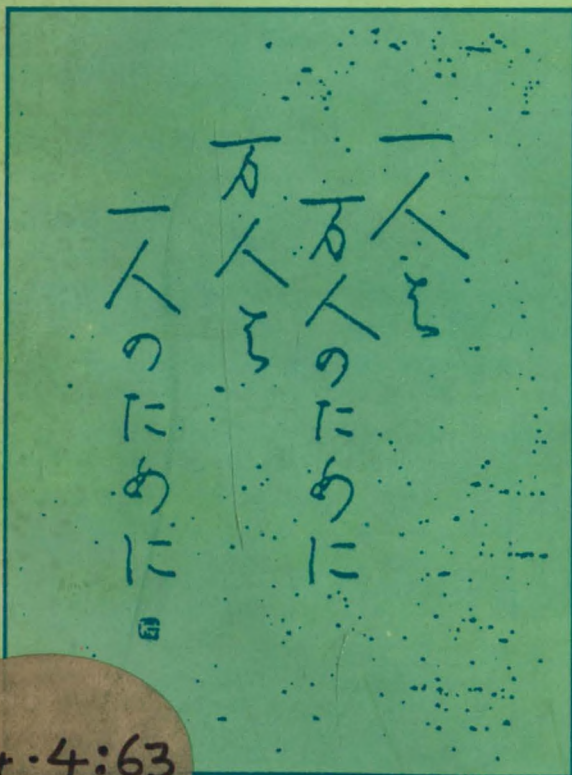


MEMBER PARTICIPATION THROUGH BUSINESS PLANNING

A JAPANESE
EXPERIENCE



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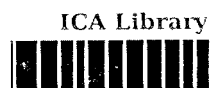
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April, 1991 (200)

MEMBER PARTICIPATION THROUGH BUSINESS PLANNING
A JAPANESE EXPERIENCE

Report of the ICA-CUAC-IDACA Seminar
16 July to 05 August, 1989
Tokyo, Japan

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PART I

PREFACE

The seminar on Member Participation in Agriculture Co-operatives and its methods with special reference to Japanese experience held from 17th July to 05 August, 1989 was the third event in the series. The seminar was sponsored by the International Co-operative Alliance, Regional Office for Asia and the Pacific with generous collaboration with Central Union of Agriculture Co-operatives (CUAC) and Institute for the Development of Agricultural Co-operatives in Asia (IDACA).

The ICA Committee on Agriculture for Asia discussed the need to enhance member participation in agricultural co-operatives at its meeting held in 1986. Japan has a tradition of strong member involvement in business of agriculture co-operatives and the committee looked upon them as an effective model. The CUAC came forward to provide the experience to a group of managers and leaders dealing with business planning and member participation in agricultural co-operation IDACA was the venue.

From the experience gathered in the first seminar in 1987, the ICA ROAP and IDACA trainers improved the programme in 1988 in order to make it more skill oriented and committed towards follow up action in the participation representative organisations. Some of the action plans prepared by the participants from Malaysia and Bangladesh have already been implemented and others are at different stages of development.

Participants had more involvement in the management of the seminar in 1989 with the new addition of managing day to day affairs of the group by the participants themselves and also preparing the summary of proceedings of the seminar.

One of the major features of the current seminar is the skill training on business planning by the members which had prolonged duration than previous seminar. Participants got an actual learning experience on skills.

The format of the action planning too was simplified than the previous year considering the difficulties encountered by the participants.

The report has been prepared by the participants of the seminar and edited by Mr.W.U.Herath, an ICA ROAP facilitator. Some sections were added to make it more comprehensive. The report should not only provide information on the experience of the seminar but also should be a reference document for follow-up action in the respective countries.

The ICA ROAP gratefully remembers the committed services rendered by IDACA staff including Mr. Shiro Futagami, Managing Director, Messrs. Y. Abe and Terunama, Programme Coordinators and numerous co-operative leaders and members of agricultural co-operatives in the Fukushima Prefecture.

OBJECTIVES

The Seminar had following objectives:

To enable participants

- a) To learn about business planning and management of agricultural co-operation based on the need of member farms and about strategies and methods of member participation programme of agricultural co-operatives of Japan.
- b) To discuss applicability of the Japanese experience on member participation to agricultural co-operatives of the participating countries.
- c) To identify strategies and methods which would be most effective in member position in their respective countries on the basis of study of (a) and (b).

- d) To formulate action programme for the organisation/ movement of their countries keeping in view the experience gained at the seminar.

METHODOLOGY AND THE PROGRAMME

The Seminar had cognitive and psychomotor skills which necessitate theory input as well as demonstrations and skill practices.

Therefore, an overall orientation of the Japanese economy, society and culture was a basis of the seminar. After providing such information, an overview of the agriculture development level was given. The presentation on the history and current situation of agricultural co-operatives in Japan coupled with visits to co-operative societies in Fukushima Prefecture gave an insight to the functioning of agricultural co-operatives. Visit to individual farmer families and their orchards provided a feeling or orientation to the trainees on farmer's family life and its problems.

With this background the participants were exposed to skill practices on individual and society business planning, using forms currently used by the societies. The plans were worked out individually and on group basis. If anybody was keen of adopting or preparing a system for their organisations it was a worthwhile experience.

Based on these experiences participants undertook to prepare an action plan for their organisations. This was to be realistic and practical. Seminar evaluation at the closing session provided ideas for further improvements in the seminar.

PARTICIPANTS

Nineteen participants from Bangladesh, Peoples Republic of China, India, Indonesia, Republic of Korea, Malaysia, Nepal, Philippines, Sri Lanka and Thailand participated in the seminar.

They were belonging to varying levels of management: Chairmen, Directors, Managing Directors, Principal of Co-operative College, General Manager, Researchers and Managers.

List of participants has been shown as an annexure.

SEMINAR ORGANISATION

The International Co-operative Alliance, Regional Office for Asia and the Pacific organized the seminar in collaboration with CUAC and IDACA.

The ICA ROAP selected the participants according to the relevance of the seminar from the developing countries in the Region. One way air fare for selected participants too was provided. The ICA ROAP also provided 2 facilitators for the seminar i.e. Mr. W.U. Herath-Advisor on Human Resource Development and Mr. Guo Yong Kang, Adviser, Agricultural Cooperative Development assisted the seminar for the entire duration.

The IDACA arranged for the local lecturers and study visits. The CUAC provided necessary finances for the seminar through IDACA. Mr. Y. Abe was the programme coordinator helped by his colleague Mr. Terunama. The IDACA staff including Mr. Shiro Futagami, Managing Director, Mr. Sugioka, General Manager too delivered lectures in addition to other guest speakers.

The ICA facilitators looked after the country presentations, action plans, evaluations and day to day management of the group.

INAUGURAL SESSION

The inaugural session of the seminar was held at IDACA Conference Hall on 17th July, 1989 at 11.00 hrs. Mr. Notuyki Kohashi Operation Chief of the CUAC was the Chief Guest.

Mr. Herath from ICA ROAP welcomed the Chief Guest, Managing Director and Staff of the IDACA and the participants. He provided a background to the seminar and said that lack of member participation in the co-operatives in many developing countries resulted in setbacks in the development of co-operatives. Japan has an in built system of member participation through business planning and management of co-operatives which could provide a model for Asia when adopted to suit local conditions. He emphasized the need to go through the seminar experience and prepare action plan for follow-up work in the participants respective countries.

Mr. Kohashi welcomed the ICA guests and participants. He said that although Japan had developed agricultural co-operatives, current situation has shown problems in many respects. They are structural as well as operational. Farm holdings have been in the average of 1 hectare and rationalization of farm management has become a necessity. Japan is experiencing diversification at present. Japanese agricultural co-operatives are still trying to achieve higher yields.

He indicated that participants would be able to study the changes in the field.

He said that 1992 ICA Congress would be a big event in Japan. He said that all co-operators are getting ready for the event.

He sought the help of other co-operative movements in the region to make it a success.

Mr. Futagami welcomed the participants and gave a brief history of IDACA. The seminar is a long standing tradition of IDACA which provide theoretical input and field demonstrations which would help participants to practice whatever they learned during the seminar. He emphasized improved member participation would help co-operatives to overcome many problems. The Governments only could assist cooperatives through legislation but not running co-operatives.

He also said that IDACA is a second home for participants and wished a successful seminar and pleasant stay in Japan.

REGIONAL SITUATION OF AGRICULTURAL CO-OPERATIVE MOVEMENTS WITH SPECIAL REFERENCE TO MEMBER PARTICIPATION

SUMMARY OF COUNTRY PRESENTATIONS

Bangladesh
China
India
Indonesia
Nepal
Korea
Malaysia
Philippines
Sri Lanka
Thailand

BANGLADESH

Introduction

Bangladesh is a war born country. It was liberated from Pakistani occupation in December 1971. It is situated between 20.54° and 26° latitude and 88° and 92.41° longitude. It has a total area of 55,598 sq.miles, most of which is river-ridden. The total number of landless farmers was 16% in 1971. By the year 1988, it has gone up to an alarming position of about 66%. At present, the population is around 110 million of which about 80% is below poverty level conditions. 90% of its population is agriculturists living in rural areas.

In Bangladesh, co-operatives were introduced in 1904. A three-tier co-operative set up was functioning under the sponsorship of the Department of Co-operatives i.e. Registrar of Co-operative Societies (RCS). In agricultural co-operatives, the set up consisted of Bangladesh Samabaya (Co-operative) Bank Ltd. (BSBL) at the apex level, the Samabaya Bank Ltd (Central Co-operative banks) at the secondary level and two types of primary co-operatives - the Union Multi-purpose co-operative societies and Village Agricultural Co-operative Societies at the grass-roots level. On the other hand, since 1971-72, a two-tier agricultural co-operative structure known as Comilla Model, composing upazila central co-operative associations and village level primary co-operative societies under the sponsorship of Bangladesh Rural Development Board (BRDB) has been functioning side by side with the RCS-sponsored co-operatives.

The Samabaya Bank Ltd., Barisal, which the participant Mr. Iqbal Hossain Forkan represents as its elected chairman, is a secondary level agricultural co-operative organization. It was registered in 1913 with the working jurisdiction of eight out of ten Upazilas of Barisal district, with the responsibility of providing agricultural production credit and banking services to about 2 million grower members in the rural area, through her primary agricultural co-operatives, numbering about one thousand. This bank provide credit to the farmers by obtaining loan from BSBL under the Annual Credit Programme of Bangladesh Bank (State Bank) for agricultural credit. The primary societies, in turn, distribute this credit to the individual members as per the production plans duly approved by the respective primary societies and the Bank on recommendation of the local officers of the Co-operative Department.

Business Planning based on member's need in Samabaya Bank Ltd are as follows:

a) Member Education and Training Programme

The Bank will extend full support to the primary co-operatives to organize and hold regular meetings of the individual members to discuss and dispose of their business and issues relating to productive activities, management affairs, prepare action plans and programmes and organize assistance from Bank and other concerned agencies to execute and implement them.

b) *Supply of Production Input and Credit*

The Bank will conduct a survey to assess the annual requirement well in time to organize input and credit to make the same available to the grower members in time and provide guidance and supervision services for optimum production and marketing of products for their better living.

c) *Encouraging Savings*

The Bank will encourage the grower members for weekly savings with their own societies and the primaries will deposit the same with the Bank to provide uninterrupted liquidity services as and when needed by them.

d) *Short term and Long term Plan*

The Bank will prepare a short term plan in consultation with the primaries to organize and supply the basic needs of the members to increase production and better marketing for ensuring good return to grower members, and a long term plan to make all primaries economically viable and operationally sound and healthy to create a strong base of the Bank for self-reliance

e) *Members' rights and obligations*

The members will be educated on their rights, both as producers and consumers, and in particular civic rights and obligations by providing literacy and training for group actions, co-operative interactions and self employment for better living.

The Central Co-operative Bank Ltd., Naogaon, represented by its elected Chairman and participant Mr. Mohd. Abdul Haque, is also a secondary level agricultural co-operative functioning in the same manner of Samabaya Bank Ltd., Barisal. In order to meet the needs of the members of the primaries, the business planning of the Bank is worked out as follows:

- i. Regular weekly meetings and group discussions of the members on specific issues.
- ii. Continued member education and leadership training programmes.
- iii. Organize credit and supply of inputs and consumer goods to members through the primaries.
- iv. Procurement of surplus products, grading, processing and marketing for better return to grower members.
- v. Organize development projects for landless members.
- vi. Motivation for mobilisation of savings and provision for effective liquidity services to the members.
- vii. Adequate provision for short-term, medium-term and long-term credit, both for production and marketing.
- viii. Closer and effective interactions with the National Co-operative Union (BJSU) and District Co-operative Union, in particular, for member communications and also closer collaboration with Bangladesh Samabaya Marketing Society Ltd and the local Central Co-operative Multi-purpose Society Ltd., for prompt marketing services for the grower members.
- ix. Short-term development plan for improving the working conditions of all the primaries.
- x. Long-term plan to make the Bank sound, strong and self-reliant.

Credit functions is the main work of both these Banks in addition to organizing and mobilising savings and providing liquidity services to the members of the primaries. Banks are the members of the Bangladesh Jatiya Samabaya Union.

Bangladesh Jatiya Samabaya Union (BJSU) is the non-government supreme federal body of the Co-operatives in Bangladesh. It was established in the year 1961. All sectoral national apex established in the year 1961, secondary and primary level co-operative organizations are members of the BJSU. BJSU is run by an elected body. The aims and objectives of BJSU are to promote, extend, assist and guide the co-operative movement by propagation, publication, motivation, education, training and extension services and also to advise the government on co-operative policy matters. The BJSU prepares annual programmes of education and training which worked well so long as the government provided funds. But with the stoppage of training allowances by the government, the programme is facing serious set-back. It is not possible for BJSU to run and conduct member education courses, unless it is made an economically self-reliant body.

BJSU organises and arranges co-operative leadership training, both in home and abroad, for the co-operators and government officials. BJSU submitted a scheme to the government to set up a 'National Co-operative Management Training Institute' but the scheme has not yet received any consideration. At present, the Co-operative Department has an extension section which has a co-operative college and eight co-operative training institutes, which mostly remain occupied for training of government officials. Even if they want to accommodate co-operators, they cannot do so for inadequate funds and facilities. However, the BJSU and her member organizations, through education, training, extension, organization, promotion, development and publication works, are playing a vital role for generating self employment activities in the rural and urban areas, within their limitations.

The BJSU has taken up a project to set up a temporary complex of National Co-operative Management Training Institute at a cost of Taka 3.3 million (equivalent to US\$ 100,000) as a two-year short-term programme, with the support and assistance from the government and other donor agencies and are also preparing a long-term plan for five years to set up a permanent complex to cater to the needs of education and training of the leaders and members of all sectors of co-operatives by introducing regular diploma and certificate courses in addition to other academic tasks.

Moreover, the BJSU has set up an Education Committee to strengthen 'Member Education' at the field level through the primary co-operative societies.

A number of projects, aimed at developing education and training services have been undertaken by the present Board of management. They include a Desktop Publishing system, which will enable BJSU to publish education materials, journals and news bulletins, etc. in addition to having its own computerised data bank, a nation-wide extension training programme for better participation of agricultural co-operative members in their respective societies. For setting up a mobile film and audio-visual unit, the BJSU is looking forward to have support from developed co-operative movements of the world, directly or through the International Co-operative Alliance.

CHINA

Member Participation in Chinese Co-operative Movement.

The Peoples' Republic of China is a large agricultural country. 81 per cent of the population of the country live on agricultural production and 85 per cent of the farmers are members of Chinese Supply and Marketing Co-operatives.

The Chinese Supply and Marketing Co-operative, which is supported by the government, is a collective, non-official economic body. It is organized by farmers with their shares on the co-operative principle of voluntary, mutually beneficial, democratic and service oriented.

The principal objectives of the co-operatives are to provide a service to the member farmers wholeheartedly, to improve productivity and living condition of members, to develop rural commodity production, to facilitate the interflow of material between city and country side and to enhance the standard in material and culture of members. So the operational work and tasks are based on members' needs.

Chinese co-operatives induce its members to participate in co-operative movement, through education of members. Technical education gives on-the-spot demonstrations to help the farmer members look for new ways of prosperity through participation in co-operative movement.

For example, a grass roots co-operative held 5 seminars on the technics of shell-fried eggs making and hatching chickens. This education increased not only farmer's income but also members' participation in grass roots co-operatives.

Evening schools are opened to conduct cultural and literary teaching to the member farmers and to provide job-oriented training to member farmers to enhance their income and participation in co-operatives.

INDIA

Introduction

India is a federal country according to its Constitution, consisting of 25 states and 7 centrally administered Union Territories. Each state has enacted its own co-operative societies legislation in the light of local requirements.

There are nearly 350,000 co-operative societies in India with a total membership of around 150 million and working capital of about Rs.4.8 billion. The Indian co-operative movement is the largest, both in terms of numbers and membership. India attained independence in 1947. During the 4 decades, lot of development has taken place in the co-operative sector. The total credit disbursed by co-operatives has gone up to Rs.44,000 million. This will further go up to 70,710 million in 1989-90. Value of agricultural produce marketed by co-operatives is Rs.40,000 million. Co-operatives account for 50% of the agricultural credit disbursed in the country. Nearly one-third of the fertilizers are distributed through co-operatives. Sugar co-operatives have creditable record and account for 55% of the national production of sugar. India has a large network of marketing co-operatives (5,923), primary agricultural credit societies (89,000), processing co-operative spinning mills (100), dairy co-operatives (54,000), fishery co-operatives (7,754). The credit structure consists of two types (i) short term and medium term credit is through the 29 State Co-operative Banks and 353 District Central Co-operative Banks and 89,000 primary agricultural credit societies. The long term loans are given through 10 Central Co-operative Land Development Banks and 2,706 primary level banks and their branches.

Co-operative Education

The programme of co-operative education for agricultural credit co-operatives is carried on two approaches. The first one is called the peripheral approach or the extensive area coverage. Under this approach, Co-operative Education Instructors work in a district throughout the country to impart training to the members and potential members about information and knowledge on the concept, principles and practices and methods of co-operation. Another objective is to promote member participation. The programme covers education of secretaries, managers, managing committee members, members and potential members of all types at the village level. Special emphasis is laid on the involvement of women and youth.

The second approach is project approach or intensive area coverage. Here, selective team work, intensified approach and integration of farm/technical guidance with co-operative education are the main features. An intensive survey of the area to be covered is undertaken before launching the programme. A need based and development oriented educational activities are contemplated. The programme is being implemented through 15 projects of the National Co-operative Union of India (NCUI), an apex of the co-operative movement, charged with the responsibility of co-operative training and education in the country. Different courses and classes for different categories of persons are conducted.

There is a special programme of co-operative education for women and youth to ensure their greater involvement in the co-operative movement. Special educational programmes have been designed to cater to the needs of the backward classes and people living in the tribal belts, keeping in view their special needs. Over 20 million persons have been benefited from the education programme in the co-operative sector. On an average 14 million persons are trained annually under the various educational programmes implemented in India. The programme is reviewed, reoriented and altered in the light of the assessments made by several evaluation teams and expert committees. The country has thus developed a system of regular review of education programme. There is also a National Centre for Co-operative Education (NCCE) which takes up the training of trainers. On an average, the Centre organises 20 programmes benefiting about 450 persons.

Constraints

Despite the vastness of the country and the large size of the movement, there are several constraints witnesses, as in any other developing country. There is inadequacy of the Co-operative Education Instructors, keeping in view the vast demand. There is also the constraint of financial resources. Supervision

is another area requiring further strengthening. A system of providing teaching aids on a regular and continuing basis needs to be developed.

The Co-operative movement in India is engaged in tackling these problems and making the education suitable to the needs of the country.

