr Claudio Acquino Ofrancia, West Pangasinan Fedn of Multipurpose Coops
155	1996-97	Mr Teofilo R. Quintal, Provincial Agricultural Office, Vigan, Ilocos Sur.
156	1997-98	Ms Ma Jocelyn P. Espia, Badiang Multipurpose Cooperative Society
157		Ms Estrella R. Hernandez, Bureau of Fisheries and Aquatic Resources
158	1998-99	Ms Rufina S. Salas, Cooperative Union of the Philippines Inc
159	1999-2000	Ms Nanette Dumangeng, Lamut Grassroots Cooperative-NATCCO
160		Ms Jeanelyn Apolarin, Palompon Community MP Cooperative-NATCCO
<b>12</b>	<b>SRI LANKA</b>	
161	1986-87	Mr P.L.Gunasekara, Ruwanwella Multipurpose Cooperative Society Ltd.
162	1987-88	Mr U.G.Dayananda, Sri Lanka Cooperative Marketing Federation Ltd.
163	1988-89	Mr J.K.Thungasena, Madampe Multipurpose Cooperative Society Ltd.
164		Mr E.M.E.G. Muthubanda, Naula Multipurpose Cooperative Society Ltd.
165	1989-90	Mr Sam Deerasinghe, National Cooperative Training Institute-NCC/SL
166	1990-91	Mr M.B.R. Perera, Dunagaha Coconut Producers' Cooperative Society
167		Mr C.A.C. Fernando, Kammalpattua Coconut Producers' Coop Society Ltd.
168	1991-92	Mr Ananda Walisinghe, Cooperative Marketing Federation of Sri Lanka
169	1992-93	Mr A.F.A. Perera, Bandarawela Multipurpose Cooperative Society Ltd.
170		Mr A.G.S.M. Navaratne Banda, Aranayake Multipurpose Coop Society Ltd.
171	1993-94	Mr H.A. Siripala, Hungoma Multipurpose Cooperative Society Ltd.
172		Mr K.L. Bandula, Nattandiya Multipurpose Cooperative Society Ltd.
173	1995-96	Mr R.B. Gamini Bandara, National Cooperative Council of Sri Lanka

174		Ms Chandrika Samanthi Ramanayaka, National Coop Council of Sri Lanka
175	1996-97	Mr WMK Samarasekera, Mahaweli Cooperative Society Ltd
176		Mr RKA Sunil Jayasinghe, Kundasale Multipurpose Cooperative Society Ltd
177	1997-98	Ms Padmini Alahakoon, NCC Kahagolla Cooperative Development Centre
178	1998-99	Ms Karuna de Silva, National Cooperative Council of Sri Lanka
179	1999-2000	Mr Premadasa Liyanage, Galle MPCS-NCC/SL
<b>13</b>	<b>THAILAND</b>	
180	1986-87	Mr Sirihatakit Kreingsak, Nongvai Agricultural Cooperative Society
181		Mr Apichat Treejaturon, Cooperative Promotion Department-CPD
182	1987-88	Mr Taworn Supanawan, Cooperative Promotion Department-CPD
183		Mr Panuwat Nanakornpanom, Cooperative Promotion Department-CPD
184	1988-89	Mr Thawee Thimasaya, Agricultural Cooperative Federation of Thailand,
185		Miss Wasna Junthieng, Mae Chaem Agricultural Cooperative Ltd.
186	1989-90	Mrs Jansuda Watcharayon, Cooperative League of Thailand-CLT
187		Ms Pornrut Saitongsuk, Cooperative League of Thailand-CLT
188	1990-91	Ms Maroum Sutanant, Rongkwang Agricultural Cooperative Ltd
189		Mr Suriya Thummararo, Muayang Pijit Agricultural Coop Ltd, Muayang Pijit.
190	1991-92	Mr Pronchadin Potiya, Maetaeng Agricultural Cooperative
191	1992-93	Mrs Amporn Vongsopa, Sanpathong Agricultural Cooperative
192	1993-94	Mr Pratin Boontioy, Cooperative League of Thailand-CLT
193	1995-96	Ms Sunee Karndee, Cooperative Promotion Department-CPD
194	1998-99	Mr Phanuwat Wanraway, Cooperative League of Thailand
195	1999-2000	Mr Wattana Wattapanee, Sikhui Agricultural Cooperative Limited
196		Ms Wasana Boonprasit, Tak Agricultural Cooperative Society Limited
<b>14</b>	<b>VIETNAM</b>	
197	1991-92	Mr Nguyen Quoc Tuy, Central Council of Coop Unions (VICOOPSME)
198	1992-93	Mr Le Van Nhu, Central Council of Cooperative Unions (VICOOPSME)
199	1993-94	Mrs Phung Thi Ngan Ha, Central Council of Coop Unions (VICOOPSME)
200	1994-95	Ms Tran Kim Linh, Central Council of Cooperative Unions (VICOOPSME)
201		Ms Truong Ngoc Oanh, Saigon Cooperative
202	1995-96	Mr Pham Minh Duc, Central Council of Cooperative Unions (VICOOPSME)
203	1996-97	Mr Do Tien Vinh, Vietnam Coops Company for General Trading
204		Ms Hoang Thi Vinh, Victoria Investment Trade & Services Cooperative
205	1997-98	Ms Pham Thi Thanh Hang, Vietnam Cooperative Union
206		Ms Hoang Que Lan, Vietnam Cooperative Union
207	1998-99	Mr Hoang Chuyen Can, Vietnam Cooperative Alliance-VCA
208		Mr Pham Khuong, Saigon Union of Trading Cooperatives-SAIGONCOOP

