REPORT OF THE ICA/CCE REGIONAL SEMINAR ON

COOPERATIVE MARKETING OF FOODGRAINS

MANILA, PHILIPPINES
DECEMBER 1—16, 1969

TERNATIONAL COOPERATIVE ALLIANCE

REGIONAL OFFICE & EDUCATION CENTRE FOR SOUTH-EAST ASIA
43 FRIENDS' COLONY, NEW DELHI-14. INDIA

REPORT OF THE REGIONAL SEMINAR ON

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COOPERATIVE MARKETING OF FOODGRAINS

Manila (Philippines) 1st to 16th December, 1969

DIRECTOR OF THE SEMINAR

J. M. Rana Director (Education) ICA Regional Office & Education Centre New delhi

CO-DIRECTOR & RAPPORTEUR

DISCARDED BY

Lionel Gunawardana Joint Director

ICA Regional Office & Education Centre

New Delhi

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1. <u>Introduction</u>

The Regional Seminar on Cooperative Marketing of Foodgrains was jointly held in Manila from 1st to 16th December, 1969 by the International Cooperative Alliance, Regional Office and Education Centre for South-East Asia and the Central Cooperative Exchange, Inc., the Philippines. Active support to the seminar was given by the Agricultural Credit Administration, Agricultural Credit and Cooperatives Institute, and the Grains Marketing Cooperative of the Philippines. The seminar was attended by 23 participants from Australia, Ceylon, India, Indonesia, the Republic of Korea, Malaysia, the Philippines and Thailand. Observers from the Food and Agriculture Organisation and the Afro-Asian Rural Reconstruction Organisation also attended the seminar.

The present Report consists of discussions carried out in various groups of the seminar and discussions at the plenary sessions on the group reports. It does not include lecture texts or summaries thereof. A copy of the seminar programme and a list of the participants are appended hereto.

The seminar was inaugurated by the Hon'ble Ernesto M. Maceda, Executive Secretary and Secretary, Presidential Arm on Community Development, Government of the Philippines. Mr. Maceda said in his inaugural address that the seminar happily coincided with the declaration by the President of the Philippines of 1969 as "Agricultural Cooperative Development Year". Hon'ble Maceda said that the need for cooperative action in order to assure to the Asian farmer a decent living standard at the very least, and to achieve for him a position of economic strength, was very urgent. Specially for this generation which was faced with over-production, there was a trenchant need to harness the resources of the farmer, in a manner that only effective cooperative action could achieve. He further said: "As I go through your programme, I see that each and every subject to be taken up by you in the course of this seminar has particular relevance to conditions

obtaining in our country, as well as in almost all, if not all, the countries in the South-East Asian region represented here. The farmers must become commercial producers if they are to achieve any appreciable level of advancement; I believe this can only be done through the instrumentality of cooperation - the one economic institution we in this region look up to as the answer to our economic problems. Then, at the level of the cooperative society the problem is to study how this institution can become more efficient by finding out ways and means to reduce the costs of operations and improving the operating methods. This is no simple problem, specially when it relates to marketing of foodgrains which has been described by one cooperative marketing authority as being full of unsolved problems and baffling inconsistencies, dominated by whims and fancies of buyers."

The seminar participants expressed their gratitude to the Central Cooperative Exchange, Inc., of the Philippines for providing excellent facilities for holding the seminar and also for arranging useful study visits to several cooperatives. The seminar also expressed its gratefulness to Mr. Bienvenido P. Faustino and his staff for the tireless work they did, not only in making the seminar discussions fruitful, but also the stay of the participants in the Philippines enjoyable. The seminar also placed on record its thanks to Mr. Teofilo Azada, Administrator and the staff of the Agricultural Credit Administration, the Agricultural Credit and Cooperatives Institute, and the Grains Marketing Cooperative of the Philippines for the very active support they extended to make the seminar successful. The seminar is also thankful to various other cooperative and private organisations in the Philippines who extended hospitality to the seminar.

Mr J.M. Rana, Director (Education), and Mr. Lionel Gunawardana, Joint Director, ICA Education Centre, were the Director and Co-Director of the seminar respectively.