INDONESIA

Member Participation in Indonesian Co-operative Movement

Experience in the field showed that member participation can be achieved satisfactorily only when there is a tangible advantage felt by members of co-operatives. Small farmers are too busy earning their living to bother about member education. They are subsistence farmers who toil in the field using primitive back breaking tools. They are too tired to attend meetings. If and when they do attend meetings, their low educational background does not result in sufficient understanding about the matters at hand. So, education in the traditional class room manner is not felt to be sufficient to motivate them into participation. Farm guidance about technical matters concerning efficient scientific farming should be conducted in the field. Even subsistence farmers are usually willing to learn by example and by doing. In Indonesia, farm guidance activities are generally conducted not by co-operatives but by the officers of the Department of Agriculture, who in the past, knew or bother little about co-operative affairs. It would be a big boon, if they could be trained in bringing co-operative ideas across to the farmers. The lack of co-operative motivators is a big constraint for the development of member participation.

The paper presented by Indonesia depicts the problem of how to motivate farmer members of co-operatives to participate through member education. It presents the advantages and disadvantages of education activities conducted by the government agencies as opposed to through the co-operative organisations. Lack of resources limit the activities of the co-operatives. Therefore, to a large extent, co-operatives still have to rely on the government for support on member education activities. The government has all the necessary facilities at national as well as at regional levels. But the facilities are in the past mainly used to train government officials engaged in co-operative development work and not much attention was put to the members of co-operatives. Statistics invariably show that the majority of the trainees were government officials. The trainers are all government officers. Some people, especially farmers, tend to feel that these government instructors are some times to some extent, rather authoritarian in their approach. There have been several cases reported to Dekopin (the apex organisation) where co-operatives tend to feel that the top down pressures are, to some degree, too much to trigger off voluntary member participation. Therefore, a balance should be found where the co-operative movement could work hand in hand as equal partners with the government in the development of co-operatives.

The growth in strength and importance of Dekopin, the co-operative apex organisation, shows promises in this direction. When the co-operative is strong enough, it is hoped that member education activities would be left to the movement, with the government supporting and guiding the activities, without exercising too much top down pressures, thereby hopefully leading to increased voluntary member participation.

The Research and Development Agency of the Department of Co-operatives published a report that agrees fully with the idea.

Projects with foreign assistance attached straight to the movement under the auspices of the Department of Co-operatives help in making the idea a reality. The Canadian Co-operative Association (CCA) and the Co-operative Centre of Denmark hand in hand with Dekopin is currently embarking upon a programme that hopefully will enhance member participation through Human Resources Development work as well as business improvement activities leading to the export of co-operative products.

Financial problems faced by Dekopin at the moment still hampers many of Dekopin activities but these problems could and should be overcome in the not too distant future.

The top down approach of the government is to be met by the bottom up process by the movement that should be strong enough to stand on equal footing with the government e.g. the Department of Co-operatives as partners in development.

NEPAL

Member Participation in Nepalese Co-operative Movement

Nepal is an agricultural country. It is one of the least developed countries with per capita income of about US\$ 160 per annum. The population growth rate (2.7%) of its 17 million is hardly balanced by the growth rate of GNP. Agriculture provides livelihood to about 94% of the country's population and contributes about 65 and 75% of GNP and total export earnings respectively.

Since 1956, the socio-economic development of the country has been on a successive 5-year development plan basis. In each plan, high priority has been given to the agricultural sector. Co-operatives have always been considered as important means of improving the living conditions of the farmers.

In 1960, the Conference on Agricultural Co-operative Development held in Bharatpur, Nepal, unequivocally emphasized and underlined the importance and need of member education in order to create members' awareness about co-operatives. After the conversion of the compulsory savings collected under the Land Reform Programme into share capital of co-operatives, membership dramatically increased in co-operatives. As a result, large number of farmers became members of co-operatives, without any particular inclination for joining co-operatives.

Co-operatives are expected to be self-reliant by increasing the volume of business and profitability with members' active and full participation in its activities. But in Nepal, members do not participate in co-operative activities actively, because of their unawareness of co-operative principles. They consider co-operative as another form of government agencies.

To improve member's participation in co-operative activities and to establish regular communication among their different management units, there is a provision of constituting general assembly, ward sub-committee, executive assembly and managing committee in each co-operative in Nepal.

KOREA

Member Participation in Agricultural Co-operatives

The major keys for enhanced member participation in co-operative are:

- Autonomous management of the Agricultural co-operatives,
- Cultivation of a sense of ownership among member farmers,
- Expansion of supporting function to increase income of farm households,
- Expansion of the rural culture and welfare programme

a) *Autonomous Management of the agricultural co-operatives*

Autonomy in the operation of co-operatives was introduced step-by-step in parallel with the expansion of the co-operative business during the latter part of the 1970s, and with the voluntary participation of members in the co-operative business. Farm inputs including fertilizer and farm chemicals were supplied to farmers according to an advance application system, while required agricultural funds were easily made accessible to farmers because farming funds increased in line with the rapid expansion of the credit business in the co-operatives.

The business plans of primary co-operatives are subject to the representatives' meeting for full deliberation and finalization after reflecting on the opinion of member farmers. Major decisions concerning the implementation of new business are made by the board of directors selected from among the co-operative members. Formulation and implementation of all the business plans and the monitoring of the goals are based on the opinion of farmers.

Autonomy in the operation of co-operatives and member participation in co-operatives picked up steam with the improvement, in 1981, of an election system for the presidents of primary co-operatives. The conventional election system entailed adverse effects stemming from complicated procedures

and excessive competition. In 1984, the system was better reshaped, allowing the representatives' meeting to pick the presidents.

The election system of the presidents of co-operatives has become a completely democratic one in December 1988, every member farmers being able to select the president of his co-operative by direct vote with legal amendment.

In order to reflect on the needs of members as much as possible by vitalizing the roles and functions of directors and representatives, primary co-operatives have been operating sub-committees on mutual credit, marketing, purchasing, co-operative insurance, supply of consumer goods and farm guidance.

b) Cultivation of a sense of ownership among member farmers

The education programme for member farmers is one of the programmes that the agricultural co-operatives have carried out with the utmost emphasis since the beginning of the 1980s.

The Agricultural Co-operative Leaders Training Institute (ACLI) was established in 1983.

c) Expansion of supporting function to increase the income of farm households.

A tangible result achieved by the agricultural co-operatives since the beginning of the 1980s is the expansion of the co-operative function to extend support to increase the income of farm households.

d) Expansion of the rural culture and welfare programmes

Since the beginning of the 1980s, the agricultural co-operatives have continued their efforts to improve the living environment in the rural community and to shore up culture and welfare.

MALAYSIA

1. Introduction

Malaysian agricultural co-operative system consists of several government sponsored agencies such as :

- i) Rubber Industry Smallholders Development Authority (RISDA), which was formed in 1973 under Malaysian Act 85, 1972. Under the Act, RISDA have to perform 3 main responsibilities:
 - a) Administration of cess money,
 - b) Carry out rubber replanting programmes successfully,
 - c) Modernise smallholders sector.
- ii) Federal Land Development Authority (FELDA)
- iii) Federal Land Consolidation and Rehabilitation Authority (FELCRA) was established in 1966, it is one of the many semi-autonomous bodies that has been set up by the Malaysian Government with the task of developing idle land in the country with the following objectives:
 - a) to increase the productivity of land,
 - b) to provide employment opportunities,
 - c) to increase the income of the settlers,
 - d) to raise the standard of living.

RISDA, FELDA and FELCRA was formed in addition to other agencies such as Malaysian Co-operative Insurance Society, Farmers Organising Authority and Multi-purpose Co-operatives of Malaysia, who also contribute towards agricultural development.

2. Business Planning

2.1 RISDA

In the long run, smallholders co-operatives should be able to carry out activities involved in agro-business cycle, including the process of produce, supply of input, marketing, transportation and processing, which require large capital and management expertise. Better implementation could be

done by national level co-operatives or by co-operative consortium. Business activities at district level will be prioritised to suit members' need and present constraints. There are 3 major activities that smallholders co-operatives at district level would concentrate on:

- i. To involve in land development which comes under replanting programmes by doing major work, field maintenance and other related activities.
- ii. To continue and expand business activities which involve supplies of planting materials and other agricultural input. This will provide the grower members good material at cheaper price. Further, the co-operatives would become stockists for RISDA in supplying all agricultural inputs to smallholders.
- iii. To continue marketing of smallholders products which include marketing of rubber, processed food, handicraft, livestock, etc.

2.2 FELCRA

Current activities undertaken by co-operatives almost achieved the objectives but there are certain areas where co-operatives still not ventured into, especially in up-stream and down-stream activities. In order to achieve this target, a decade of strategic business planning has been undertaken as follows:

- i. To expand the current activities in order to give good services and facilities to the member.
- ii. To venture down-stream and up-stream activities in terms of processing agricultural raw-materials to become end products. For instance, to produce concentrated latex, oil palm processing, cocoa processing and paddy processing.
- iii. To provide estate management services in order to take over the management of the land scheme from main organisation (FELCRA).

3. Member Education

Co-operative education programmes include effort to communicate the understanding, the knowledge, the skill, both outside and inside the member.

3.1 Undertaken by:

- a) ANGKASA
- b) Department of Co-operative Development
- c) Farmers Organization Authority
- d) Co-operative College of Malaysia
- e) Fisheries Development Authority
- f) Other Co-operative Societies
- g) Other Government agencies such as FELDA, FELCRA, RISDA, etc.

ANGKASA (The National Co-operative Organisation of Malaysia)

- Established 21st May, 1972.
- Act as the main body representing Co-operative Movement in Malaysia.
- Information and Education Division:
 - Extend co-operative principles
 - Carry out Research on problems
 - Improve co-operative education
- Achieving objectives through seminars, study group/town, publish brochures, pamphlets, search and gather articles, organise co-operative education programmes, other roles such as pre-audit services and computer training.

Co-operative Development Department

- Government body
- Act as a registrar
- Has education division

Expose Malaysian society towards co-operative movement and motivation of people to set up co-operatives.

Co-operative College of Malaysia

- Give formal training and education to co-operative members.
Training Division under Government authority
Target group in co-operative education:
 - Members
 - Board of directors and staff
 - Would be members
- Method:
- Free training
 - Lectures
 - Discussions
 - Field visits
 - Seminars
 - Conference

PHILIPPINES

Member Participation in Agricultural Co-operatives in Philippines

Efforts to mobilize small farmers in the Philippines for co-operative action and participation in the development process started in 1952 when the creation of Agricultural Credit and Co-operative Administration and Farmers Co-operative Marketing Associations (FACOMAs) were organised. Records show that FACOMAs had robust business activities during this early period. Later, rapid expansion of FACOMAs proved to undermine these early successes. Following the sudden death of President Magsaysay in 1957, heavy government imports of rice prior to elections, when FACOMA warehouses were fully stocked, depressed rice prices severely, nearly causing a collapse of more than 250 FACOMAs. Later attempts by the government to inject additional funds to assist the credit and marketing operations of FACOMAs had limited impact. Despite massive infusions by the government during the mid to late 1960s, including substantial marketing and facility loans and technical assistance provided by USAID, the FACOMAs were unable to prosper.

The poor performance of the FACOMA programme resulted in a comprehensive effort on the part of the Philippine Government in 1971 to examine the principle of agricultural co-operative organisation and redirect co-operative development strategies within the country. In 1973, the government launched a new co-operative development programme distinctly different from its past attempts. It was designed to improve upon the inherent weaknesses of the previous pattern and stressed the localised representation not present in the FACOMA structure. Farmers were to be organised at the village level into associations to be known as Samahang Nayons. The Samahang Nayons (SN) were to serve as the educational medium for leadership and membership development/ member participation in the rural community. The SNs could federate to form larger Area Marketing Co-operatives (AMCs). AMC was to focus primarily on business activities relating to servicing the supply and marketing needs of member Samahang Nayons as well as providing extension technology through SNs to farmer members. Co-operative Rural Banks were established. Thus the SN/CRB structure became the model for agricultural co-operative development in the country. Three national apex co-operatives were organised. In 1975, the Co-operative System of the Philippines (CISP), which offers low cost life insurance to SN members, and the Co-operative Marketing System of the Philippines (CMSP), which was to serve as the national marketing co-operative of the AMCs were formed. The co-operative Management System Inc. (CMSI) was formed in 1985, which provided management services to AMCs and CRBs. The latter two organisations subsequently failed in the ensuing years, due to the fact that they were developed top down without participation and support of local co-operatives.

In order to develop the co-operatives and to improve member participation, credits were made available. During the period 1973-1986, development loans were extended by the government. A study of the 'Co-operative Financial Intermediary' reported that when credits were made available, it was often rushed into

the rural sector to solve a crisis, with the result that the credit provided is greater than the system can effectively absorb and utilize. Consequently the credit was poorly applied and business did not prosper commensurate with the additional funds and loans could not be repaid. When the crisis passed, the impetus for the government to supply agricultural credit also passed. Thus after one or a few seasons, the available credit was discontinued. As this happened, many farmers, perhaps the prudent farmers, do not repay their loans. The government 'investment' in agricultural credit does not truly represent a sustained commitment to farmers' co-operatives. They were short term remedies to crisis, whether political, economic or natural. As such these past attempts at rural credit present a distressingly and inaccurately negative picture of agricultural production credit and co-operative credit. Loans should be limited in relation to members' equity in the co-operative so that a healthy balance is maintained between members' capital and debt. Loans to farmer members of co-operatives should be related to stimulated savings programme, through which the member can strengthen his investment, his interest and his participation in his local co-operative.

The key ingredient in the success of a viable agricultural co-operative is the heavy investment of attention, time and funds in member education and training, not only in the early organisation and development of new co-operatives but also throughout the life and growth of a healthy co-operative business.

SRI LANKA

Business Planning based on member needs of Sri Lanka Co-operative Marketing Federation

Corporate forecasting and planning arises from the need to meet the demands of rapidly changing environment as against the traditional pre-industrial society, where planning was unimportant in an almost static business environment.

Planning at the Federation has been limited to budgeting and unrelated to member needs.

The Federation is looking at ways and means of drawing members to the apex and relating to their needs in respect of:

- i. Agricultural credit
- ii. Farm necessities
- iii. Farm inputs
- iv. Marketing
- v. Technical inputs
- vi. Farmer education and development through creation of the right environment and improved support.

Constraints

- Culture within the organisation
- Financial
- Membership mainly trade oriented with little to do with agriculture.

Education in agricultural co-operatives

Aims and Objectives

- a. Development of personality
- b. Development of Business acumen

Needs

To develop training programmes on :

- i. Productivity in agricultural sector
- ii. Planning
- iii. Technical skills
- iv. Post-harvest technology.

Constraints

- Apathy of Boards of management responsible for member education.
- Inadequate facilities to conduct training at society level.
- Non-identification of training needs in order of priority.
- Poor co-operative spirit amongst those involved in training.
- Financial constraints.

THAILAND

Member Education in Agricultural Co-operative Movement in Thailand

1. Organizations for Education in Agricultural Co-operatives

- i. Co-operative League of Thailand
- ii. Bank for Agriculture & Agricultural Co-operatives (BAAC)
- iii. Co-operative Auditing Department (CAD)
- iv. Co-operative Promotion Department (CPD)

2. Members' Education in Agricultural Co-operatives

The co-operatives also train pre-members in co-operative principles and practices so that they will understand the rights, duties and responsibilities as co-operative members.

3. The Problem

Most of the co-operatives in Thailand lack their own bank to own funds, so they depend on funding institutions. Attempts have been made to identify group problems as well as individual co-operative ones. It was found that the factors such as general economic condition, government policy on co-operative development, insufficient knowledge and experience in business management among members and board of directors, inefficient marketing system, farm price instability, institutional problems, etc. have, to some extent, great impact on the progress and success of the agricultural co-operative movement in Thailand.

Konburi Agricultural Co-operative Ltd

Operational Business

- i. Credit business: In 1988, total loss Baht 22,961,097. Repayment rate of members was 95.33% in 1986, 96.55% in 1987 and 96.11% in 1988.

Part of capital investment : Loan from bank for Agriculture and Agricultural Co-operatives. Loan from Co-operative Promotion Department (CPD).

- ii. Input supply business

Member can buy goods at the lower price when they combine their purchases and buy in bulk.

- iii. Marketing business

The co-operative was able to purchase rice, cassava and corn from members at reasonable price, if the co-operative is operating at profit, then the co-operative will be able to pay patronage dividend to the members.

- iv. Deposit business

When members bring their produce, they can save in their savings account and withdraw the money when they are in need. The co-operatives receive both savings and fixed deposits from the members.

Business Planning Management

Credit Business

- Survey
- Checking
- Loan Management

Input Supply Management

- Survey
- Group meeting

Marketing Business

- Survey
- Reports.

The co-operatives can serve the members by:

- Providing goods at fair prices.
- Providing loan at low interest rates.

Problems and Obstacles

The co-operatives lack own funds and have to rely on other financial sources.

Roungkwang Agricultural Co-operative Ltd.

1. Business Activities

- i. Credit business
- ii. Deposit business
- iii. Input supply business
- iv. Marketing business
- v. Extension service business

2. Problem

The most serious problem encountered by the Roungkwang Agricultural Co-operative is the lack of capital to expand its business activities in order to serve the members. The co-operative tried to make use of its own resources at the most beneficial terms to the members. The co-operative has to borrow loans from Bank of Agriculture and Agricultural Co-operatives to extend loans to members and carry out other activities, especially in marketing business.

An Overview of the Region

In most of the Asian countries - excluding Japan - member participation in co-operatives still face a few problems. Except in Korea and Japan, government intervention is still very much needed in the development of co-operatives. The papers presented by the participants do not directly deal with member participation matters. The programme concern member participation but the participants were requested to write on member education rather than on member participation. As a result this overview mainly concern member education with the understanding that it would lead to increased member participation.

Nevertheless, the problem remains that in some areas of the region, member education may not have a direct link with member participation. Voluntary participation is triggered off by motivation. Motivation is aroused when the co-operative can provide tangible services fulfilling the needs and expectations of the members. In many cases, member education does help but this is not always the case.

As member education is concerned, most of the participating countries stated that the biggest problem is the lack of funds or insufficiency of funds, the shortage of trainers and motivators and the lack of sufficient training facilities.

In the majority of developing Asian countries, except in Korea, the government still has to play a big role in co-operative member education. Unfortunately in many cases, the government raining institutions are

utilised mostly for training of government officials engaged in co-operative development work, more than for members of the co-operative movement. Trainers are, in many cases, government paid officials.

A healthy balance is found in Malaysia, where the government and the movement jointly run a co-operative training institution for the members of co-operatives as well as for government officials. In India, the government provides the funds for co-operative training institutions to be run under the control of the movement. But in Indonesia, the Co-operative Training Centre and the provincial branches of the institution are entirely in the hands of the government.

Member participation in many countries in the Asian Region has to be encouraged and/or taught especially to the poorer members and prospective members of the agricultural co-operatives. Member education and member participation improvement activities are felt very much needed. The understanding about co-operatives and the benefits of being a member of co-operative should be brought across to the members and the prospective members. In Japan, where the rural community is closely knit, where tradition runs strong, where people are afraid 'not to belong' to the community, member participation is not a problem. The loyalty of the co-operative members is something to be admired. Not only the characteristics of the Japanese society leads to close co-operation, but also the services rendered by the co-operatives touch the core of family life. The benefit of being a member of a co-operative is felt distinctly by the members and their families. This results in very good member participation. Perhaps the admirable services rendered by co-operatives not only in agriculture business but also in consultation about daily living - the so called better living activities - is something that can be tried by co-operatives in developing countries in their endeavour to increase member participation.