209 1999-2000 Mr Nguyen Anh Dung, Vietnam Cooperative Alliance  
 210 Ms Nguyen Que Anh, Vietnam Cooperative Alliance

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**Summary: 14 Courses**

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Total Number of Attending Participants	...	...	...	...	...	210
Total Number of project proposals prepared by participants	...	...	...	...	...	207
Total Number of Training Courses Held	...	...	...	...	...	14
Total Number of Participating Countries	...	...	...	...	...	14
01 Bangladesh	...	...	...	...	...	13
02 China	...	...	...	...	...	21
03 India	...	...	...	...	...	32
04 Indonesia	...	...	...	...	...	16
05 Iran	...	...	...	...	...	03
06 Korea, Rep of	...	...	...	...	...	20
07 Malaysia	...	...	...	...	...	14
08 Myanmar	...	...	...	...	...	09
09 Nepal	...	...	...	...	...	02
10 Pakistan	...	...	...	...	...	10
11 Philippines	...	...	...	...	...	20
12 Sri Lanka	...	...	...	...	...	19
13 Thailand	...	...	...	...	...	17
14 Vietnam	...	...	...	...	...	14
<b>TOTAL</b>	...	...	...	...	...	<b>210</b>

## ICA STATEMENT OF COOPERATIVE IDENTITY [ISCI]

*The ICA General Assembly held on 23<sup>rd</sup> September 1995 in Manchester, adopted the new Principles of Cooperation recommended by the ICA Board of Directors and the ICA Congress after global study and review by a committee headed by Prof Ian McPherson from Canada. The process started with a paper presented by Lars Marcus, the then President of the ICA, at the ICA Congress held in 1988 at Stockholm. Sven Ake Book, a cooperative specialist from Sweden, was detailed to undertake a research into Cooperative Values and Principles in the context of modern global environment of cooperatives who presented his report to the ICA Congress held in Tokyo in 1992. The General Assembly appointed a committee, headed by Prof Ian McPherson for a review of the Cooperative Principles. The Manchester Congress adopted a Statement of Cooperative Identity which contains the definition, values and the Principles of Cooperation.*

### DEFINITION

A cooperative is an autonomous association of persons united voluntarily to meet their common economic, social and cultural needs and aspirations through a jointly-owned and democratically-controlled enterprise.

### VALUES

Cooperatives are based on the values of self-help, self-responsibility, democracy, equality, equity and solidarity. In the tradition of their founders, cooperative members believe in the ethical values of honesty, openness, social responsibility and caring for others.

### THE PRINCIPLES OF COOPERATION

The Cooperative Principles are guidelines by which cooperatives put their values into practice.

#### First Principle

##### **Voluntary and Open Membership**

Cooperatives are voluntary organisations, open to all persons able to use their services and willing to accept the responsibilities of membership, without gender, social, racial, political or religious discrimination.

#### Second Principle

##### **Democratic Member Control**

Cooperatives are democratic organisations controlled by their members, who actively participate in setting their policies and making decisions. Men and women, serving as elected representatives, are accountable to the membership. In primary cooperatives, members have equal voting rights [one member, one vote], and cooperatives at other levels are also organised in a democratic manner.

#### Third Principle

##### **Member Economic Participation**

Members contribute equitably to, and democratically control, the capital of their cooperative. At least a part of that capital is usually the common property of the cooperative. Members usually receive limited compensation, if any, on capital subscribed as a condition of membership. Members allocate surpluses for any or all of the following purposes: developing their cooperatives, possibly by setting up reserves, part of which at least would be indivisible; benefiting members in proportion to their transactions with the cooperative; and supporting other activities approved by the membership.

**Fourth Principle  
Autonomy and Independence**

Cooperatives are autonomous, self-help organisations controlled by their members. If they enter into agreements with other organisations, including governments, or raise capital from external sources, they do so on terms that ensure democratic control by their members and maintain their cooperative autonomy.

**Fifth Principle  
Education, Training and Information**

Cooperatives provide education and training for their members, elected representatives, managers, and employees, so that they can contribute effectively to the development of their cooperatives. They inform the general public – particularly young people and opinion leaders – about the nature and benefits of Cooperation.

**Sixth Principle  
Cooperation among Cooperatives**

Cooperatives serve their members most effectively and strengthen the Cooperative Movement by working together through local, national, regional and international structures.

**Seventh Principle  
Concern for the Community**

Cooperatives work for the sustainable development of their communities through policies approved by their members.