2. Objectives of the Seminar

The seminar had the following objectives:

- i. to discuss the present situation, problems and developmental plans of foodgrains' marketing activities of agricultural cooperatives in the Region of South-Fast Asia,
- ii. to promote interchange of experiences among participants regarding management and operational techniques of cooperatives dealing in foodgrains marketing, and
- iii. to suggest methods of improving managerial performance and operational efficiency of cooperatives dealing in foodgrains.

3. Cooperative Marketing Situation in South-East Asia

In some countries in the region the role of cooperatives in the procurement of foodgrains is mainly that of an agent of the government; in some cases cooperatives have sole monopoly of procurement and in others they procure along with private and public sector organisations. In some other countries the cooperatives procure foodgrains on their own and dispose of them in the open market.

In most countries of this Region the structure of cooperative marketing movement is of federal type. Generally the structure is three-tiered. The primary societies cover a village or a group of villages. These primary societies are federated at a district or a regional level. In turn the regional organisations federate into national level cooperative marketing organisations.

In Australia, the Grain Pool of Western Australia is the only cooperative covering the entire State of Western Australia and it has a substantial business in marketing of foodgrains. The original business of the grain pool was voluntary pooling of wheat giving the growers an alternative to direct selling to merchants. This continued until war-time emergency which caused the formation of the Australian Wheat Board which compulsorily acquired all wheat; this arrangement still continues. To maintain its business the grain pool turned to coarse grains and promoted the production of oats and barley, and helped in

finding new markets for them. Waluntary pat pools have been successfully conducted since 1948.

In Ceylon, the government has fixed the floor price for paddy and several other grains. The multipurpose societies and agricultural production and sales societies procure foodgrains as agents of government and hand them over to government stores. Generally primary societies are involved in grains' marketing business. In areas where primary societies do not function for one reason or the other, the multipurpose unions at the district level have their own grain collecting arrangements.

The cooperatives receive a commission for the paddy collected and delivered to government in addition to transport expenses incurred by the societies.

In India, cooperatives have played a significant role in procurement of foodgrains for the government in the country. The total procurement of foodgrains during the year 1966-67 was to the extent of 3.3 million tons and cooperatives handled 61% of the total procurement. In certain States in India cooperatives have the sole monopoly of procuring grains for the government while in other States they function alongside private and public sector agencies.

In <u>Indonesia</u>, there are two types of marketing cooperatives for rice-cooperatives of rice producers and cooperatives for rice consumers. The government also procure about 5% of the paddy produced in the country through cooperatives and private agents. This is done in order to stabilize prices.

In the Republic of Korea, marketing of foodgrains is done mainly through three channels viz., the government, the private trade, and the cooperatives. The grains purchased by the government are also sold through the cooperative network. Cooperative marketing operations are carried out either on consignment and auction method or on outright purchase method. Marketing through consignment method has been on the increase. In this method the grains of the farmer members are pooled

and sold through auctions and the average pool price is paid to the members within a week. Sixty five per cent of the total cooperative marketing business was done through consignment method in 1966 compared to 34 per cent in 1963.

In <u>Malaysia</u>, the government pay a guaranteed price for paddy. The paddy has to be sold to licensed dealers who are either agents of rice millers, cooperative societies, or independent operators. Paddy processing is also subject to license. Paddy is processed into polished rice by 66 big commercial rice millers, five of which are owned by cooperatives. Cooperatives also operate about 350 small and medium size rice mills.

The present marketing structure for foodgrains in the Philippines is composed of three distinct channels namely, the private, the government and the cooperatives. The private sector dominates grains marketing business, with government getting a share of 10% and the cooperatives 2% of the total production. The government has fixed a floor price for paddy and if the price in the open market falls below the floor price, the government agency - the RCA (The Rice and Corn Administration) enters the market and buys at the floor price.

In <u>Thailand</u>, cooperatives handle only a small portion of the grains produced in the country particularly paddy. At the end of December 1968, there were 10 primary paddy marketing societies in the country and one regional federation.