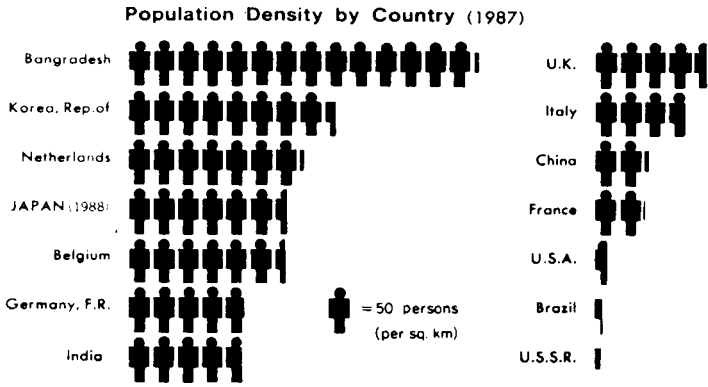
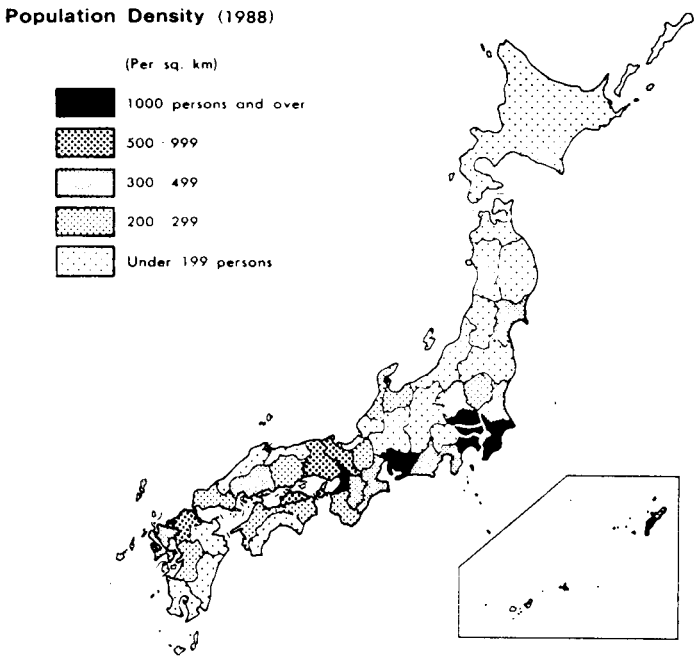
JAPANESE SOCIETY AND CULTURE

Mr. Yukio Abe, Programme Coordinator, IDACA gave a presentation of Japanese economy, society and culture through a lecture and video tape presentation.

History

Japan, a history of mythology during ancient times. The people of Japan are a mixed race of homogeneous original people with micronesians and asians. They speak a distant language although the concept is influenced by chinese characters.

The first island unified Japanese history goes back to 4 century AD when the last half of Honshu and southern Kyushu had a country with an emperor. This tradition follows to date. During early periods in 6th century Buddhism as a religious and related cultural heritage was introduced to Japan through China and Korea. Buddhism and Shintoism have become important elements of Japanese culture to date. History of Japan was infested with clashes among war lords. It come to contact with west during 16th century. However, Japan remained closed to outsiders until 18th century, this was Meiji era.



Japan had wars with China in 1894-95 and with Russia in 1904-05. After World War I with Anglo-Japanese Alliance, Japan became a world power. After the defeat in World War II Japan experienced an occupation by foreign power. This continued up to 1952.

However, Japanese economy achieved high level of growth during 1960s and 70s. In 1989 it has the second largest GNP in the world.

Topography and Demography

Japan is an island country stretching along the south eastern coast of the Asian continent. Japan consists of 4 major islands- Hokkaido, Honshu, Shikoku and Kyushu. It has more than 6800 small islands. It has a total land area of 377801 sq km. Climate zones in Japan range from subarctic zones to sub tropical zones. It has 4 seasons. Another important feature is the raining season which lasts from June to July.

The population of Japan in 1988 was 123 million. The population density was 329 persons per sq km. Increase rate in 1988 was 0.4%. Life expectancy is 75.61 years for males and 81.39 years for female in 1987.

With the influence came through China, Japan became an agricultural nation during the early days which related a tradition of saving, thrift and hard work. This also resulted in living in harmony with nature. They emphasized spiritual fulfillment over material riches.

Social Behaviour

Rice farming led the nation to do work in groups and develop an understanding about usage of resources for mutual benefit group loyalty and sense of belonging is a behaviour pattern evident up to date. They also develop a habit of comparing their results with others which resulted in external influence on their lives. Therefore, there is an insider who is the family or peers and outsider who is the society at large or other nations when structured.

Just because of strong insider group behaviour the expression of ideas come as a group not as individuals. But due to various reasons Japanese do not like to hurt feelings and avoid expressing direct opinion. The members of the group depend on each other and reveal their true intentions to group members only. Exchanging business cards establish correct distance between the two. Maybe it becomes a form of dependency or revealing true intentions. Therefore, the organisation or the group is referred to more than individuals.

Religion

Japan is liberal towards religions, religious tolerance is extreme. A Christian could report to his ancestors at the family Buddhist altar after his Christian wedding and go on a tour of Shinto Shrines and Buddhist temples. During new year they visit Shinto Shrines to pray. In August they dance at the Buddhist festival. In December they have Christmas parties.

Inter-religious marriages are common. Religion is generally not taught in schools. After Meiji restoration religious feelings diverted into emperor worship. After 2nd world war this has been changed.

Japan has transformed into a true consumer society at present from the days of exclusiveness with Emperor court, investors and rich merchants. However, they have valued traditional Confucian and Buddhist virtues of diligence, Thrift and saving. However their expenses gone up in recent years. Housing problem is still to be solved, roads are narrow and then in traffic congestion. However, owning of electronic audio-video equipment and household equipment is second only to USA.

There is no class distinction in sports, games and owning vehicles. They enjoy some kind of food and drinks. They like to act in groups, in tourist visits or when karaoke singing. Their lifestyle and mentality have become middle class or upper middle class.

Education

An improved education system was established during Meiji period. After the 11nd World War the American system was adopted. Compulsory education divided into 6 years of elementary school and 3 years of junior

high school. Non compulsory higher education consists of 3 years of senior high school 4 years of undergraduate study and post graduate study.

In addition to 4 years of graduate courses, there are 6 year dental and medical degree courses, 2 years courses at colleges of further education and 5 years courses at colleges.

The illiteracy rate in Japan is zero. It is difficult to get into a good senior high school as it requires to graduate from a good junior high school. Therefore competition goes to the kindergarten level even. People feel it is a status symbol to admit their children to a good school.

Japanese Work Ethic

Japanese are known as hard workers. Sometimes they are misunderstood as saving for profit and business all the time.

Japanese work ethics goes back to Buddhist tradition. The art of working is subconsciously accepted as a spiritual discipline and Buddhahood not economic gains. It is not like exchanging labour for money as developed in western societies.

However, this ethic is changing at present due to goals becoming more elusive, rather work is not always rewarded by higher income and aging of population. Achievement in economic growth has become another demotivating factor.

Leisure

Japanese do not enjoy much vacations. They look forward to New Year. The time is business free and make it a point to visit boss or good customers. They relax with his family drinking sake and watching television.

Work resumes in mid-January but start with parties with co-workers. Transfer and shifts come during February to April. Schools start in April. During late June and July bonus would come. This help employees to renew the relationships with relatives and friends.

Summer vacations come in July and normally families enjoy one week vacation. Next is the new year vacation which start during 3 week of December.

Life Cycle

Men usually marry when they are 27-28. Women during 24-25 year of age. After couple of years they have one or two children. Men retire at 60-65. The retired couple enjoy life visiting their children.

Children are celebrated in a spiritual way. Children's day is on May 5. They start schooling when they are 6-7 Special cram schools are set up to achieve higher results. Education is major expense for Japanese parents.

Even after 20 years of age some children get their living expenses from parents. Many young people expect their parents to bear the cost of their wedding. Parents continue to support children after their employment, marriage and after having children. Nowadays the life is tough and old people do not get much attention from their children and feel lonely and isolated.

Socializing is an important aspect of company life as people have life long employment in a company. Therefore, they sponsor social events such as athletic competitions, excursions, farewell parties and new year parties.

They organize hobby groups, employees groups, go to clubs after work or go to golf clubs.

Socializing is a part of their business whereas westerners differentiate between the two. Japanese prefer face to face negotiation for agreement. Business relationships are made not necessarily fulfilling contractual obligations. It would become a family like business lasting for many years.

JAPAN'S ECONOMY AND AGRICULTURE

The Economy

The economy of Japan continued to grow at a high rate of over 10% per annum throughout the 1960's. This brought about by the strong investment in plant and equipment, driven by technological innovations. The year 1972 to 1973, the economy became overheated due to easy money policy. After the first oil crisis, a tight money policy was introduced in order to cope with inflation and deficit in the balance of payments. This caused economic contraction in 1972, which registered a decrease in the growth rate for the first time during the post war period. In 1975, the government tried to stimulate the business by encouraging public investment, and as a result the economy recovered, marking a 3.6% growth while economies in other countries were still suffering from deficits.

By, 1978, domestic demand started to show recovery after a process of adjustment from the second oil crisis. Increase in import prices during the second oil crisis, aggravated by the drop during the year, was much higher than the first oil crisis. The Japanese economy in the 1980-82 performed better, due to flexible and firm fiscal and monetary policies combined with the expansion in the private sector of the economy. Economic activities have been stable, contributing to improvement in the current account balance and stability of prices.

In early 1963, the economy of Japan entered a recovery phase after three years of recession, showing better business performance and steady expansion until June 1985. This is due to the meager exports brought about by depreciation of dollar.

In 1986, as the dollar became weaker, measures were adopted to convert the domestic structure from dependent on overseas demand to domestic-demand-oriented. In addition, supplementary structural change, such as increasing imports of finished products and expanding the service industries were promoted.

Japan's economy in 1987 is in phase of shifting from recovery to expansion. Reflecting stable growth of domestic demand. The real economic growth rate in fiscal year 1987 was 5.2%, an increase from the 2.7% of the previous years. Its GNP ranks second in free world. On a per capita basis, the GDP amounted to US\$ 19,547 in 1987, and ranked 5th among OECD member from the former rank of 8th (US\$ 11,144) in 1985.

With the strong yen, Japanese economic sector searched for a new motive force for business development. This development were internationalization and boosting the economic demand. Efforts to develop domestic demand because a key factor enabling the Japanese economy to develop and transform itself from an export- or ended into domestic-demand-oriented economy.

A shift from exports to production overseas in making headway especially in processing sectors of manufacturing industries, and overseas procurement of intermediate goods and parts is becoming more important.

In the manufacturing sector, the material industries are planning to move into new industrial areas and biotechnology; meanwhile in processing industries, micro-electronics areas, information and communications are major concerns. In the non-manufacturing sector, leisure, information and communication, housing and the senior citizen market are now greater interest than before.

There was a decrease in number of agricultural workers despite a moderate decrease in the member of farm households. There is also the co-existence of a small proportion of farmer household obtaining their income solely from farming, and a large proportion of farm households having a source of income other than agriculture. The farm labor force has been aging. Moreover, intensive farming practices are common due to the limited cultivated land area per farm household.

Workers employed in agriculture in 1988 numbered 4.1 million or 10% of the employed persons, and the member of household engaged in farming totalled 4.2 million in 1988, or 11% of all households in Japan. Of all farm households, only 14.5% were exclusively engaged in agriculture (8.4% male of 16-64 years of

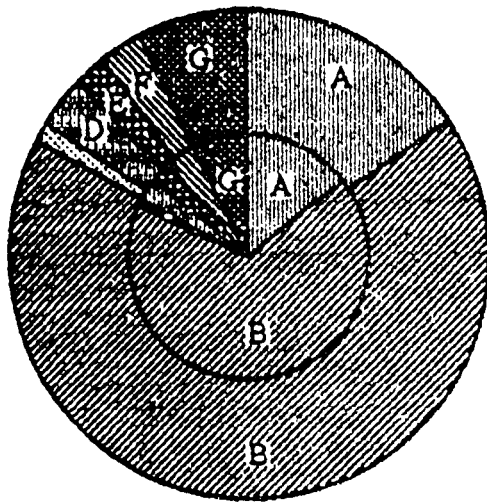
age); 14.3% were farm households gaining a large proportion of their income from agricultural activity than from non-agricultural activities; while the remaining farm households, 71.3% had a large proportion of their income from outside of farming activity.

Cultivated land area including orchards and grassland in 1988 slightly decreased to 5,317 thousand hectares, but the ratio of cultivated land to the total land area was the same, 14.3% as in the previous year. The average area of cultivated land per farm household now only 1.3 hectares.

To effect the shift of the agricultural work to other sectors of industry, introduction of new technology and capital investments have been at high levels. Accordingly labor productivity in agriculture has attained remarkable progress compared with other industries.

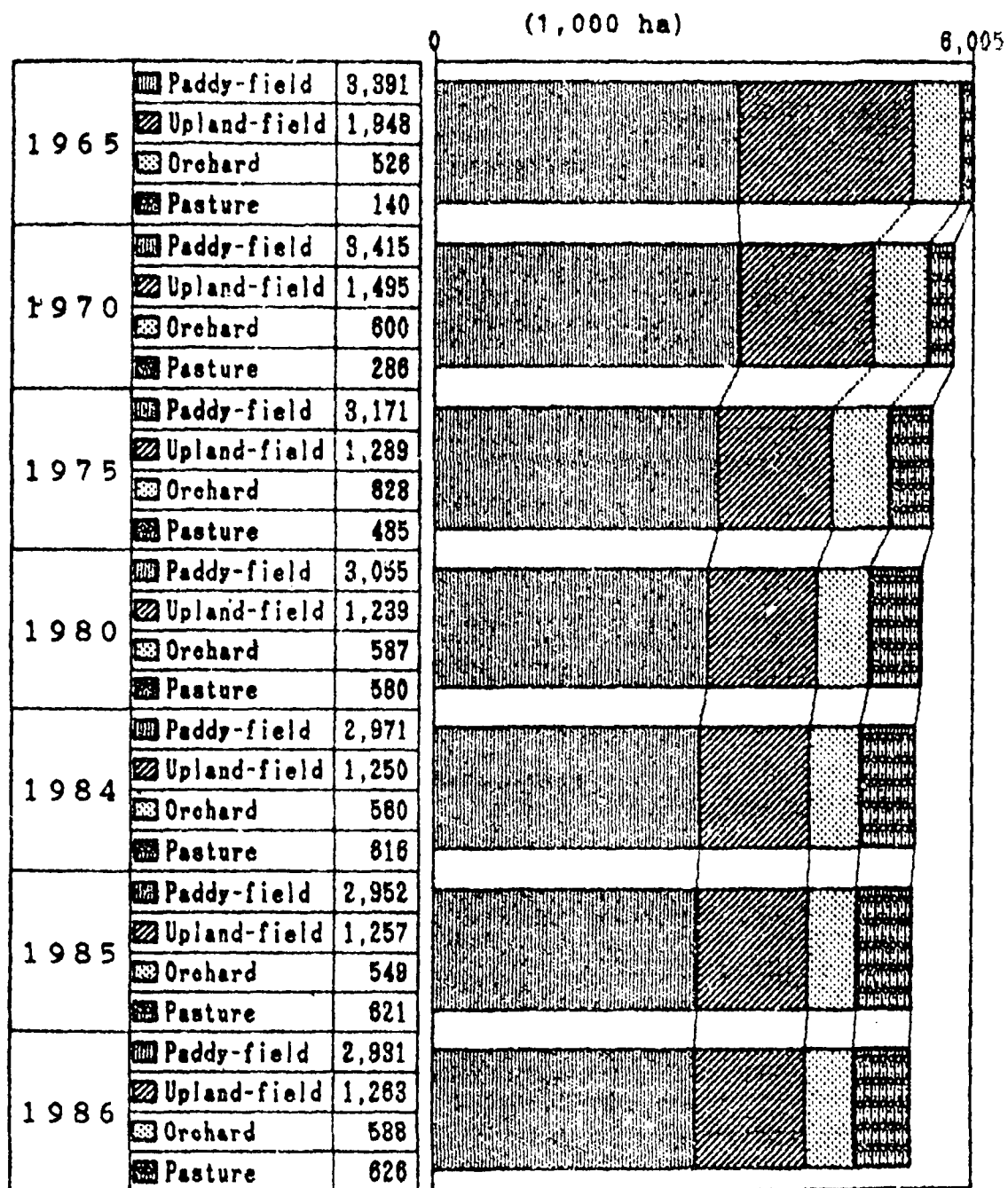
Land utilization in Japan

Japan has a total land area of 37.8 million ha which is larger than the area of the British Isles but is smaller than that of the State of California. Owing largely to its mountainous topography, two thirds of the area is occupied by forests and land for agriculture, housing and industry is being small compared with the total land area.



	1972	%	1984	%
A—Farmland	598	15.8	551	14.
B—Forest	2,529	67.0	2,530	67.0
C—Field	49	1.3	31	0.8
D—River	127	3.4	131	3.5
E—Road	83	2.2	105	2.8
F—Housing	110	2.9	149	3.9
G—Others	281	7.4	281	7.4
合計	3,775		3,778	

Changes of Cultivated Land Area



FARM HOUSEHOLDS
(1000 households)
By Type of Engagement

YEAR	TOTAL	EXCLUSIVELY ENGAGED IN FARMING	WITH OTHER JOB		ANNUNAL RATE OF INCREASE (%)	
			Total	Mainly Mainly other Job		
1970	5402	845	4557	1814	2743	.....
1975	4953	616	4337	1259	3078	- 1.7
1980	4661	623	4038	1002	3036	- 1.2
1985	4376	626	3750	775	2975	- 1.3
1986	4331	643	3688	660	3028	- 1.0
1987	4284	631	3653	632	3021	- 1.1
1988	4240	614	3626	605	3022	- 1.0

By Size of Cultivated Land

Year							Cultivated land per farm household (hectare)
	<i>Under 0.5 ha</i>	<i>0.5-1.0</i>	<i>1.0-1.5</i>	<i>1.5-2.0</i>	<i>2.0-3.0</i>	<i>3.0 and over</i>	
<i>Whole country except Hokkaido</i>							
1970	2030	1619	874	407	244	63	0.92
1975	1995	1436	727	349	236	76	0.93
1980	1992	1304	652	328	240	95	0.95
1985	1856	1182	583	300	234	112	0.98
1986	1748	1193	600	309	251	122	0.99
1987	1728	1181	592	306	248	124	0.99
1988	1698	1177	585	305	242	130	0.99
<i>Hokkaido</i>							
	<i>(-1.0 ha)</i>	<i>(1.0-2.0)</i>	<i>(2.0-3.0)</i>	<i>(3.0-5.0)</i>	<i>(5.0-10.0)</i>	<i>10.0</i>	
1970	36	14	15	35	41	25	5.95
1975	27	11	11	26	33	26	8.01
1980	23	9	9	20	30	29	9.53
1985	20	8	8	16	26	31	10.84
1986	18	8	7	17	26	32	11.05
1987	19	7	7	16	26	32	11.31
1988	18		13	15	26	33	11.57

Source: Ministry of Agriculture, Forestry and Fisheries

AGRICULTURAL PRODUCTION

(1000 Tons)

Commodity	1970	1975	1980	1985	1986	1987
Potatoes	3611	3261	3421	3727	4073	3955
Soybeans, dried	126	126	174	228	245	287
Cucumbers	965	1023	1018	1033	1040	1020
Tomatoes	793	1024	1014	802	816	833
Eggplants	722	668	619	599	594	604
Cabbages	1433	1423	1545	1589	1667	1622
Chinese Cabbages	1744	1607	1616	1478	1513	1420
Spinaches	363	346	352	383	386	400
Welsh Onions	614	555	539	553	573	564
Onions	973	1032	1152	1326	1252	1294
Lettuces	165	258	381	459	501	494
Japanese radishes	2778	2545	2690	2544	2655	2530
Carrots	497	495	600	663	671	656
Taros	542	370	459	375	385	392
Mandarin oranges	2552	3665	2892	2491	2168	2518
Apples	1021	898	960	910	986	998
Grapes	234	284	323	311	302	308
Japanese pears	445	461	485	461	481	468
Peaches	279	271	245	205	219	212
Persimmons	343	275	265	290	291	290
Tobaccos	150	166	141	116	117	104
Crude Tea	91	105	102	96	94	96
Sugar beets	2332	1759	3550	3921	3862	3827