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**PARTICIPANTS**  
**14th ICA-Japan Training Course on**  
**"Strengthening Management of Agricultural Cooperatives in Asia"**  
**India - Thailand - Japan. November 12, 1999 – April 22, 2000**



**WEN GAO LIAN**  
 All-China Federation of  
 Supply and Marketing  
 Cooperatives [ACFSMC]  
 China



**CHENG QINGXIN**  
 All-China Federation of  
 Supply and Marketing  
 Cooperatives [ACFSMC]  
 China



**C.S. AMBEKAR**  
 Indian Farmers' Fertiliser  
 Cooperative Limited-IFFCO  
 India



**SURENDRA SEHGAL**  
 National Cooperative  
 Development Corporation  
 India



**INDRAWATI SINAGA**  
 INKUD-National Federation  
 of Rural Cooperatives  
 Indonesia



**WAN ZIN B. WAN AHMAD**  
 NARSCO-National Rubber  
 Smallholders' Cooperative  
 Malaysia



**U NE LINN**  
 Htet Arkar Kyaw Agricultural  
 Cooperative Syndicate Ltd  
 Myanmar



**U AUNG ZAW MYINT**  
 Zwe Marn Aung Agricultural  
 Producers' Cooperative Ltd  
 Myanmar



**NANETTE DUMANGENG**  
 Lamut Grassroots Savings  
 & Development Cooperative  
 Philippines



**JEANELYN B. APOLINAR**  
 Palompon Community  
 Multipurpose Cooperative  
 Philippines



**PREMEDASA D. LIYANAGE**  
 Galle Distt. Tea Manufacturing  
 & Multifunction Cooperative  
 Union Limited  
 Sri Lanka



**WATTANA WATTANAPANEE**  
 Sikhui Agricultural Cooperative  
 Limited  
 Thailand



**WASANA BOONPRASIT**  
 Tak Agricultural Cooperative  
 Limited  
 Thailand



**NGUYEN ANH DUNG**  
 International Economic  
 Relations Department  
 Vietnam



**NGUYEN QUE ANH**  
 Vietnam Cooperative  
 Alliance-VCA  
 Vietnam



**DR DAMAN PRAKASH**  
 Project Director,  
 ICAROAP



**PREM KUMAR**  
 Programme Advisor,  
 ICAROAP

## **Some Important Cooperative Publications**

**Total Quality Management Practices in Agricultural Cooperatives in Asia**  
by Daman Prakash & GC Shrotriya. ICA-IFFCO joint publication

**Paradigm Shift in the Management of Agricultural Cooperatives in Asia**  
by Daman Prakash & GC Shrotriya. ICA-IFFCO joint publication

**Environment and Cooperatives – An International Study**  
by GC Shrotriya & Daman Prakash. ICA-IFFCO joint publication

### **A Place to Live**

**An Awareness Extension Material on the Role of Cooperatives in Environment Protection**  
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**Management Leadership Development in Agricultural Cooperative Business**  
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**Our Civil Society and Cooperatives**  
by Daman Prakash. ICA Regional Office publication

**Social Objectives of Cooperatives**  
by Daman Prakash. ICA Regional Office publication

**JA – Japanese Agricultural Cooperatives : Then and Now**  
by Daman Prakash. ICA Regional Office publication

**Cooperative Democracy vis-à-vis Members' Education**  
by Daman-Prakash. Published by The Coop Times

**Agricultural Cooperatives in Japan – The Dynamics of Their Development**  
by MV Madane. ICA Regional Office publication

**Agricultural Cooperatives in South Korea – The Unitary Approach**  
by MV Madane. ICA Regional Office publication

**Managerial Decision-Making in Agricultural Cooperatives – Some Selected Cases**  
Published jointly by the ICA Regional Office and the Institute of Rural Management [IRMA]

*Please ask for a complete catalogue of ICA and other cooperative publications.  
Publications are generally sent by airmail under registered cover and per VPP in India.  
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The Publications Officer  
**THE ICA DOMUS TRUST LIMITED**  
"Bonow House", 43 Friends' Colony-East  
New Delhi 110065. India





Participants of the course with Mr. Toyoshi Miyanaga (seated fourth from left), Dr Daman Prakash (second from left) and Mr. Yoshitada Nakaoka (third from left).

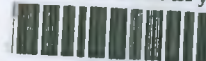


The INTERNATIONAL COOPERATIVE ALLIANCE [ICA] is a worldwide international association of cooperative organisations of all types. Founded in London on 18th August 1895 by the International Cooperative Congress, the ICA has affiliates in 90 countries with 230 national and 4 international level organisations as members serving over 900 million individual members worldwide.

The ICA Regional Office for Asia and the Pacific [ICA ROAP], established in 1960 in India, is one of the five Regional Offices, which serves 65 national level organisations from 26 countries, and one international organisation [ACCU], representing nearly 520 million individual cooperators. 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 organisations; and Organisation of seminars, conferences and technical meetings on specific subjects including support for programmes aimed at the involvement of women and youth in cooperative activities.

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