The cooperatives handle only 2% of the total sales of paddy. The rice exporters have to obtain a government permit to export rice. These permits are renewable yearly. Through this permit system the government exercises a control over the activities of the exporters and also regulates the price by not allowing the exporters to offer exceedingly low prices for rice in the local market. The government

also enters into the market when it contracts with other governments to supply rice to them.

The grain marketing cooperatives in the Region have helped the farmers in no small way in obtaining a fair price for their produce. The price support programmes of the government also have been instrumental in maintaining the price of grains at reasonable levels.

In performing their marketing functions the cooperatives have to face keen competition - often unfair competition - from the private trade. In spite of this they have grown and are growing in numbers and strength. They are increasing and expanding their services to the members whom they serve. In order to better their performance and consolidate their achievements, the seminar felt the cooperatives must undertake a vigorous campaign to correct their defects and overcome the problems faced by them.

<u>Problems:</u> The Seminar listed the following general problems in the cooperative marketing system as those that need immediate attention.

- 1. Inadequate and lack of timely credit to farmers,
- 2. Inadequate grading of commodities and poor quality control.
- 3. Inadequate marketing facilities such as warehouses, processing facilities, and transportation,
- 4. Insufficient market intelligence,
- 5. Inadequate accounting system, and
- 6. Managerial inefficiency of marketing agencies.

The Seminar stressed the need to undertake a programme of amalgamating small and uneconomic marketing societies to form large and vilable units, if the cooperatives are to successfully overcome the defects listed above. The advantages and problems of amalgamation that were listed by the seminar are given later in the report.

4. Suggestions for Improving Cooperative Marketing

The Seminar discussed at length the present organisation of the primary, secondary and terminal markets in the Region and felt that a number of steps should be taken to improve the organisation and the working of these markets. The following steps were listed for bringing about smoother and better working of cooperatives working at various levels.

A. At primary level

- 1. ensuring the loyalty of members towards their societies by educating them about the advantages of cooperative marketing and by providing all necessary services in marketing their produce.
- 2 (a) ensuring managerial efficiency by recruiting competent personnel and providing training facilities,
 - (b) maintaining a good system of accountancy to ensure confidence of members.
- 3. making available sufficient funds for purchase at harvest time and making prompt payment for commodities delivered, and providing marketing advances to members.
- 4 making suitable arrangements to procure commodities from members without inconvenience to them, such as:
 - (a) organising an efficient system of transport for procurement of grains direct from the farmers' threshing floors, if need be, and organisation of sub-depots or collecting warehouses,
 - (b) dissemination of market intelligence to members,
 - (c) utilisation of correct weights and measures,
 - (d) providing containers for packing the produce,
 - (e) maintaining a uniform system of classification for procurement of grains, and
 - (f) engaging in retail trade, if necessary.

B. At Secondary Level

- 1. establishing a better relationship and coordination between primaries and secondaries,
- 2. financing the primaries if necessary, for giving marketing advances to members,
- 3. being better equipped to handle all marketing requirements of the primaries,
- 4. providing the primaries with marketing facilities such as transport, containers and the like,
- 5. prompt payment of commission and sales' proceeds to primaries for facilities rendered, and
- 6. dissemination of marketing information to primaries.

C. At Terminal Level

- 1. assisting the lower-tier marketing cooperatives by providing transport, storage, processing and packaging facilities, when necessary,
- 2. providing financial assistance to secondary and primary organisations.
- 3. assisting secondaries and primaries in their efficient management by arranging technical training to marketing personnel and providing consultancy services,
- 4. collection and dissemination of market information, and
- 5. promotion of international cooperative trade.

4.1 Production Loans

The cooperative should see to it that its members are provided with adequate loans needed for agricultural production so that funds necessary for production inputs as well as off-farm expenses for production, purchases of small farm implements or other tools for better production are available to them.

In order to meet the needs of their farmer-members, the cooperatives should be able to secure sufficient support from government through adequate credit at as low rates of interest as possible and on liberal terms. The maturity of these loans should be adjusted to the period when the crops are harvested; marketing or commodity loans would

be needed to enable the farmers to get their returns for their produce. The cooperatives should also build up their own capital so that they can be strong and independent.