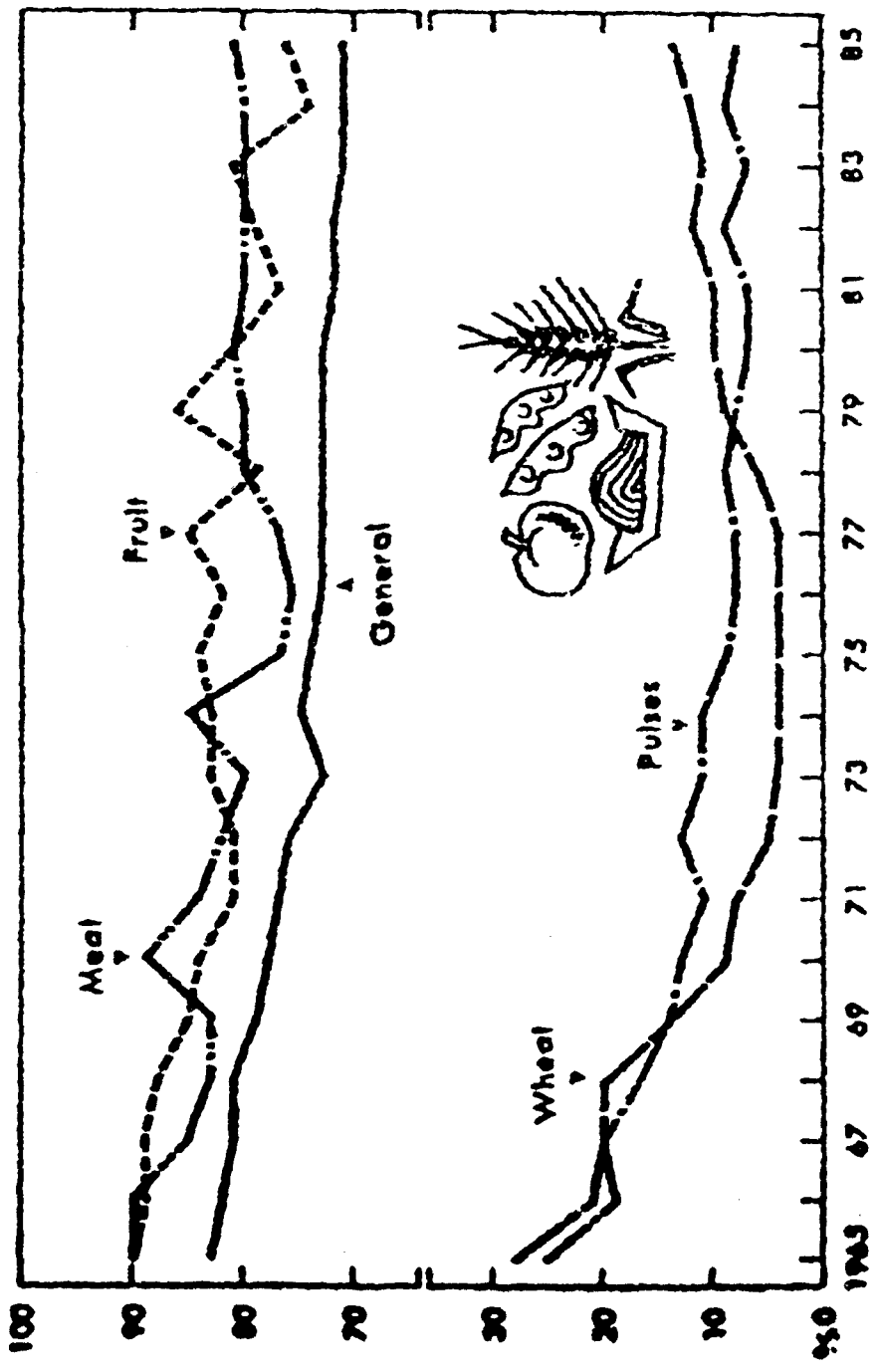
Source: Ministry of Agriculture, Forestry and Fisheries: Japan Incorporation.

NUMBER OF EMPLOYEES TRANSFERRED FROM AGRICULTURE AND OTHER INDUSTRIES (Unit: 100 persons)

	Total	Manufacturing	Import	Construction	Service
1960	7,459(100)	3,319(44.5)	1,393(18.7)	466(6.2)	3,047(40.8)
1965	8,302(100)	1,419(41.1)	1,227(14.4)	814(9.6)	3,931(46.2)
1970	7,929(100)	3,493(44.1)	1,607(20.3)	806(10.2)	3,468(43.7)
1975	3,678(100)	1,836(32.3)	775(13.6)	761(13.4)	2,955(52.0)
1980	3,244(100)	1,539(29.3)	700(13.3)	695(13.3)	2,916(55.6)
1982	4,147(100)	1,257(30.3)	640(15.4)	467(11.3)	2,353(56.7)
60-64	42,679(100)	18,834(44.1)	7,547(17.7)	3,490(8.2)	17,955(42.1)
65-69	40,661(100)	16,257(40.0)	6,399(15.7)	4,305(10.6)	19,113(47.0)
70-74	31,037(100)	14,825(47.8)	6,298(20.3)	5,450(17.6)	17,067(55.0)
75-79	26,591(100)	7,921(29.8)	3,230(12.1)	3,565(13.4)	14,528(54.6)
Total of 60-82	154,871(100)	61,997(40.0)	25,489(16.5)	18,514(12.0)	76,453(49.4)

Source: Survey of employment of farm households.

Changes in Self-Sufficiency Rates of Agricultural Foodstuffs



RATIO OF AGRICULTURAL INCOME COMPARED WITH MANUFACTURING WAGES (PER DIEM)

		Income Per Diem of Agriculture	Ratio compared to Manufacturing Industry Constant workers according to Scale = 100				
			Ratio compared to Average more than 5 constant workers	5-29 Person	30-99 Persons	100-499 Persons	More than 500 Persons
	1960	525	62.0	96.9	74.3	61.3	43.8
Average of nation-wide farmers	1965	1,148	78.0	102.5	88.3	77.6	62.1
	1970	1,841	60.8	81.2	70.1	59.9	48.1
	1975	4,537	62.5	88.4	73.5	58.5	46.9
	1982	4,523	39.2	55.3	47.2	36.8	27.9
	1983	4,681	39.2	55.6	47.3	36.7	27.9
Pref. 2.0-3.0 management arable land scale more than 3.0 ha.	1984	4,927	39.5	55.7	48.5	36.6	27.9
	1985	6,087	51.0	72.3	61.6	47.7	36.2
	1986	6,138	49.3	69.3	60.4	45.5	34.8
	1985	7,608	63.7	90.4	76.9	59.6	45.3
	1986	8,325	66.8	94.1	81.9	61.9	47.1

Source of reference : Ministry of Agriculture, Forestry Fisheries

Note : The agricultural income and manufacturing wage per diem were calculated as follows.

$$\text{Agricultural income per diem} = \frac{\text{Annual Agricultural income}}{\text{Annual working days of family members through convention of ability}}$$

$$\text{Manufacturing wage per diem} = \frac{\text{Annual total cash salary}}{\text{Annual working days}}$$

However, the number values for Agricultural income for 1970, include incentive subsidy for rice production control, for 1975, rice crop convention incentive subsidy, for 1982-1984, paddy field re-organisation incentive subsidy.

COMPARISON OF FARMER WAGE EARNERS AND HOUSEHOLD EXPENSES PER CAPITA

	Household expenses per capita of farm household members (1000 yen)	Ratio compared to wage earner households				
		Nationwide wage earner households =100 50,000	Wage earner household according to size of cities=100			
			Cities with population more than less than 50,000	Cities, towns, and villages with a population	Towns & villages within this category	
All types of farmers	1960	60.7	75.9	70.8	-	-
	1965	115.5	82.7	78.4	94.9	97.1
	1970	236.8	95.3	92.6	103.5	103.4
	1975	546.4	107.1	106.4	109.1	108.1
	1982	891.6	110.6	109.9	112.8	111.9
	1983	916.9	110.6	108.6	117.3	117.2
	1984	957.7	111.4	109.4	117.9	118.3
Full time farmers (akkey male farmer exists)	1983	748.3	90.3	88.6	95.8	95.6
	1984	752.2	87.5	85.9	92.6	92.9
Part time Cat. I (ad hoc wage labour)	1983	774.8	93.5	91.8	99.2	99.0
	1984	795.7	92.6	90.9	98.0	98.3
Part time Cat. II labour	1983	954.5	115.2	113.1	122.1	122.0
	1984	1,000.0	116.3	114.2	123.1	123.5

Source of reference : Ministry of Agriculture, Forestry & Fisheries

Note:

1. The part-time category II (constant labour) is the average of "constant wage labour" and "employee work" of the division according to different types of part-time jobs.
2. Household expenses were compared subtracting the housing expenses for wage earner households and farm households. Concerning farm households, redemption fee has not been taken into account and cost for purchasing automobiles for household usage and commuting pass costs have been added.
3. The cities, towns, villages with population less than 50,000 are average of "small cities B" (cities with population less than 50,000) and villages and towns".
4. The nation wide wage earner household number for 1960 was estimated by the Ministry of Agriculture, Forestry and Fisheries.
5. The per capita household expenditure of farm household members was calculated through the per capita of average household members in a monthly basis throughout the year (for 1960, the number of household members for the beginning of the fiscal year was taken.

The economic growth of Japan since the end of World War II has grown in parallel with trends in the economy. The turning points in the development of agricultural policy and of agriculture itself has brought about by the yen and rise of industries. Each new economic era is a new stage thereby, in agricultural development.

Reference Indexes

POSITION OF AGRICULTURE IN THE NATIONAL ECONOMY

	1960	1965	1970	1975	1979	1980	1981	1982	1983	1984
Ratio (%) of food beverage expenditure to final expenditure on consumption by the private (per Yen 1 billion)	90652 42.7	197474 38.9	394566 35.8	869946 34.3	1329864 31.0	1433978 30.6	1517329 30.4	1619383 30.1	1698150 29.9	1782975 29.8
Ratio (%) of net farm products to the net domestic product (per Yen 1 billion)	132930 9.5	262150 7.4	606870 4.7	1253650 4.1	1833660 3.1	1990320 2.5	2095030 2.4	2189850 2.3	2269690 2.2	2419900 2.2
Ratio (%) of exported farm products (except cotton, wool & natural rubber) to the total amount of export (per \$ 1 million)	40550 4.1	8,4520 1.8	193180 1.9	557530 0.7	1030320 0.7	1298070 0.7	1520300 0.7	1388310 0.6	1469270 0.6	1701140 0.5
Ratio (%) of imported farm products (except cotton, wool & natural rubber) to the total amount of import (per \$ 1 million)	44190 19.7	86190 23.7	188810 17.2	578630 16.7	1106720 12.7	1405280 10.6	1432900 11.0	1319310 10.5	1263930 11.4	1365030 11.8
Ratio (%) of farm households to the total number of households (per 1000 households)	208600 28.7	242900 23.0	27870 18.9	32141 15.2	35831 13.0	35977 12.8	36859 12.4	37426 12.1	37935 11.8	38457 11.4
Ratio (%) of the farm household population to the total population (per 1,000)	94301 35.7	99209 29.8	104665 24.9	111940 20.5	116195 18.4	117057 18.2	117777 17.9	118602 17.5	119316 17.2	120008 16.5
Ratio (%) of the farm-work population to the total working population (per 10,000)	4465 26.8	4754 20.6	5109 15.9	5240 11.2	9493 9.9	5352 9.1	5594 8.7	5664 8.5	5735 8.1	5786 7.8
Ratio (%) of the gross fixed capital share in agriculture to the domestic gross fixed capital share (per Yen 1 billion)	5048 4.8	9916 5.3	26684 3.8	49447 5.0	71664 5.2	77104 4.7	78956 4.5	80101 4.5	79524 4.4	83978 4.4
Ratio (%) of the budget on agriculture to the national budget (per Yen 100 million)	17652 7.9	37447 9.2	82131 10.6	208302 9.6	396676 7.5	436814 7.1	471254 6.7	475621 6.6	508394 5.9	515134 5.5

Reference: "Calculations on the National Economy" (EPA), "Japan Foreign-Trade Statistics" (Finance Ministry), "Labour Survey" and "National Survey" (General Affairs Agency), "Table of National Population & Households Based on the Basic Register" - as of March 31 - (Ministry of Home Affairs), "Census on Agriculture and Forestry" - as of Feb 1, "Agricultural Survey" - as of Jan 1, "Social Accounting of Agriculture and Farm Households" (Ministry of Agriculture & Forestry).

Note 1) *Indicate calendar year.

Note 2) Okinawa was not included in or before 1970.

Note 3) The values of expenditure on final consumption by the private sector and the domestic net product for 1965 and later and gross domestic fixed capital share for 1970 and later are calculated by a revised method. Net farm products and farm gross domestic fixed capital share are based on the "Social Accounting of Agriculture and Farm Households".

Note 4) Total number of households and total population for 1979 and 1980-1984 are from the statistics as of March 31 of the following years respectively; and other values are those as of October 1. Ratios of farm households and farming population for 1960 and 1965 are as of December 1, and those for 1979 and 1984 are as of Feb 1, other values being calculated on the basis of the values as of Jan.1 of the following year respectively.

TENDENCIES IN THE NUMBER OF FARM HOUSEHOLDS

	1978		1981		1982		1983		1984	
Total farm households	4788	100.0	4614	96.4	4567	95.4	4522	94.4	4473	93.4
Full time farm households	620	100.0	580	93.5	599	96.6	596	96.6	605	97.6
Class I part time farm household	884	100.0	829	93.8	774	87.6	731	82.7	689	77.9
Class II part time farm household	3284	100.0	3205	97.6	3194	97.3	3195	97.3	3179	96.8
Farm households having core male farmer	1099	100.0	1042	94.8	993	90.4	942	85.7	908	82.6
Full time farm household	370	100.0	319	86.0	322	86.9	312	84.3	-	-

Source: MAFF "Agriculture Survey"

(Note) No.1 Core male farmers are those who works in agriculture in their farm more than 150 days in a year and the age between 16 to 59 years old.

NUMBER OF CORE AGRICULTURAL WORKERS

1976	1981	1983	1984
(1000 people)			
5034	4240	4031	2959
(1981=100)	84.2	80.1	78.6

Source: MAFF "Agricultural Survey"

Note No.2: Core Agricultural workers are those who works in agriculture in their farm

COMPOSITION OF FARMERS ACCORDING TO AGES

(Unit 1,000, %)

Year \ Age	Total	16-29	30-39	40-49	50-59	Over 60	Of which Over 65
1975	7907	1021	1017	1705	1666	2499	1660
	100	12.9	12.9	21.6	21.1	31.6	21.0
1978	6462	472	703	1007	1760	2520	1693
	100	7.3	10.9	15.6	27.2	39.0	26.2
1984	6400	418	690	930	1746	2616	1749
	100	6.5	10.8	14.5	27.3	40.9	27.3

Source: MAFF "Agriculture Census", "Agriculture Survey".

TENDENCIES OF EMPLOYMENT FOR OTHER INDUSTRIES AND RETURN FROM OTHER INDUSTRIES
 AGRICULTURE IN MEMBER OF FARM HOUSEHOLDS MAINLY WORKING FOR AGRICULTURE

(Unit: 1,000)

Year	Employed for other industry						Returned from other industry					
	Total	Male				Female	Total	Male				Female
		Sub-total	Below 34	35-59	Over 60			Sub-total	Below 34	35-59	Over 60	
1975	145.0	77.3	25.8	45.2	6.4	67.8	94.3	58.8	18.0	27.8	13.1	35.6
1978	144.2	81.6	28.9	44.8	7.9	62.6	124.8	82.4	23.0	38.8	20.6	42.4
1979	76.1	43.5	17.1	22.2	4.2	32.6	80.2	55.1	15.7	25.7	13.8	25.1
1980	99.1	56.4	19.1	31.8	5.5	42.7	95.2	63.7	15.8	30.3	17.6	31.6
1981	77.7	45.3	17.6	23.6	4.1	32.4	103.9	70.9	17.2	32.7	21.0	33.0
1982	66.3	40.5	16.3	20.5	3.8	25.7	99.2	70.6	14.9	34.2	21.5	28.6
1983	59.9	34.9	14.7	17.4	2.8	25.0	101.8	72.4	15.3	35.6	21.5	29.6
1984	53.3	31.5	13.3	15.1	3.1	21.8	94.6	70.6	13.1	34.4	23.1	24.0

Source: MAFF "Survey on tendencies of employment of farm households"

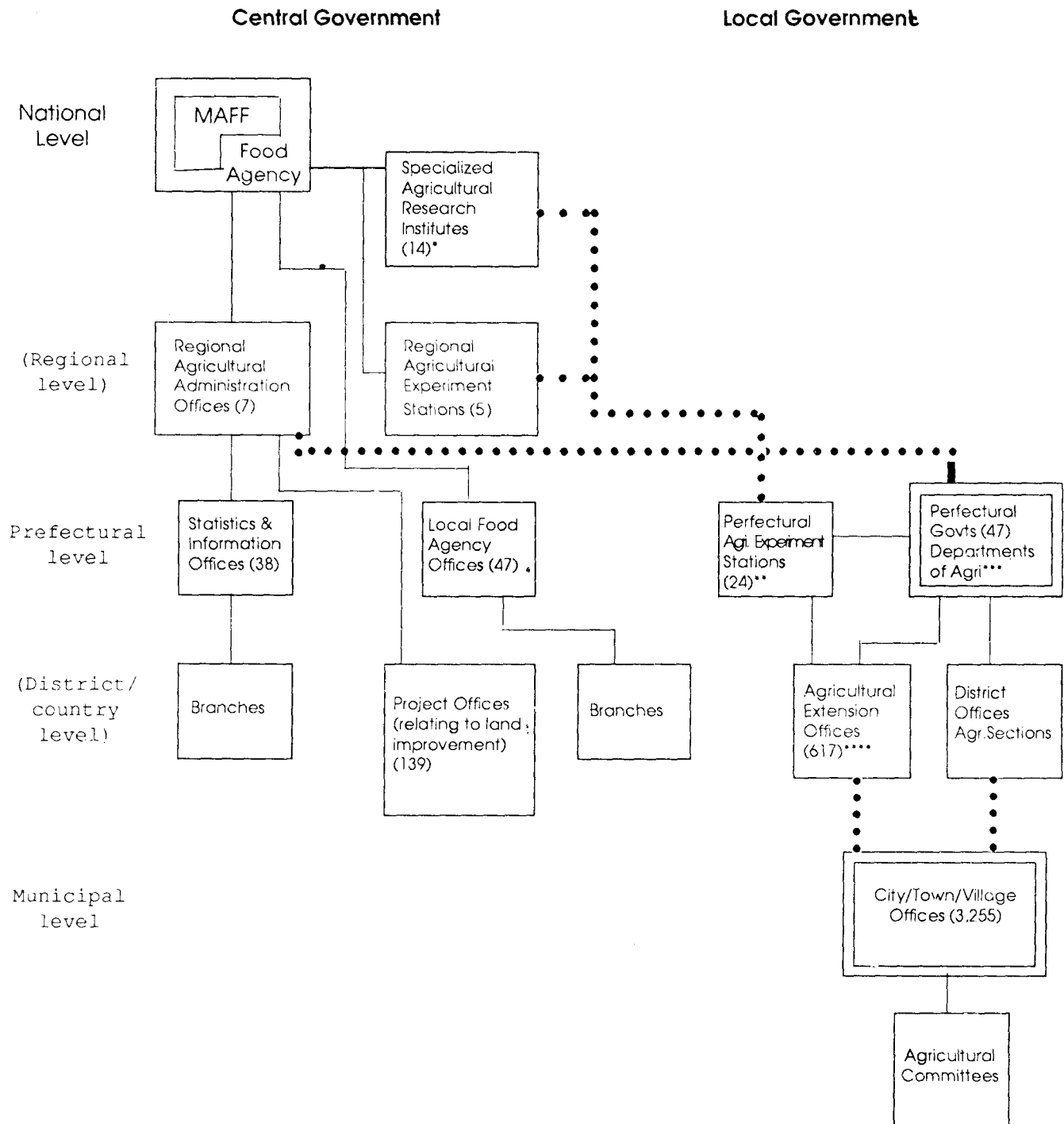
TENDENCIES IN INCREASE/DECREASE OF MEMBERS OF FARM HOUSEHOLDS WHO WORKS MAINLY FOR AGRICULTURE
 BY EMPLOYMENT FOR OTHER INDUSTRIES AND RETURN TO AGRICULTURE

(Unit: 1,000)

Year	Total	Male				Female
		Sub-total years	Below 34 years	35-59 years	Over 60	
1975	50.7	18.5	7.8	17.4	6.7	32.2
1978	19.4	0.8	5.9	6.0	12.7	20.2
1979	4.1	11.6	1.4	3.5	9.6	7.5
1980	3.9	7.3	3.3	1.5	12.1	11.1
1981	26.2	25.6	0.4	9.1	18.9	0.6
1982	32.9	30.1	1.4	13.7	17.8	2.8
1983	42.2	37.5	0.6	18.2	18.7	4.6
1984	41.3	39.1	0.2	19.3	20.0	2.2

Source: MAFF "Survey on tendencies of employment of farm households"

Organisational Setup of Public Administration concerning Agriculture



Notes:

- * Specialized and regional research stations altogether had 2,511 agricultural researchers at the end of 1982.
- ** These stations had a total of 5,415 agricultural researchers as of April 1, 1982.
- *** The number of subject-matter specialists on March 31, 1983 totalled 592 for farming and 155 for home life improvement.
- **** The number of field extension workers as of March 31, 1983 totalled 9,381 for farming and 1,949 for home life improvement.

CO-OPERATIVE MOVEMENT IN JAPAN

The origin of co-operative movement in Japan dates back to 1900 when the first Co-operative Law was enacted, authorising the formation of four types of cooperatives in the field of credit, marketing, purchasing and processing. A Central Co-operative Union was set up. With the outbreak of World War II, co-operatives were organised to take responsibility of meeting the wartime controlled economy. At this time the membership was also made obligatory. Voluntary types of co-operative societies more or less ceased to exist.

The Agricultural Co-operative Society law was enacted in the year 1947. Article I of the said law states that or its objective the promotion of the sound development of the farmers co-operative system, thereby improving agricultural productivity and the socio economic status of the farmers economy. The movement spread very fast and within one year, agricultural co-operatives and their federations were established at the villages, towns, cities and at the prefectures as well as national levels. The societies however, did not have smooth sailing and were plagued by financial problems, presumably on the account of policies pursued by the then government. In order to rehabilitate and consolidate the functions of co-operative, the Law for Rehabilitation and Consolidation of Agricultural, Forestry and Fishery Co-operatives came into effect in 1951. The law provided for the rehabilitation of cooperatives experiencing financial and management difficulties to bring them on viable status. Amalgamation Law was passed facilitating the amalgamation of societies and the formation of multi-purpose co-operative agricultural societies.

In Japan there are five Cooperative Laws, namely:

1. Agricultural Co-operative Law,
2. Forestry Owners Co-operative Law
3. Fisheries Co-operative Law,
4. Consumers Co-operative Law,
5. Small and Medium Enterprise Co-operative law.

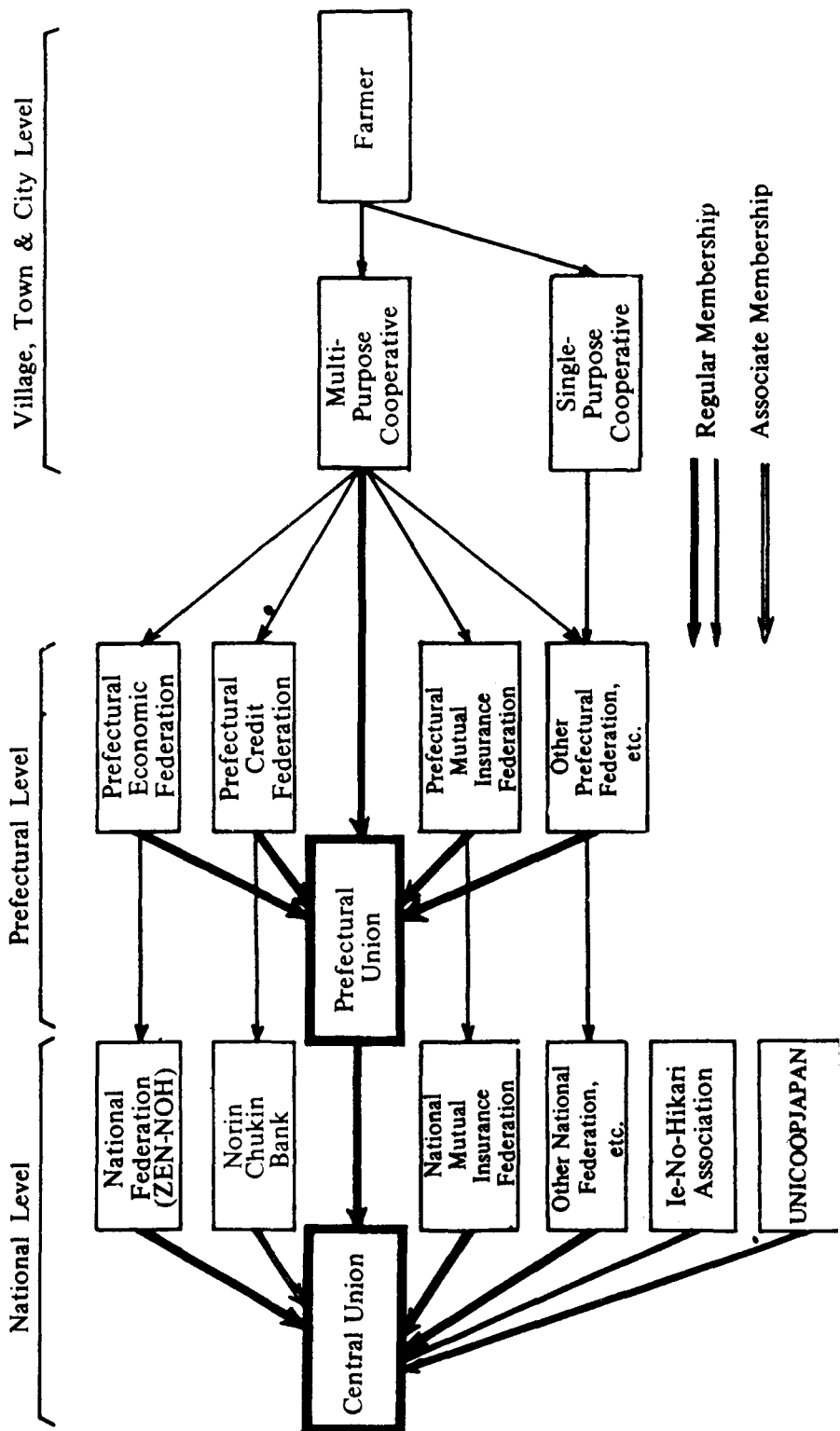
The first three laws are being administered by the Ministry of Agriculture, Forestry and Fisheries. The Consumers Co-operative Law is under the Welfare Ministry and the Small and Medium Enterprise Law with the Ministry of Industry.

In 1960 there were 12,050 multi purpose co-operative societies in Japan. The promotion of amalgamation to form multi-purpose reliable co-operatives, the number of such has decreased to 4,072 in 1988. It is anticipated that by the year 2000 the number of these societies will further decrease to around 1,000. The amalgamated societies may function as branch offices of the bigger multipurpose co-operative societies. It is expected that the average membership per such society shall be about 2,000. The society will cover not only the production aspects but will cater to the members' life in totality. It will be providing farm guidance, necessary inputs to improve the yield of agriculture and to increase the income of the farmer. The society also provides guidance to the member to inculcate the habit of thrift and saving. Guidance in the matter of better living is also to be provided.

The membership of agricultural multi-purpose co-operatives is open to farmers and farming associations known as regular members. The non-farmer residents and their organisations are admitted as associate members. With decrease in the farming community the membership of associate membership is on the increase. The total membership of these societies is 5,556,370. These are regular members. In addition there are 2,597,987 associate members. About 31% of the multi-purpose agricultural co-operatives had less than 500 members. Another 29.5% had membership range of 1,000-1999 accounted for 23.6%. Only 1.6% of the societies had a membership of 5,000 and above. The multi-purpose agricultural societies are providing all range of services to their members; production; better living; hospitals, etc.

Besides, the multi-purpose agricultural societies, there are also some single commodity co-operative societies such as livestock, horticulture, etc. These single commodity societies are also members of the multipurpose agricultural co-operative societies.

Structural outline of agricultural cooperative movement



- 1900 Co-operative Law enacted.
Marketing, purchasing, processing and credit co-operatives formed.
- 1905 National Co-operative Union established.
- 1923 Central Co-operative Bank, National Federation of Purchasing Societies established.
- 1931 National Federation of Grain Marketing Co-operatives established.
- 1943-47 Co-operatives ceased to exist because of World War II.
- 1947 Agricultural Co-operative Law enacted.
- 1948 Consumer Co-operative Law and Fisheries Co-operative Law enacted.
- 1949 Small and Medium Enterprisers Co-operative Law enacted.
- 1951 Forestry Owners Co-operative Law enacted.

THE STRUCTURE AND ORGANISATION OF AGRICULTURAL CO-OPERATIVES IN JAPAN

Japanese agricultural movement has developed into a three tiered structure, namely: (i) Primary Co-operatives, (ii) Prefectural Federations, and (iii) National Apex.

The Primary Agricultural Co-operatives

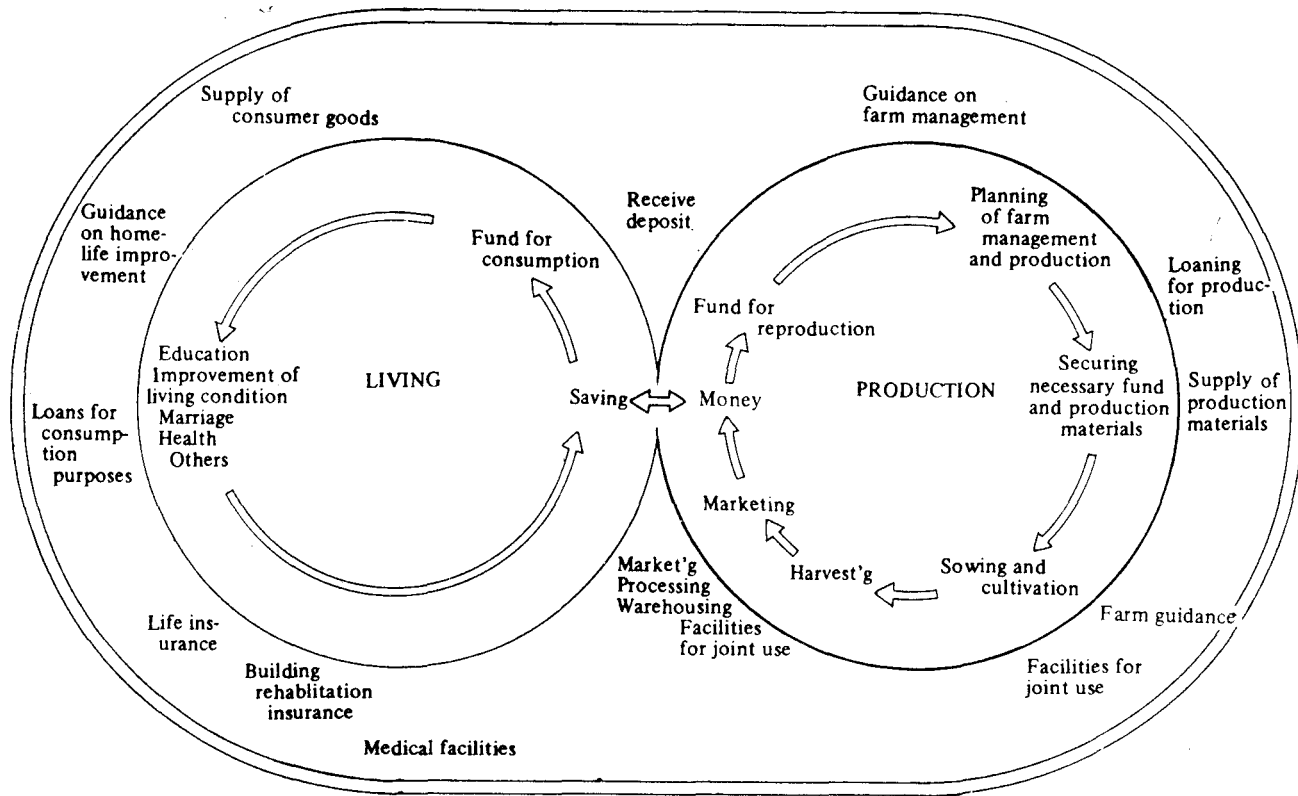
The primary agricultural co-operative societies are organised on the village, town and city levels with two membership groups. Those farmers who depend entirely on farming for their income invariably become the regular members. The associate members are the part-time and non-agricultural inhabitants.

The primary agricultural co-operatives can be categorized into (i) Multi-purpose, and (ii) Single-purpose. The multi-purpose co-operatives are engaged in various agricultural products, input supply, credit, mutual insurance, processing, etc.,. These societies provided all the needs of the farmer members in mixed agricultural pursuits. Those engaged in such activities as in fruit/orchard growing, vegetable cultivation, livestock raising and sericulture have developed a single purpose co-operatives organised to concentrate on marketing of specific products. Nevertheless, these members are concurrently members of multi-purpose agricultural co-operatives.

CHANGES IN PRODUCTIVITY OF PADDY AND DEVELOPMENT OF FARMLAND CONSOLIDATION

		Before the consolidation cultivated lands (early Heiji Era)	consolidation state of cultivated lands Late Heiji Era till the 1940's	1950's	1960's	Paddy field consolidation stage Recent trends
State of techno- logy	Advance of mechannization	Mainly by manual cultivation	Cultivation using animal power (paddy fields were cultivated using horses)	Spread of small sized machines (power cultivators)	Spread of large medium sized machines (mechanization of rice planting & harvesting)	Farm' operation- by large & medium sized machines systematized with improv. efficiency
Con- soli- dation level	Rice yield	on 150-200 kg level	on 200-300 kg level	on 350-400 kg level	on 400- kg level	on 450-500 kg level
	Division	Irregular & small divisions	Adjusted by units 8 to 10 a.	Same as the left column	Adjusted by units of 20 -30 a.	For rice only. Units of 30 60 a. For general purpose. Units of 20 to 30 a.
	Irrigation	Irrigation available (for both irrigation and drainage)	Same as the left column	Reinforcement of water supply sources (setting the standard)	Separation of of irrigation from drainage and lining canals	Partially converted to pipelines. Auto- mation of water control.
	Drainage	None in particular	None in particular	Reinforcement of drainage (setting standard)	Same as the left column	Drain capacity ensured as the general purpose paddy fields (underground water level in winter: 70cm or deeper) Lining drain pipes.
	Farm roads	Provided only for trunk lines (width 3-4m)	In some partial areas for grouped farmlands(width:	Farm roads provided to contact each division of cultivation	Trunk farm roads (width: 6 to 7 m) paved farmroads in the grouped farmlands (width: 3 to 4 m)	Farm roads in the grouped farmlands partially paved

Chart 3 ACTIVITIES OF MULTI-PURPOSE SOCIETY



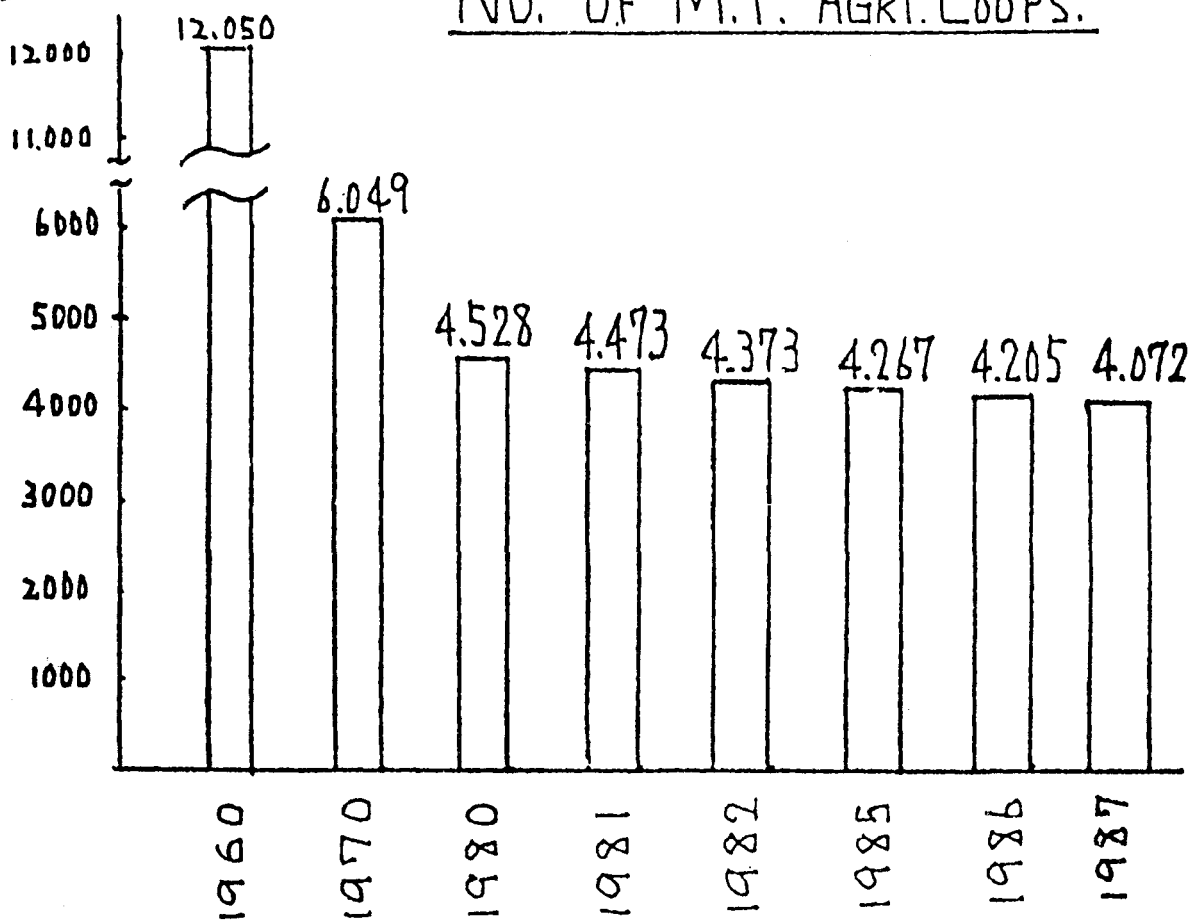
COMPOSITION OF FARM ADVISERS BY SPECIALIZATION

Specialization	1985 (%)	1987 (%)
Rice Cultivation	25.1	25.0
Silk Work Raising	2.9	3.2
Livestock	20.6	20.1
Vegetables	22.7	23.1
Fruits	11.0	10.9
Farm Management	9.7	9.8
Farm Machinery	2.8	2.7
Others	5.2	5.2
Total	100.0	100.0