4.2 Marketing of Produce

The present system of selling foodgrains is to sell them in unprocessed form and at harvest time when the market prices are at the lowest. This practice is prevalent due to several factors such as lack of facilities for processing and immediate need for cash. This system of selling produce results in middlemen and traders getting the benefit of any price differential when the prices go up in few months after harvest.

Extending commodity loans to members when the price is low during harvest time will enable them to wait for better prices and providing of facilities for processing will help in obtaining better prices for their produce.

4.3. <u>Improvements Recommended</u>

4.31 Containers

The farmers should be supplied with containers like jute sacks for their foodgrains, and transport facilities and services should be given to them to bring their produce to cooperative warehouses.

4.32 <u>Commodity Loans</u>

The farmers should be extended loans against the value of their stored crops to enable them to meet their immediate needs and wait for a more opportune time to sell their crops. The loan amounts to be extended to farmers should be commensurate to or in proportion to the price of grain prevailing in the area at harvest time. Cost of carrying stocks should be taken into consideration in the loans to be advanced in order to encourage farmers to stock their produce for sale at a future date. Also the money should be made immediately available; otherwise, by force of need they have to go to traders or middlemen.

The Seminar was of the opinion that stocking of the produce by farmers themselves or by their cooperatives for them in anticipation of better prices did not contravene the basic cooperative principles; such a practice did not mean profiteering but was aimed at eliminating their own exploitation by the traders.

4.33 Grading and Processing

The cooperative should follow a standard method of classifying grains into different grades. They should process them in appropriate forms. The processed and graded grains may be sold direct to consumers including government institutions. This type of sale may be undertaken by multipurpose societies which also deal in consumer business. Also the regional federation could sell the produce at bigger markets.

4.34 Sale System and Pricing

The societies should undertake selling the members' produce under pooling system. Pooling can be carried out where farmers prefer a good average price over one season rather than selling at fluctuating prices during the season. It would also influence prices by reducing the number of sellers. Different pools or allowances such as premiums or dockages should be used for differences in quality. The Seminar felt that unless the system of pooling is carried out to the satisfaction of almost all the members, it might not induce the farmers to produce good quality grains. The seminar also suggested that identification of varieties by region, classifying them by grades and varieties and mechanical and scientific grading at the primary level were necessary for efficient marketane.

To be able to be competitive with the open market, the cooperative should follow the prevailing marketing prices.

4.35 Market Information

All cooperatives whether local, secondary or national should at all times be adequately informed of prices and changes thereof from hour to hour, day to day, in all relevant market centres. Well-formulated and intensive information campaigns should be carried out to teach farmers proper marketing methods and to sell only properly dried, cleaned and graded foodgrains to the cooperatives.

The seminar considered the existing facilities now available to the marketing cooperatives in the different countries in obtaining market information. The means now available to the marketing societies are newspapers; price information bulletins of commercial organisations, the chambers of commerce and other trade organisations; information government agencies like agricultural market information service, radio transmissions and televisions; and publications issued by national governments and international organisations on various commodities.

The market intelligence service should be viewed from two specific angles:

- 1. From production side;
- 2. From Marketing side.

A. Production Side

As marketing is greatly interlinked with production, the chances of marketing opportunities should be made known to the farmers so as to enable them to plan their production. Collection of basic information should be done by the primary societies. As far as production information is concerned, the climate and weather conditions favourable for planting should be made available by the government agency. The production information should be collected by the primary cooperatives and passed on to the central agency to formulate reports for a given area and publish it through bulletins or announced through audio-visual equipment. This should be timed to coincide with the sociant time of various crops. The agricultural information service of the respective governments may also pass on such information to the cultivators in the like manner.

Information regarding the varieties of produce in demand and their prevailing prices in the internal and external markets, the behaviour of the buyers so as to enable the marketing cooperatives to plan their marketing activities such as whom to sell, how to sell the types of grades and qualities required, the nature of packagings required, etc., should be made available.

Based on the above, the Seminar recommended that the primary marketing cooperatives at the base level should gather the information regarding the production trends, the availability of stock that would come to the market for sale and pass on such information to the apex or national level organisations.