BETTER-LIVING ADVISERS BY AGE GROUPS (1987)

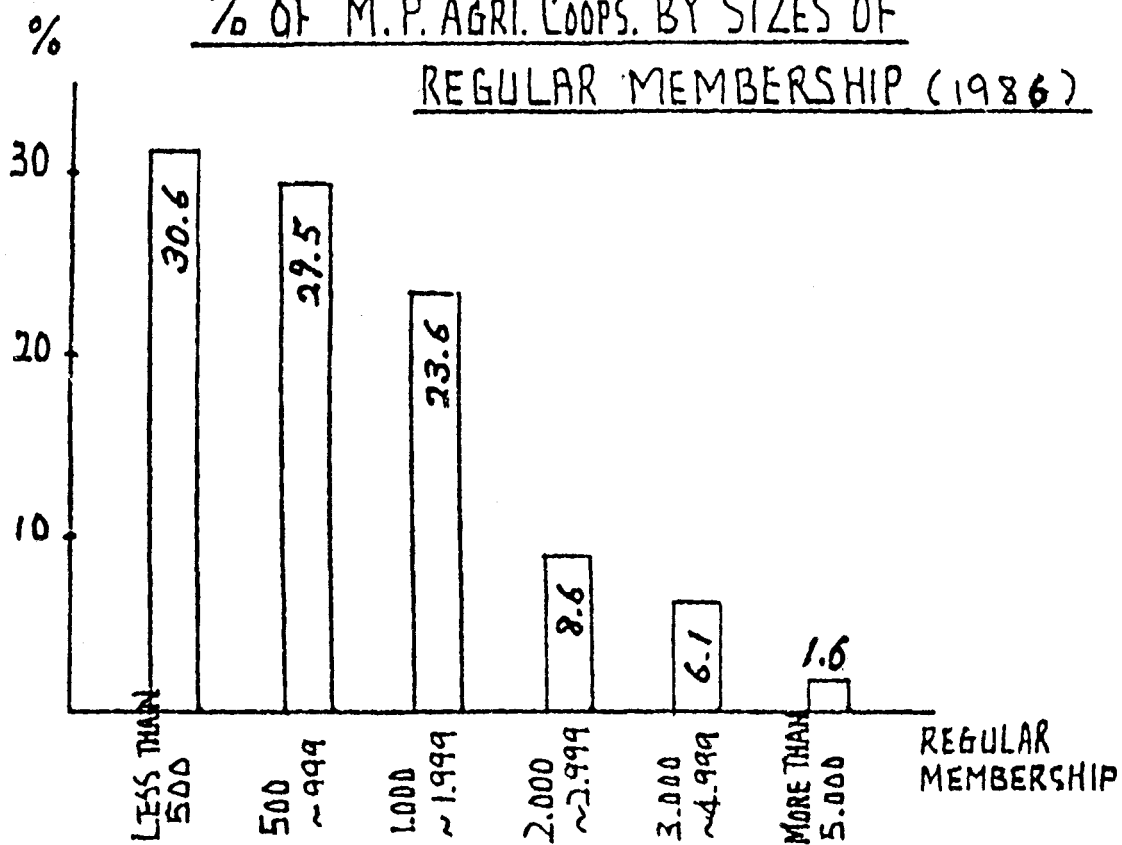
Less than 18	20s	30s	40s	50s
0.2%	23.4%	32.9%	30.6%	10.5%

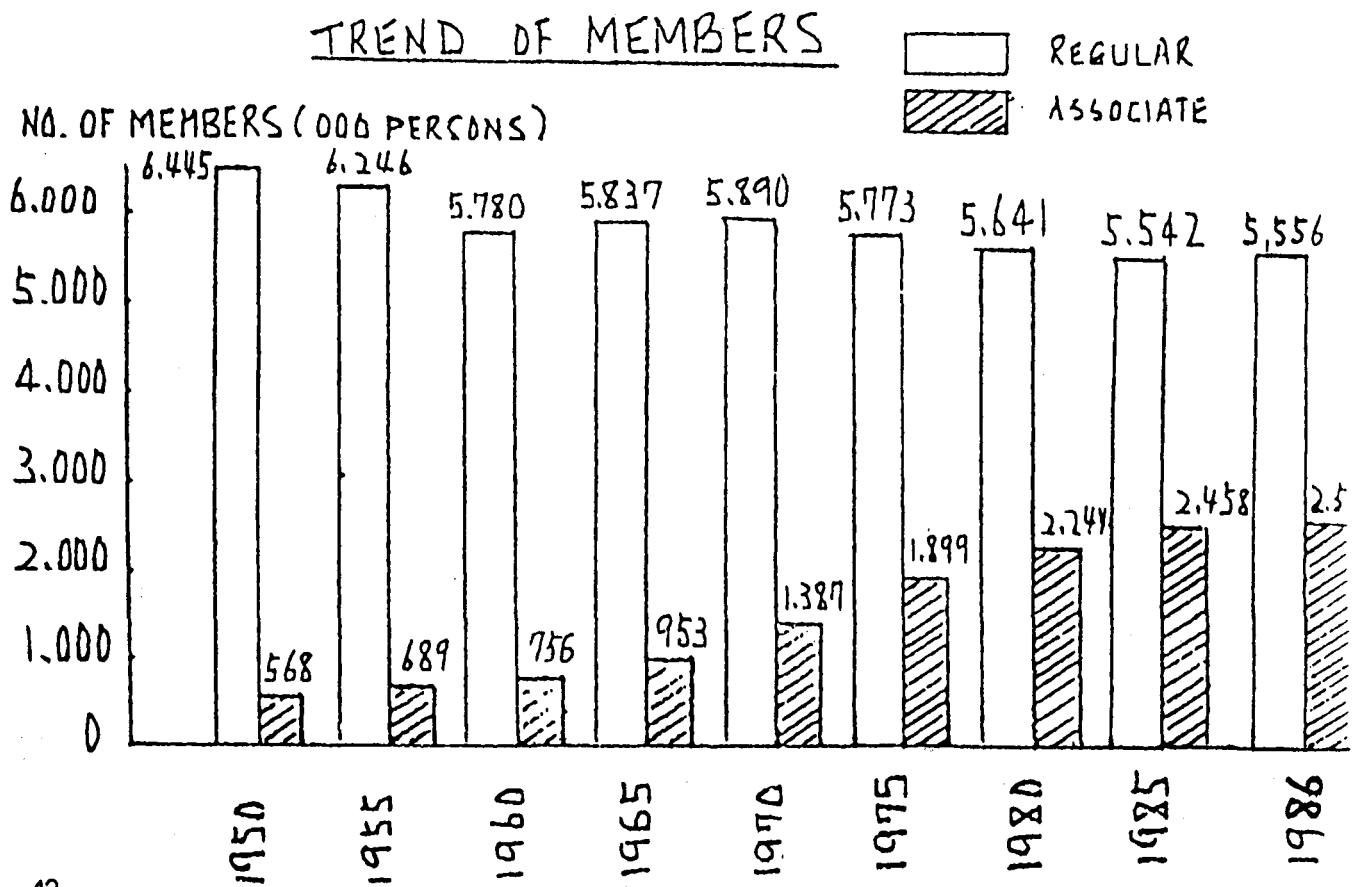
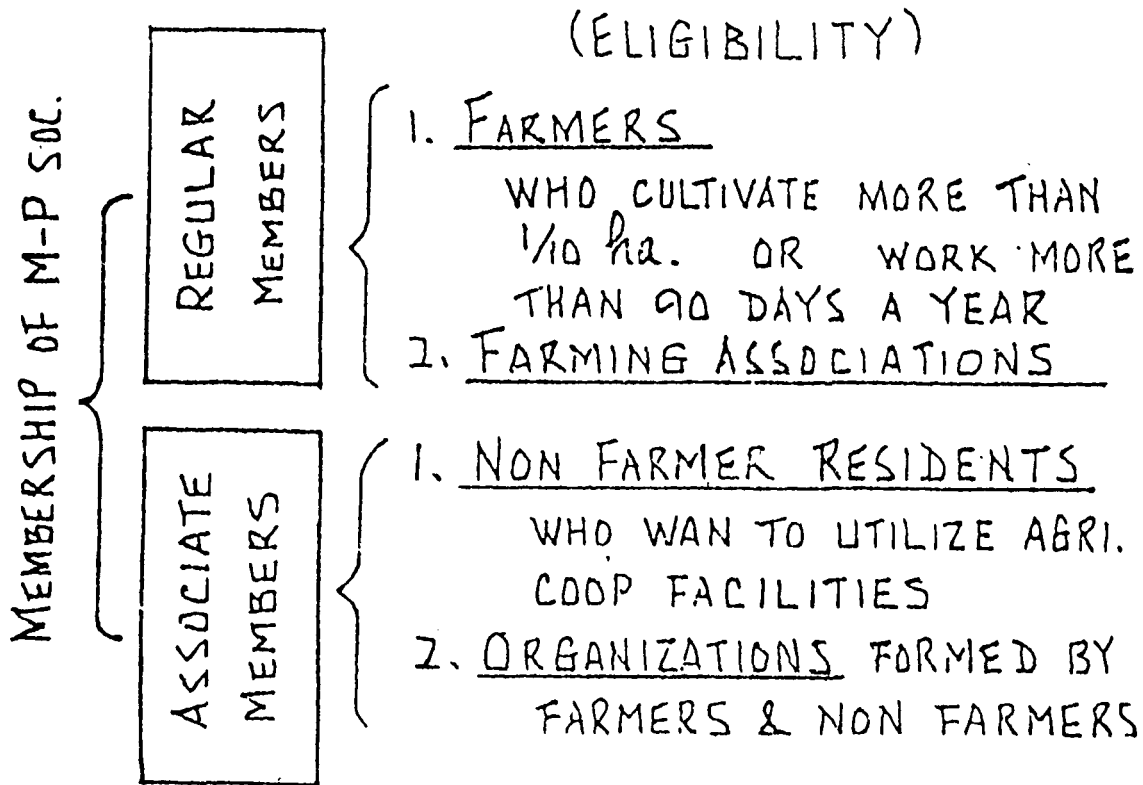
No. OF SOC.



No. OF M.P. AGRIC. COOPS.

% OF M.P. AGRIC. COOPS. BY SIZES OF REGULAR MEMBERSHIP (1986)





NO OF EMPLOYEES OF MULTI-PURPOSE AGRICULTURAL CO-OPERATIVES

	<i>General Manager</i>	<i>Farm Adviser</i>	<i>Better-living Adviser</i>	<i>Other Employee</i>	<i>Total</i>
Total	3,202	19,188	2,948	372,082	297,420
Per Society	0.8	4.6	0.7	64.9	71.0

NO OF EMPLOYEES OF SINGLE PURPOSE CO-OPERATIVES

Total	Per Society
9,266	7.5

COMPARISON OF EMPLOYEES' WAGES PER MONTH

(Unit: Yen per month, 1987)

	Initial Wage for Newly Recruited			Average Wage of Employees			
	Graduated	Amount	Comp.			Amount	Comp.
Primary Agricultural Co-operative	High School	99,325	100.0	Primary Agricultural Co-operatives	Male	223,265	100.0
	University	115,978	100.0		Female	160,537	100.0
					Average	202,724	100.0
Federation of Agricultural Co-operatives	High School	102,803	103.5	Federation of Agricultural Co-operatives	Male	290,928	130.3
	University	124,390	107.3		Female	163,255	101.7
					Average	259,871	128.2
Private Industry of 100-500 Employees	High School	111,935	112.7	Private Industry of 10 ~99 Employees	Male	230,400	130.2
	University	142,061	122.5		Female	140,900	87.8
					Average	200,100	98.7
Town and Village Admn.office	High School	98,905	99.5				
	University	116,477	100.4				

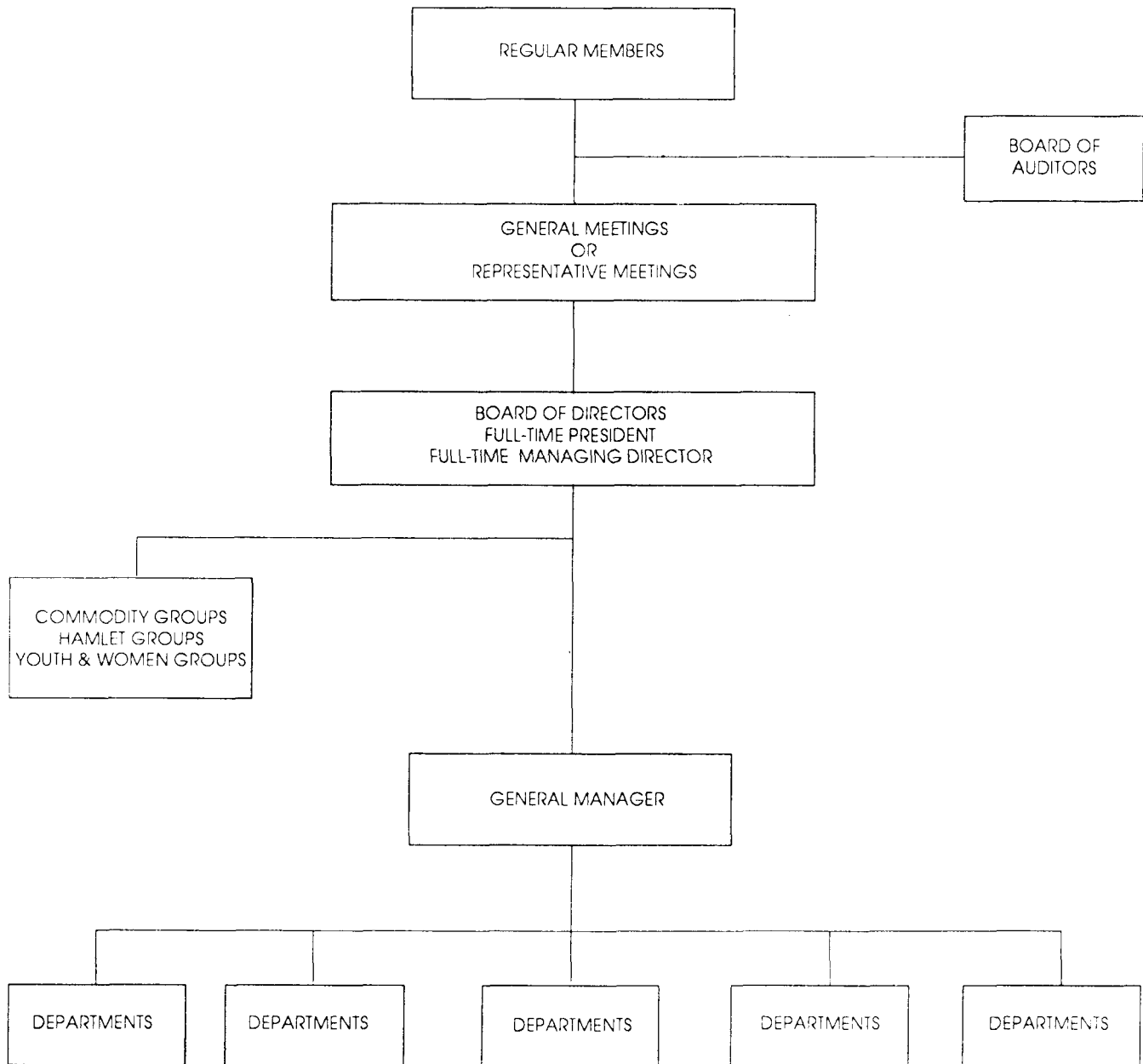
Consequent to the amalgamation policies the number of multipurpose agricultural cooperatives in Japan declined to 4,072 by 1988, 60% of which were societies with less than, 1,000 regular household members. Grassland, sericulture, dairy and horticulture societies outnumbered the rest of the category of single-purpose cooperatives which totalled 4,205 in 1988.

The membership of primary multi-purpose agricultural society consist of regular and associate members. Those eligible for membership as regulars are the farmers who cultivate more than 1/10 heactares of land or those who engage themselves in farming activities for more than 90 days in a year. The non-farmer residents who utilise the facilities offered by the primary societies are eligible to become associate members of the society.

A notable feature in the growth of the membership is the gradual decline of regular members as against a gradual increase of the associate members during the period 1950-1988. This peculiar trend is attributed by two factors. This due to the amalgamation of small societies aimed at viability and efficiency and the shift of the younger age groups in the farming community towards industries and urban employment.

The multi-purpose agricultural cooperatives have various organisations such as, commodity groups handling specific produce such as rice, citrus orange, apples, peaches etc. There are also functional groups for store management and insurance, hamlet groups, family associations, youth and women groups.

ORGANS FOR DEMOCRATIC CONTROL OF PRIMARY MULTI-PURPOSE AGRICULTURAL CO-OPERATIVES



The General Manager, Farm Advisers, Better Living Advisers and other staff make up the total share of employees of a Multi-purpose Agricultural Co-operatives in Japan.

The Prefectural Level

Both the multi-purpose and the single-purpose co-operatives have their corresponding federations at the prefectural level, accordingly they are categorized into two groups. The federations are organised according to the specific functions corresponding to those of the primary level societies.

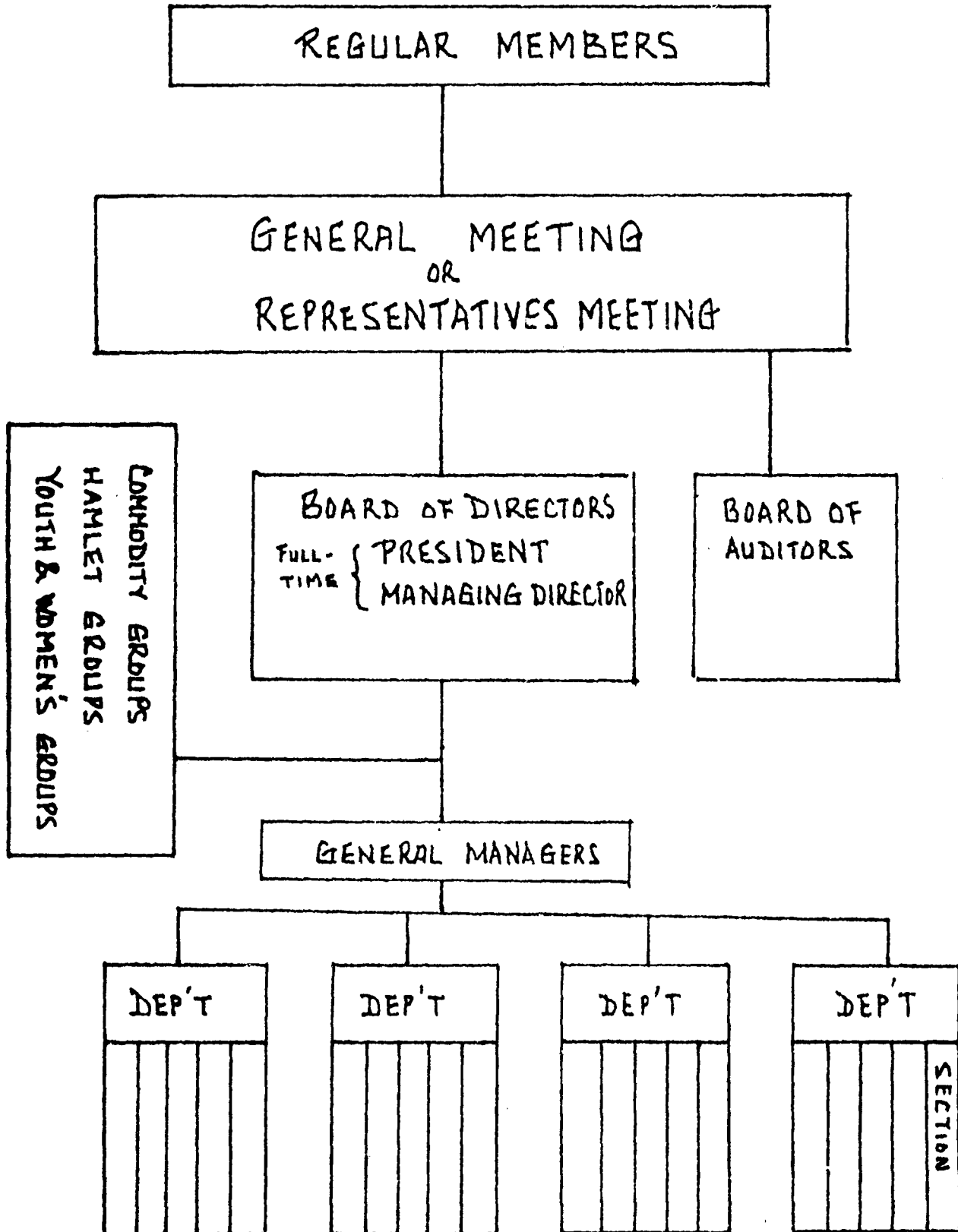
The federations do not engage in any economic business, but they play the role of guiding, research, education and extension and audit on behalf of the primaries. The federations are coordinated by the primary level union. They also represent the agricultural co-operative movement in each of the 47 prefectures in the country.

The Apex Body

Each of the prefectural federations have a counterpart at the national level divided into categories of multi-purpose and single-purpose agricultural co-operatives. In addition, the Central Co-operative Bank for Agriculture and Forestry, the National Association of Credit Federations of Agricultural Co-operatives, the Ie-no-Hikari Publishing Association, the UNICOOPJAPAN, all of which are not defined by the Co-operative Societies Act, but recognised as National Level Federations.

At the Apex is the Central Union of Agricultural Co-operatives which is the nationwide organisation. Its members are the primary agricultural co-operatives, prefectural federations and union of agricultural co-operatives and various national federations. About 96% of the union's budget flows from membership subscriptions. The Apex Union is engaged in guiding, coordinating, investigating, educating and auditing of its members and also represents the interest of the Agricultural Co-operative Movement in Japan.

ORGANS FOR DEMOCRATIC CONTROL



ACTIVITIES AND BUSINESS OPERATION OF AGRICULTURE CO-OPERATIVES IN JAPAN

Activities which multipurpose agriculture co-operative societies can perform in accordance with the Agricultural Co-operative Law are in the means of marketing, purchasing, credit, mutual insurance, processing, education, guidance, etc.

1. Marketing

The purpose of this business is to market agricultural produce of the members on a more profitable business. The general marketing principle use are unconditional consignment; commission system; pooling account; and full patronisation.

2. Purchasing Business

The purpose of co-operative purchasing business is to furnish the members with production inputs, farm machineries and consumer goods. The members place their orders in advance on a pooling accounts system then purchase is made collectively thus receiving lower price and less effort.

3. Credit Business

The purpose of the credit business is to receive members' fund as deposits on favourable terms and accommodate other members with fund at a low rate of interest.

Deposits handled by the primary agricultural co-operative society can be classified with current deposits, ordinary deposits and fixed term deposits.

Loans are in the form of long term land and low rate interest loan. Surplus fund are either invested in local public entities, deposited in a prefectural credit federation or use as working capital for the cooperative society.

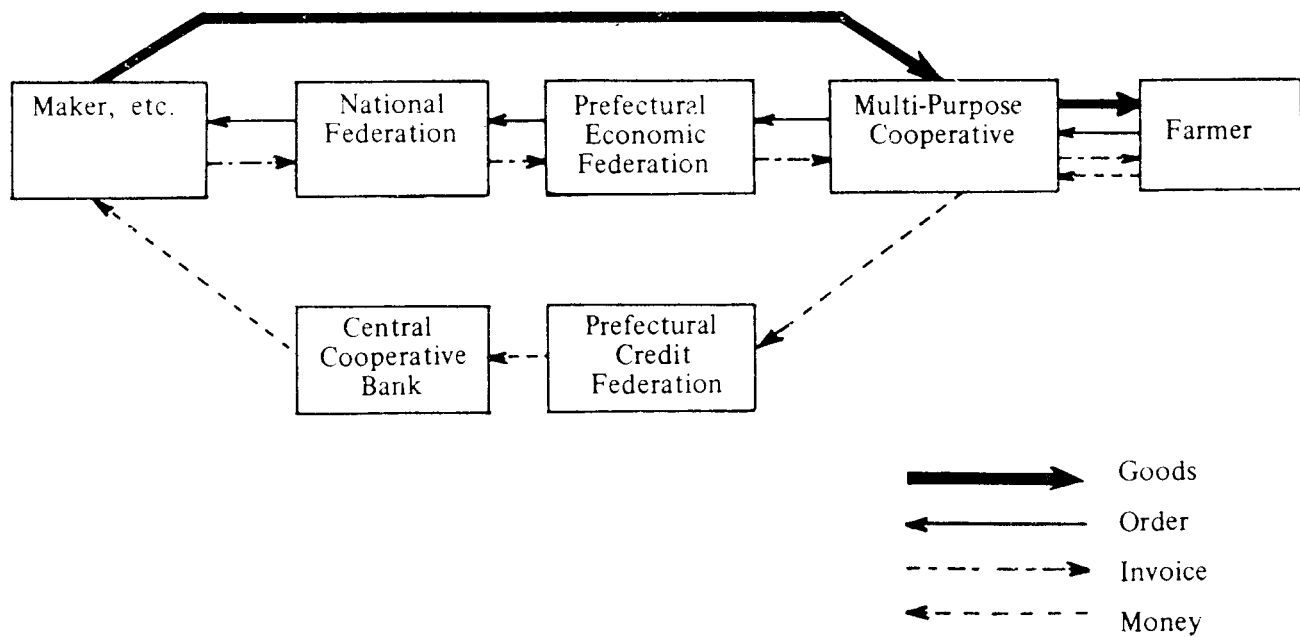
MAJOR FIGURES PER MULTI-PURPOSE AGRICULTURAL CO-OPERATIVES

		<i>Persons</i>	<i>Total</i>
Membership	Regular Members	1,323.4	1926.5
	Associate Members	603.1	
Elected Officials	Board of Directors	14.1	18.3
	(Full-time)	1.3	
Employees	Auditors	4.0	71.0
	Gen. Managers	0.8	
	Farm Advisors	4.6	
	Better Living Advisors	0.7	
Other Employees		64.9	
Share Capital (Yen 1,000)		240,000 (Yen 123,700 Per member)	
Turn Over	Marketing	Yen 1,567 Million	
	Supply	Yen 1,200 Million	
	Balance of Loan	Yen 2,815 Million	
	Balance of Saving	Yen 10,555 Million	

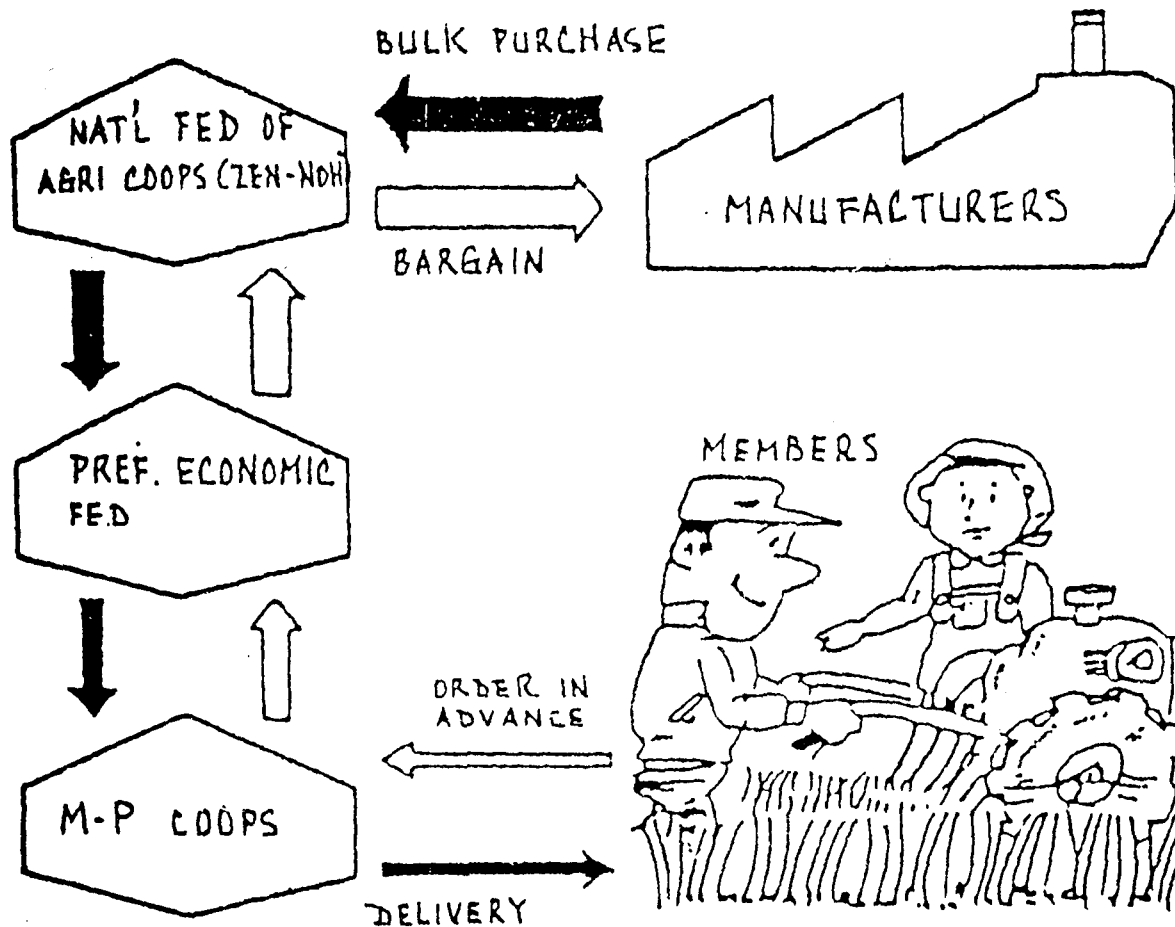
**ANALYSIS OF MULTI-PURPOSE AGRICULTURAL CO-OPERATIVES
NATIONAL AVERAGE**

	1981-92	1982-83	1984-85	1986-87
Administration Cost against Gross business profit (%)	89.9	87.9	84.3	84.0
Personnel Expenses against Gross business profit (%)	67.5	88.4	62.5	61.7
Labour Productivity (Yen 1,000) gross business profit Dividend by Number of officials and employees	5,472	5,904	6,647	7,175
Wage Level (Yen 1000) Personnel Expenses divided by No. of officials & employees	3,553	3,776	4,152	4,430
Societies with Profit (%)	98.6	98.8	99.1	99.0
Societies with Loss (%)	1.4	1.4	0.8	1.0

Basic mechanism of cooperative purchasing business



JOINT PURCHASE SYSTEM



GENERAL PURCHASING PRINCIPLES

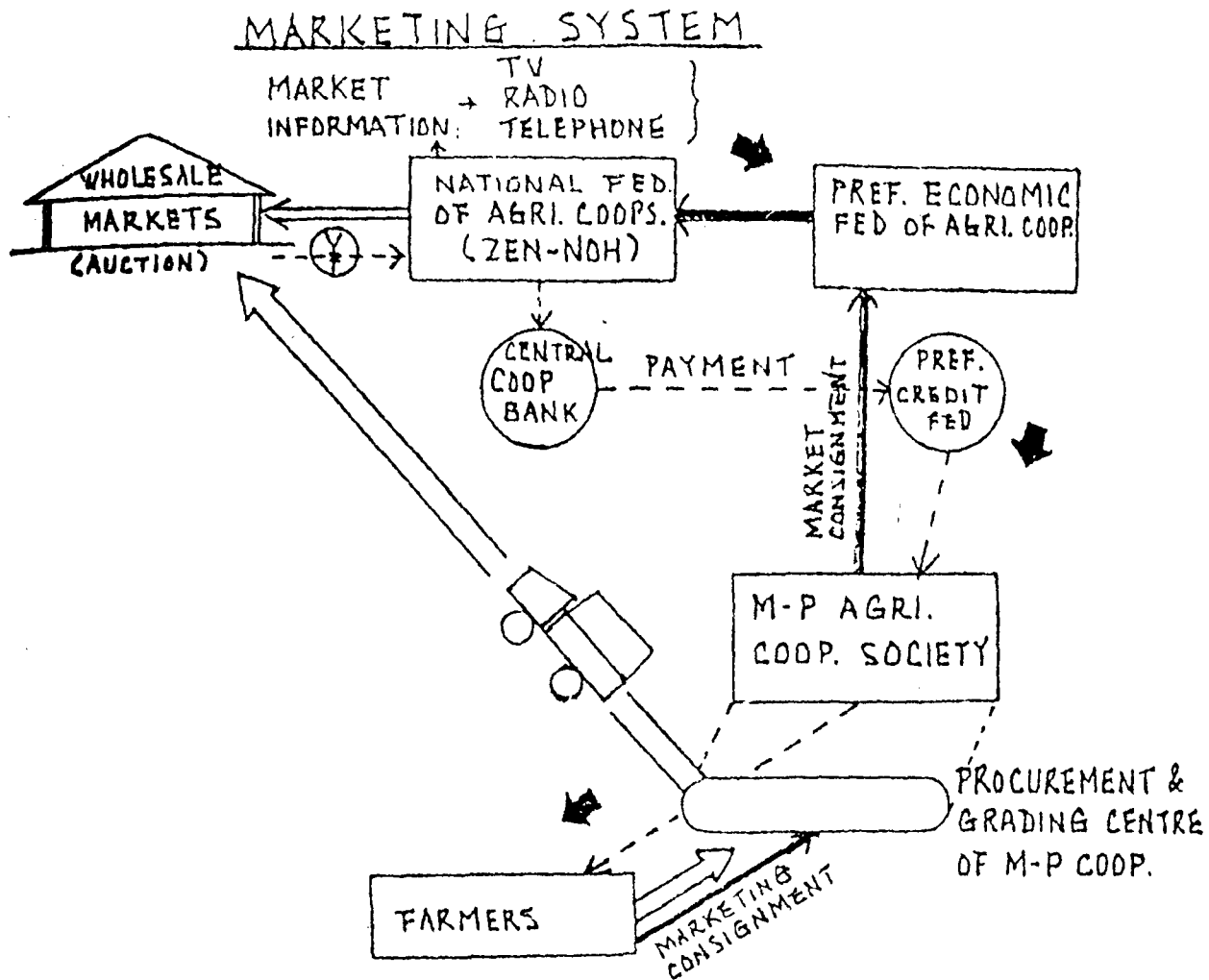
1. ORDER IN ADVANCE
2. COMMISSION
3. POOLING ACCOUNT SYSTEM

**PURCHASING TURNOVER OF AGRICULTURAL CO-OPERATIVES
(1987)**

	<i>Primary Agricultural Co-operatives</i>		<i>Prefectural Economic Federations of Agri. Co-operatives</i>		<i>National Federation of Agri. Co-operatives (ZEN-NOH)</i>	
	<i>Yen Billion</i>	<i>US\$ Million</i>	<i>Yen Billion</i>	<i>US\$ Million</i>	<i>Yen Billion</i>	<i>US\$ Million</i>
Fertiliser	471	3,623	391	3,008	333	2,562
Agricultural Chemicals	335	2,577	221	1,700	236	1,815
Green House Materials	107	823	62	477	26	200
Packing Materials	138	1,042	136	1,046	149	1,146
Farm Machinery	383	2,946	262	2,015	162	1,246
Feed Stuff	604	4,646	499	3,838	666	5,123
Automobiles	253	1,946	212	1,631	130	1,000
Petroleum	526	4,046	423	3,254	351	2,700
Other Prod. Materials	336	2,585	433	3,331	131	1,008
L.P. Gas	195	1,500	84	646	46	354
Rice	214	1,646	544	4,185	142	1,092
Other Foods	927	7,131	544	4,185	-	-
Clothings	73	562	70	538	53	408
Durable Cons. Goods	117	900	108	831	47	362
Dairy	212	1,431	103	792	50	385
Other Cons. Goods	140	1,077	62	477	4	31
Total	5031	38,700	1,517	11,669	2,331	19,469

**MULTI-PURPOSE CO-OPERATIVES' SHARE IN MEMBERS' PURCHASE
(1987)**

Feed Stuffs	412
Fertilizer	93
Agricultural Chemicals	73
Packing Materials	-
Green House Materials	65
Farm Machinery	46
Automobiles	26
Petroleum	60
L.P. Gas	47
Consumer Goods	16



GENERAL MARKETING PRINCIPLES

1. UNCONDITIONAL CONSIGNMENT
2. COMMISSION
3. POOLING ACCOUNT SYSTEM
4. FULL PATRONIZATION

MARKETING TURNOVER OF AGRICULTURAL CROPS

	<i>Primary Agri Co-ops</i>		<i>Prof. Economic Feds. Agri. of Agri Co-ops</i>		<i>National Fed of Co-operatives (ZEN-NOH)</i>	
	1987		1987		1987	
	<i>Yen Billion</i>	<i>US\$ Million</i>	<i>Yen Billion</i>	<i>US\$ Million</i>	<i>Yen Billion</i>	<i>US\$ Million</i>
Rice	2,577	19,823	2,588	19,908	2,547	19,592
Vegetables	972	7,477	859	6,608	599	4,608
Fruits	674	5,185	460	3,538	255	1,962
Other Products	876	6,738	569	4,377	312	2,400
Beef Cattles	442	3,400	394	2,723	(MEAT) 348	2,677
Hoes	268	2,062	299	2,300	DAIRY PROD.	-
Milk	355	2,731	358	2,754	147	1,131
Eggs	103	792	154	1,185	145	1,115
Broiler Chicken	61	469	90	692	78	600
Other Livestock Prod.	245	1,885	259	1,992	42	323
Total	6,573	50,562	5,990	46,077	4,473	34,408

MULTI-PURPOSE CO-OPERATIVES' SHARE IN MEMBERS' SALES OF FARM PRODUCTS

1987

RICE	95%
WHEAT	93~95
BARLEY	-----
VEGETABLES	48
FRUITS	52
BEEF CATTLE	51
HOGS	36
MILK	94
EGGS	21
BROILER CHICKENS	20

MULTI-PURPOSE CO-OPERATIVES' FACILITIES FOR JOINT USE

LARGE SIZE TRACTORS COMBINES POWER SPRAYER RICE CENTRE COUNTRY ELEVATOR GRADING CENTRE FARM MACHINERY WORKSHOP FERTILISER MIXING PLANT JOINT NURSING HOUSE LIVESTOCK BREEDING CENTRE JOINT TRANSPORTATION FACILITY WARE HOUSE CHICKEN PROCESSING CENTRE MEAT PROCESSING CENTRE	MEETING HALL LIVING IMPROVEMENT CENTRE CONSUMER GOODS STORE L P GAS SERVICE FACILITIES PETROL STATION RICE POLISHING FACILITY FLOUR MILL NOODLE PROCESSING PLANT SIMPLE FOOD PROCESSING PLANT BAKING PLANT JOINT COOKING FACILITIES WIRE BROADCASTING STUDIO BARBER SHOP, BEAUTY PARLOR RESORT FACILITIES SPORTS & RECREATION FACILITY LIBRARY WEDDING AND FUNERAL FACILITY MOBILE CLINICS, HOSPITALS REHABILITATION CENTRES
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**AGRICULTURAL CO-OPERATIVE HOSPITALS OWNED AND OPERATED
BY WELFARE FEDERATIONSS OF AGRICULTURAL CO-OPERATIVES
(1987)**