B. Marketing Side

As specified earlier the task of gathering information on production and local prices should be performed by the primary marketing cooperatives. The national organisation should collect the information on consumer requirements, market outlets, production trends and the market prices at terminal markets. Passing of information as speedily as possible regarding prices etc., play an important role in the marketing machinery. The services of Press, radio, telephone, and telegrams could be used for this purpose. The marketing organisation should keep liaison with other trading organisations in collecting and disseminating such information.

Use of charts, and graphs will facilitate the cooperatives to have a complete idea of the fluctuating market conditions in respect of various commodities. The national organisation could maintain promotional and assessment cells to keep liaison with the apex and primary societies in different parts of the country. It is important that there should be a flow of information both ways between the primaries and the Federations at higher levels.

Storage. Processing and Transport of Foodgrains

Storage, processing and transport of foodgrains are critical factors for the efficient marketing of foodgrains for any grains marketing organisation, be it private, cooperative or state-owned. This is mainly due to the particular characteristics of the commodity itself. Firstly, grain is a bulky commodity in relation to value and

and secondly, its production is seasonal while the consumers demand remains uniform all the year round. Therefore it becomes necessary to provide adequate storage at all levels ranging from the village to the national level. Cooperatives should establish in strategic centres adequate and modern warehouses with modern drying facilities.

New warehouses should be established on the basis of feasibility studies for locating warehouses, scales, milling and handling facilities. Also the existing warehouses should be modernised and processing mills equipped with adequate drying facilities, including mechanical drying, where necessary.

The seminar felt that cooperatives should give careful thought to the expenses involved in storing and holding stocks and the profitability of holding stocks for sale in future markets in comparison to selling them immediately.

4.37 Storage

The seminar listed the following main problems experienced by cooperatives in storage of foodgrains and suggestions to meet these problems.

A. Problems of Storage

- 1. Under-utilisation of capacity thereby increasing cost,
- 2. Insufficient capacity, especially during peak period, coupled with under-utilisation of capacity during other periods,
- 3. Insufficient or poor loading and unloading facilities.
- 4. Technical incapability of warehousemen,
- 5. Lack of containers or sacks,
- 6. Too many varieties of grain, thus causing difficulty in storing and wastage of space,
- 7. Inadequate pest control,
- 8. Moulding or deterioration of stock due to changes in temperature,
- 9. Lack of accurate planning to meet future requirements.
- 10. Difficulty in obtaining suitable sites for establishing storage buildings and warehouses, and
- 11. Construction problems involved in building storage buildings suitable for different kinds of commodities to be stored.

B. Suggestions for Improvement

- 1. Attempt should be made to make full use of the storage capacity by storing other commodities during off season and also during the season when the stores are not used to full capacity.
- 2. In case of insufficient storage capacity, more warehouses should be constructed, or alternatively rental arrangements should be made with other warehouses.
- 3. Efficiency in warchouse management should be improved by providing technical training to the personnel.
- 4. Funigation should be introduced for pest control.
- 5. Insurance coverage against fire, theft, burglary and flood, should be taken.
- 6. As the production increases and the modern rice milling is introduced, arrangement should be made for bulk storage system of storing grains.
- 7. To prevent moulding or deterioration of grains, storage with proper aeration or low temperature should be introduced.

4.38 Pooling of Transport

The seminar discussed the feasibility of pooling of transport for marketing cooperatives and suggested that the following advantages may be derived from such a system:

- A. Technical Advantages:
 - 1. would supplement other business of the cooperative,
 - 2. would facilitate marketing activities,
 - 3. better care of the produce through proper handling will take place,
 - 4. seasonal requirements can be easily met through careful planning, and
 - 5. lack of facilities in one area can be met by facilities available in other areas.

(B) Economic advantages:

- 1. Cost of transport can be brought down,
- 2. Bigger volume can be handled,
- 3. Fuller utilization of available facilities be made,
- 4. Planned shipment can be made to feed the market better, and
- 5. Cost of repairs and maintenance can be brought down to the minimum by means of joint purchase of spare parts and servicing.

The seminar felt that some sort of permanent arrangement for pooling of transport would be more effective than ad hoc arrangement.

4.4 Government Contributions to bring about Improvements

At the initial stages of cooperative development in the developing countries, there are various handicaps the marketing cooperatives have to face in competing with the private traders. The marketing cooperative movement which serves, like the other cooperative movements, the weaker sections of the community should get the necessary assistance from the governments at least in the initial stages. The government assistance is specially necessary in areas and in marketing techniques where the cooperatives are comparatively inexperienced.

Where government has a subsidy programme, the cooperatives should be given sufficient volume of business. The government should use the existing facilities of the cooperatives to the maximum.

In distribution of foodgrains to the consuming public, cooperatives should also be given a large share by the government.

In countries, as India and Ceylon, governments are using the cooperatives as their arms for procurement and distribution. In such cases the cooperatives must be allowed to operate on the basis of the cooperative principles and practices in order to ensure healthy growth of cooperatives.

To enhance the establishment of a strong and wide network of banking facilities, government financial institutions as well as credit and marketing cooperatives must function in rural areas in a complementary manner.

The government should establish standard grades and specifications and enforce implementation of grading. Government should assist in training cooperative employees in sound marketing practices and accounting. The government should help cooperative organisations financially in establishing and running cooperative training centres, and should also assist them in obtaining technical personnel for teaching in these centres. Extension of this type of assistance to cooperative organisations in carrying out training programmes for employee is better than governments themselves running education centres.

Government can also help the cooperatives by guaranteeing the loans that they need from sources other than cooperative institutions. The government should also assist the cooperatives to enhance their fixed and working capital.

The government should formulate price policies that will benefit the producers as well as the consumers. Among the factors that should be taken into consideration by government in formulating policies to provide support to marketing of foodgrains are cost of production of the farmers and the prevailing prices of manufactured goods which farmers have to buy. The cooperatives should be given an increased role in implementing the price support programmes.

5. Amalgamation of primary cooperatives

The seminar observed that the following advantages will accrue to cooperatives through amalgamation.

- 1. Elimination of duplication of facilities and functions for developing greater collective bargaining strength,
- 2. Achieving economies of scale through saving in overhead costs per unit of service, or output,

- 3. Ensuring dependability of services for the affiliates and the farmer-members.
- 4. Centralizing decision-making power and thus achieving managerial efficiency:
- Making channels of communications among the business units on the one hand and between them and the farmer members more effective, since large cooperatives will be able to allocate funds for the purpose,
 - 6. Possibilities of employing more competent personnel.

The seminar listed the following as problems or obstacles to amalgamation:

- 1. The leaders of some societies may object to amalgamation for fear of losing their leadership position,
- 2. The process of decision-making becomes more complicated;
- 3. Stronger organisations may be reluctant to merge with weaker ones:
- 4. Problem of communication arises when the area of operation of a cooperative becomes large. Special attention should be paid to this question in larger cooperatives:
- 5. Difficulties may arise for the members to actively participate in the society's activities;
- 6. Amalgamation may create managerial problems because of the diversified types of business of the bigger societies.

The seminar considered the following as the major important steps in effecting amalgamation:

- 1. Studies should be made by the government or the cooperative movements themselves in order to ascertain the forsibility of amplganation.
- 2. Government assistance by way of legal provisions enabling voluntary amalgamation between two or more societies without resorting to liquidation should be provided.

- 3. Stronger organisation should be made the nucleus of analgamation.
- 4. The concept of amalgamation and the advantages and benefits to be derived by amalgamating smaller societies into bigger units should be fully explained to the members.
- 5. Competent managers are a must in larger cooperatives. Functional departments should be established to maximize efficiency in all the areas of operation.

6. The contents of Farmers Education and Education of Cooperative Employees of Primary Societies

The seminar discussed the requirements of education of the farmers and the employees of primary societies for the adaptation of improved marketing practices.

The seminar suggested the following contents for farmer's education and education of cooperative employees:

A. Contents for farmer education:

- 1. techniques of proper drying, cleaning, grading, packing and storing,
- 2. ways of obtaining the best terms and conditions in marketing his produce,
- 3. selling of produce at proper time with the assistance of the cooperative,
- 4. the merits and advantages of cooperative marketing through pooling system,
- 5. usefulness of market information.

B. <u>Contents for employees education</u>:

- 1. Sufficient training in marketing practices, such as physical handling, packing and pricing,
- 2. knowledge of management in marketing business like accounting, administration, planning, cost analysis and market studies,
- 3. knowledge of effective financing.
- 4. cultivation of loyalty and dedication to the cooperative,
- 5. how to develop effective member-relations programmes, and
- 6. knowledge of market information.

7. <u>Conclusion</u>

The seminar discussed the various internal and external conditions that are necessary for effective functioning of grains' marketing cooperatives. The seminar felt that at least for some time to come the active support of the government will continue to be necessary for effective functioning of the grains' marketing cooperatives. The seminar felt that government should give priority to cooperatives in government schemes of procurement of foodgrains. Government should also assist by way of extending marketing loans and by providing financial assistance to purchase vehicles for transport and construction of warehouses and other facilities. The seminar felt that deduction of production loans given to farmers by government through cooperatives should be made in such a way so as not to inconvenience the farmers. For instance, the full loan should not be deducted from the payment for the consignment of commodities brought by the farmer member to the society for tale if that is only a part of the produce for sale. Instead, deductions should be made in instalments so that the full loan could be deducted from the several consignments the farmers bring to the society for sale.

As regards internal factors, the success of marketing cooperatives depends on sound management. However, cooperatives are often faced with the difficulty of obtaining competent management personnel. The seminar felt that the national marketing federations should build competent managerial cadres as a means to resolve this problem. The seminar also emphasized the need for organising training programmes in order to build up well-trained managerial cadres. The national marketing federations should organise such training courses by themselves or with the assistance of the government. The training courses should also include on-the-job training.

The seminar listed the following as areas in which specialised cooperative courses should be organised:

- 1. Principles of Management,
- 2. Secretarial Practice,
- 3. Financial and Personnel Management,
- 4. Processing, Function,
- 5. Marketing Function,
- 6. Storage Function, and
- 7. Transportation Function.

REGIONAL SEMINAR ON COOPERATIVE MARKETING FOODGRAINS

PROGRAMME

Monday. 1st December 1969.	Sessi <u>No</u>	-
1000	1	Inauguration Tea Break
1130 - 1730	2	Objectives and Working Methods of the Seminar. Presentation of Background Papers Lunch Break
1430 - 1730		Presentation of Background Papers (cont'd) (1600 - 1630 : Tea)
Tuesday. 2nd December		
0930 - 1200		Presentation of Background Papers (cont'd) (1100 - 1130 : Tea) Lunch Break
1430 - 1530 Special Lecture:	•	Recent Trends in Food Production and Changes in Marketing Situation of relevance to developing countries in the near future.
		Lecturer: G.R. Spinks Regional Marketing Officer F.A.O. of the UN Regional Office for Asia and the Far East, Maliwan Mansion, Phra Atit Road Bangkok, 2. Thailand.

1530 - 1730

Presentation of Background Papers.

	C		
Wednesday. 3rd December	Sess:		
0930 - 1030	3	Existing Cooperative Marketing Structure for Foodgrains Marketing and Causes of High Marketing Costs	
		Lecturer: Mr Lionel Gunawardana Deputy Director, ICA Regional Office & Education Centre for S.E. Asia 43, Friends Colony, New Delhi.	
1030 - 1100		Discussion	
1100 - 1130		Tea Break	
1130 - 1230	4	Role and Activities of the Wheat Marketi Board in relation to Cooperative Marketi of Wheat in one State in Australia.	
		Lecturer: Mr Alan Murray Deputy Chairman of the Grain Pool of Western Australia 4, Delhi Street, West Perth 6005 Western Australia	
		Lunch Break	
1430 - 1500		Discussion on Session 4	
1500 - 1730	5	Group Discussion on (i) Session No.3 and (ii) "Government Policies and regulations affecting Marketing of Foodgrains" (1600-1630: Tea)	
Thursday, 4th December			
0930 - 1230		Group Discussion (centd) (1100-1130 : Tea)	
1430 - 1530	6	Organization and Techniques for Procurement of Foodgrains from Members (including arrangements for payments to Members).	
1530 - 1600		Tea Break	
1600 - 1645	7	Storage and Transport for Foodgrains Marketing Operations of Cooperatives.	
		Lecturer: Mr C.J.R. Bogollagama Coylon Agricultural Producers' Cooperative Union Ltd., 11, Saunders Place, Colombo-12 Ceylon.	
1645 - 1730		Discussion on Sessions 6 and 7	

Friday. 5th December Saturday. 6th December	Session No.	Study Visits to the International Rice Research Institute and the ACCI
0930 - 1230	8	Group Discussion on Sessions 6 and 7 (1100-1130: Tea)
		Lunch Break
1430 - 1730	9	Plenary on Group Discussion on (i) Session 3 and (ii) Govt.policies and regulations affecting marketing of foodgrains.
Sunday, 7th December		SICHT-SEEING
Monday, 8th December		
0930 - 1030	10	Sources and Techniques of Disposal for Foodgrains collected by Marketing Cooperatives.
		Lecturer: Mr. Teofilo Azada Administrator, Agricultural Credit Admn. 2544, Taft Avenue, Manila Philippines.
1030 - 1100		Discussion
1100 - 1130		Tea Break
1130 - 1230	11	Role and Functioning of Cooperatives vis-a-vis Governmental Bodies engaged in trading of Foodgrains.
		Lecturer: Mr J.K. Verma Managing Director National Agricultural Cooperative Marketing Federation Limited D-44, NDSE Part II, New Delhi-49, India.
		Lunch Break
1430 - 1730	12	Plenary on Group Discussions on Sessions 6 and 7.
		(1600 - 1630 : Tea)

M	Session No.	
Tuesday, 9th December		
0930 - 1230	13	Group Discussions on Session No. 10 and 11 (1100-1130: Tea) Lunch Break
1430 - 1530	14	Collection and Use of Market Information by the Agricultural Marketing Cooperatives dealing in Foodgrains in one State in Australia.
		Lecturer: Mr. Alan Murray, Deputy Chairman of the Grain Pool of Western Australia.
1530 - 1600		Discussion
Wednesday 10th December		
0930 - 1200	15	Plenary on Session Nos. 10 and 11 (1100-1130: Tea)
		Lunch Break
1430 - 1730	16	Lecture & Discussion: Economic Implications of Modernisation of the Rice Industry.
		Lecturer: Prof. V.K.Gupta, Indian Institute of Management, Vastrapur, Ahmedabad-6, India.
	.•	(1600 - 1630: Tea)
Thursday. 11th December		
0930 - 1230	17	Lecture & Discussion: Economics in the Establishment and Operation of a Modern Rice Mill.
		Lecturer: Prof. V.K. Gupta Ahmedabad.
		(1100 - 1130 : Tea)
		Lunch Break
1430 - 1730	17	Contd

Session No.

Friday, 12th December Saturday, 13th December		Stud y Visit	S
Sunday, 14th December			
1030 - 1130	18	and Seconda dealing in of Developi	p between the Primaries ry Cooperative Organizations Foodgrains and Techniques ng Coordination and between the Two.
			Mr J.M.Rana Director, Education Centre, ICA, 43 Friends Colony, New Delhi-14. India.
1130 - 1200		Discussion	·
		Lunch Break	
1500 - 1600	19		dicators for Measuring Efficiency
		A 6	r. Anthony Golanco sian Institute Management 00 Padre Faura, Manila hilippines.
1600 - 1630		Discussion	
Monday, 15th December		Preparation	of the Report
Tuesday, 16th December		Plenary Ses	sion
			n of the Draft Report of the Seminar
		Close of the	e Seminar
		(1100-1130:	Tea)

REGIONAL SEMINAR ON "COOPERATIVE MARKETING OF FOODGRAINS" 1st to 16th December, 1969.

<u>List of Participants</u>

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