NO OF AGRI CO-OP HOSPITAL	117
NO. OF CLINICS	56
MOBILE CLINICS	179
NO OF BEDS	36,633
DOCTORS (FULL TIME)	2,474
NURSES	15,573

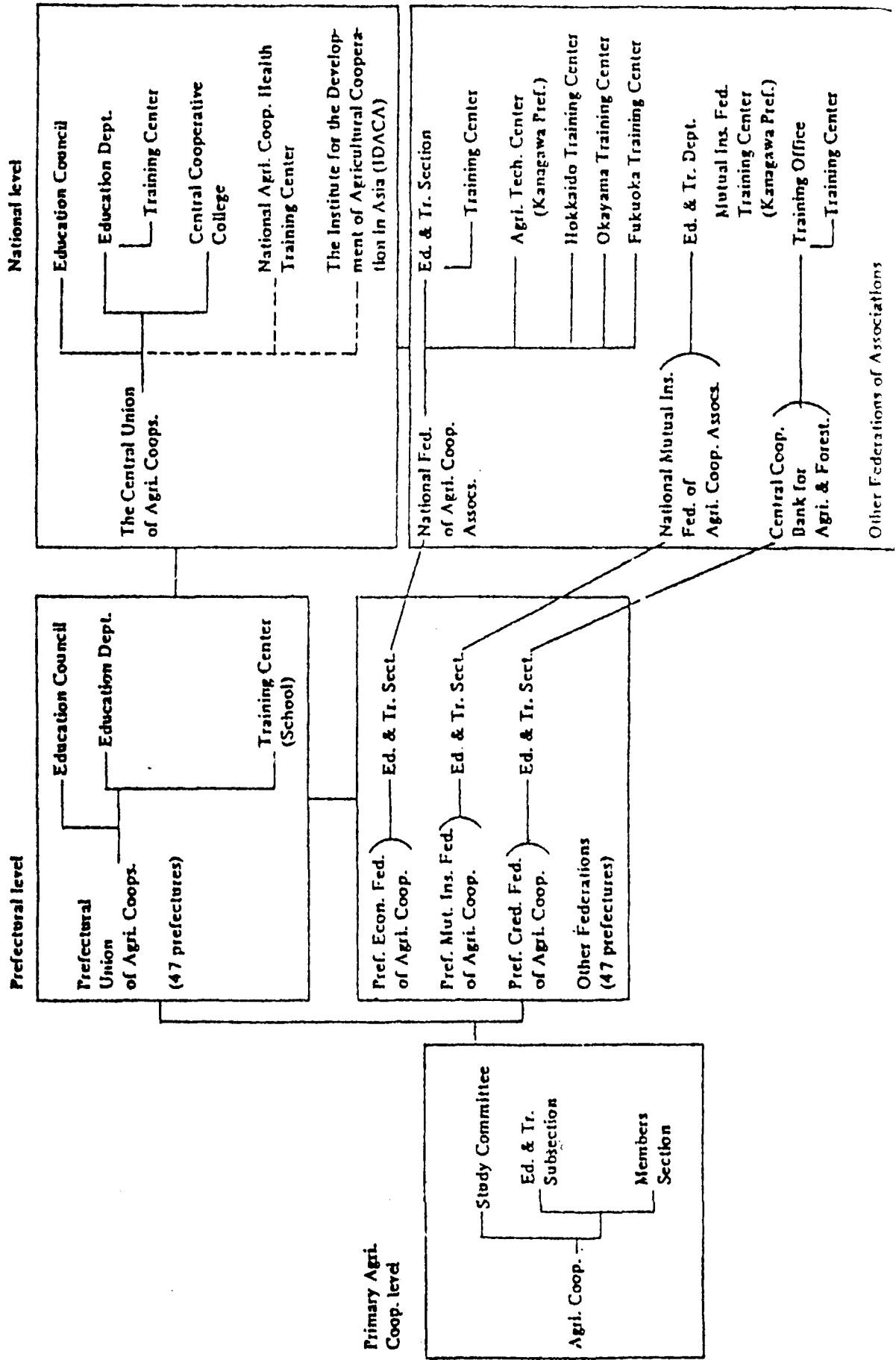
MULTI-PURPOSE CO-OPERATIVES' SHARE IN MEMBERS SAVING & LOAN

<i>Members' Savings</i>	<i>Share (%)</i>	<i>Members' Loans</i>	<i>Share (%)</i>
Multi-Purpose Co-operatives	51.5	Government Fund	20.4
Post Office	13.9	Agri.Co-operatives	45.5
Banks	34.6	Bank	20.7
Total	100.0	Total	100.0

MAJOR INTEREST RATES AT MULTI-PURPOSE CO-OPERATIVES

Deposit				
<i>Fixed Term Deposit made by Members</i>		<i>Loans (Agricultural Modernisation Fund)</i>		
3 Months	1.86%	Funds for Agricultural Buildings	15 years	4.4%
6 Months	2.74%	Fund for Farm Machinery	7 years	4.6%
12 Months	3.49%	Fund for Fruit Treets	15 years	4.6%
24 Months	3.74%	Fund for Livestocks	5 years	4.6%
Ordinary Deposit	0.36%	Specially Approved Fund	5-15 years	4.6%

Structure and Facilities of Agricultural Cooperative Education



4. Mutal-Insurance Business

The purpose of this business is to compensate fro damages suffered by any members of a primary agricultural co-operative through mutual aid. It can be divided into groups namely: long term insurance; short term insurance. Premiums of the insurance are lower than those offered by the private insurance business. The society also makes reinsurance to the prefectural mutual-insurance federation to avoid risk. It also provides the promotion of activities for advancing livelihood welfare.

5. Utilisation and Processing Business

The purpose is to enable the members to make joint use of facilities at a relatively small expense. The facilities owned by the co-operative are offered to the members for them to maximise production.

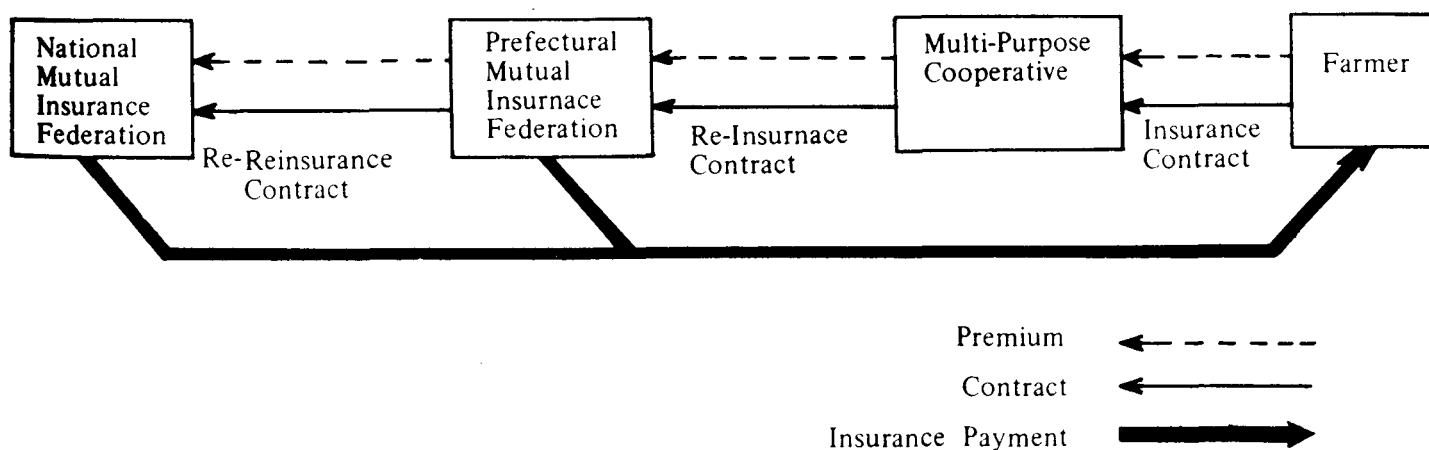
6. Educational Activities

This activities is designed for the members education and training thus enhancing conciousness as well as awareness on new technology and management with regards to their livelihood and their co-operative society.

7. Legislative Activities

The purpose of legislative activities is to elevate the socio-economic status of the members by eliminating obstacles to improve farm management and livelihood standard and developing the agricultural co-operative movement in submitting recommendation at the policy making body of the co-operatives.

Basic mechanism of cooperative insurance business



FARM GUIDANCE AND BETTER LIVING ACTIVITIES

Farm Guidance Activities

The aim of the farm guidance activities is to improve members farm management. Each primary societies has farm advisors which help the members to achieve the objectives of the farm management guidance such as consolidation of basic farm land consolidation, Selection of farming sectors, regional farm programming, individual farm programmes, unification of production materials, improvement and unification of production technique, joint grading and marketing etc.

Some of the farm guidance activities of agricultural co-operatives are education and training for members and staff, promoting agricultural and sericulture business, promote livestock business, promoting plan of credit, etc

The prefectural union in association with the Central Union also provides guidance and assistance to primary societies to improve the implementation of guidance activities.

Better Living Activities

Agricultural co-operatives in Japan have a wide range of activities. One of the most important activity is better living. Better living activities includes the following:

1. Health Keeping
2. Co-operative Consumer
3. Co-operative Cultural
4. Activities for the Aged People

1. Health Keeping Activities

The purpose of these activities is to protect, stabilise and improve the members life as well as to make their life healthy and rich on the basis of co-operation activities of the members. All the societies should be engage in activities of keeping life safety and in healthy condition of the members as the first step to attain this purpose.

MEMBERS' ORGANISATION WITHIN MULTI-PURPOSE AGRICULTURAL CO-OPERATIVE

COMMODITY GROUPS	RICH GROWERS GROUP HORTICULTURE GROUP CITRUS GROWERS GROUPS PIG RAISING GROUP POULTRY FARMERS GROUP DAIRY FARMERS GROUP ACCORDING TO LOCAL SITUATIONS
FUNCTIONAL GROUPS	COOP STORE MANAGEMENT GROUP INSURANCE POLICY HOLDERS GROUP
HAMLET GROUPS	FARMING ASSOCIATIONS
YOUTH & WOMEN'S GROUP	YOUTH ASSOCIATION

Standard index of farm economy

	1960	1965	1970	1975	1980	1982	1983	1984
Individual food beverage expenditure								
Grocery consumer price index	-	76,868	141,386	298,231	438,199	487,245	508,223	530,826
Agricultural production index	22.9	32.3	43.3	78.5	101.4	107.6	110.4	112.9
Farm producer's price index	76.9	85.9	96.7	101.4	100.0	104.1	104.8	109.8
Farm production material price index	23.1	34.5	45.1	81.7	100.0	100.6	102.8	103.2
Farm product value	33.3	38.5	44.6	81.0	100.0	102.9	102.4	102.7
Export amount of farm products* (except cotton, wool & natural rubber)	20,626	33,949	50,723	98,259	116,163	122,075	125,787	131,590
Import amount of farm products* (except cotton, wool & natural rubber)	167	156	370	373	905	776	830	835
Import amount index* of farm products (except cotton, wool & natural rubber)	884	1,940	3,248	9,674	14,917	13,912	14,456	16,066
Total self-supply ratio of farm products for food	18.5	41.6	66.4	78.1	100.0	104.5	108.9	114.2
Number of farm households	30	83	78	74	73	72	71	71
Farm work population	5,985	5,576	5,261	4,891	4,614	4,522	4,473	4,376
Number of new university graduates employed in farm-work	1,196	981	811	588	506	483	463	453
Wages of part-time farm worker	-	72	32	10	6	7	5	4
Cultivated acreage	382	853	1,611	3,640	5,054	5,543	5,697	5,850
Planting acreage for farm produce*	6,071	6,004	5,796	5,572	5,461	5,425	5,411	5,396
Gross fixed capital share in agri.	8,129	7,430	6,311	5,755	5,636	5,590	5,598	5,601
	3,177	6,963	10,917	24,535	36,301	35,761	35,287	36,865

Note: * indicates calendar year

Change in rural village and farmer daily living

(Unit: %)

	1960	1980
Breakdown of workers in the rural village area (area where population is not concentrated)		
Primary industry	54	24
Secondary industry	21	34
of which manufacturing industry	14	23
Tertiary industry	25	42
of which wholesale, retail industry	9	15
Service industry	8	15
Ratio of farm families going to higher school after graduation of high school	(1963) 61	(1983) 97
Living environment of rural villages		
Ratio of road paving	2	42
(small & medium cities)	(9)	(56)
Ratio of city water	56	83
(small & medium cities)	(79)	(95)
Ratio of sewage disposal	43	75
(small & medium cities)	(73)	(94)
	1960	1984
Number of household members	5.7	4.5
of which household members above 60 years of age	0.7	1.1
Ratio of full-time farmers above 16 years old	58	36
Composition ratio of total income of farmers		
Agri. income	50	16
Non-agri. income	43	64
Income from part-time job, gift pension aid, etc.	7	21
Situation of farm household expenses		
Ratio of cash in household expenses	67	86
Engel's co-efficient	42	22
Amount of self-production of beverage & food	56	18
Ratio of durable goods in farm households	(1966)	(1984)
Electric refrigerator	37	100
(Wage earners)	(69)	(99)
Automobiles	9	78
(wage earners)	(13)	(67)

Source of reference: Ministry of Agriculture, Forestry & Fisheries

Note: 1. Calculation method of each index for provision of living environment facilities

$$\text{ratio of road pavement} = \frac{\text{extension of road already paved}}{\text{actual extension of roads}} \times 100$$

$$\text{ratio of diffusion of city water} = \frac{\text{water supply population (including tap water)}}{\text{population written in citizens record book}} \times 100$$

$$\text{ratio of sanitary disposal facilities for sewage} = \frac{\text{annual disposal amount of disposal facilities, etc.}}{\text{annual discharge amount}} \times 100$$

2. The wage earner households under the durable consumption material for 1966 refers to non-agricultural households

History of Better Living Activities of the Coop

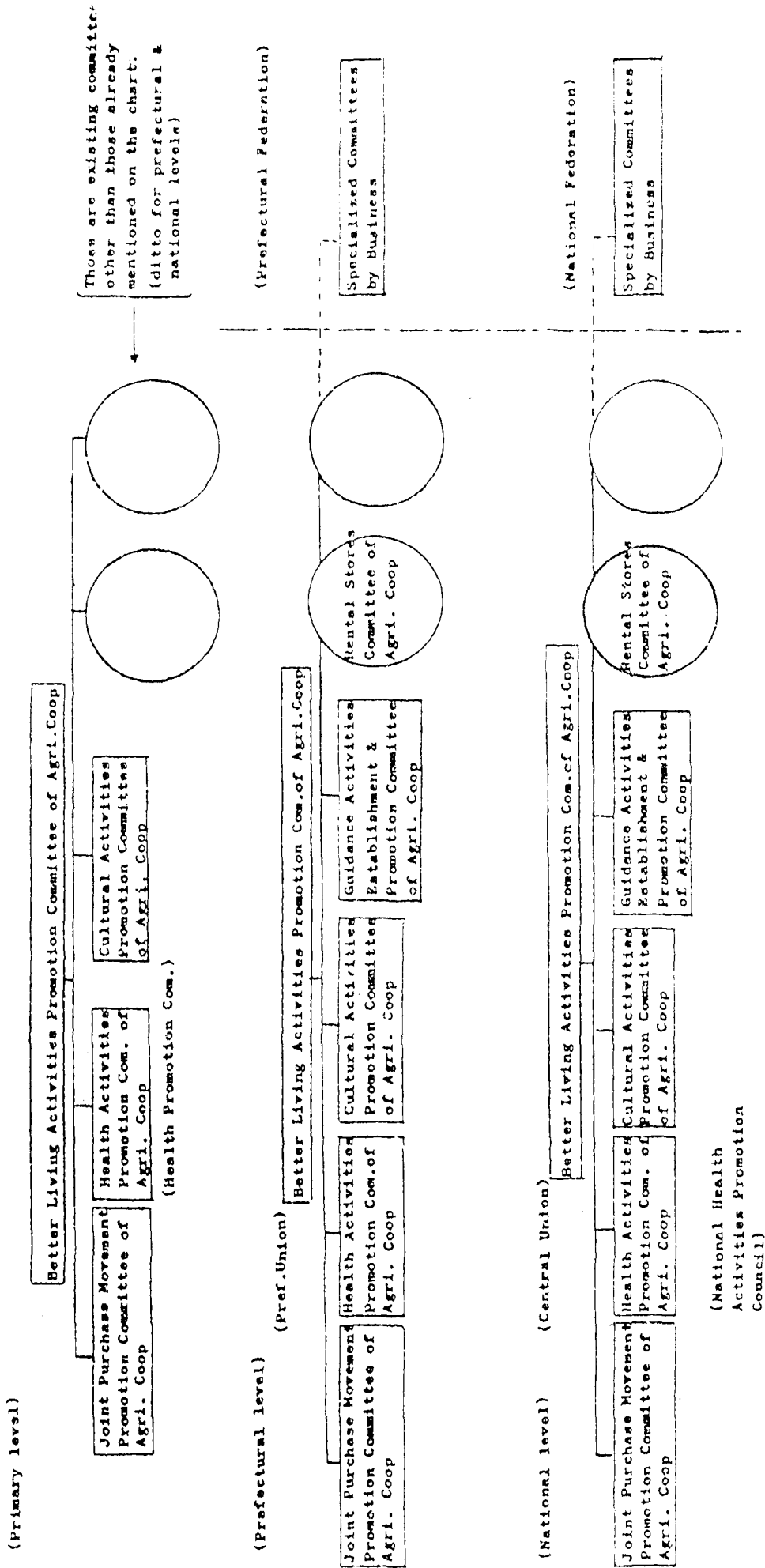
Pre- History	Period	Socio-economic condition	Change in rural village & life of farm household	Better living activity policies of the coop	
	Industrial Asso. Period	led to war	urbanization of life-style increase in part-time farmers co existence of farmers of non-farmers, under populated areas aging society women work increased		
	latter period of 1945s	recovery from war			1953 - Encouragement of use of cooperative symbol mark
	latter period of 1955s				1955 - A movement for creating farm village which promote health of people
	latter period of 1955s				1957 - 3 year-plan for renovating agricultural coop
	latter period of 1955s	rapid economic growth (former period)			1961 - 9th National Agri. Coops Congress resolution: "Active Promotion of Better-living Activities"
	latter period of 1965s				1967 - Planning of better-living activities outline promoted by the cops
	latter period of 1965s				1967 - 11th National Agri. Coops Congress resolution: "Basic Plan of Agri. Coops"
	first half of 1965s	rapid economic growth (latter period)			1970 - 12th National Agri. Coops Congress resolution: "Basic Plan for Better-living: Tasks and countermeasures for rural village life"
	latter period of 1975s	switch to slow growth			1979 - Formulation of "Basic policy for improvement of living standards by the coop"
Adjusted Develop- ment Period	1985	stable growth			1985 - 17th National Agri. Coops Congress resolution: "Basic policy for better-living activities by the coop."

Activities	Person organization in charge of executing activities	Activity system	Relation between activity and business
<ul style="list-style-type: none"> -joint purchasing of daily commodities -medical activities -"Ie-no-Hikari" (magazine) 		1932 - Set up of the Akashi rubber plant by Zenkyoren. 1933 19 1938 Establishment of Ie-no-Hikari	only full-time farmers
<ul style="list-style-type: none"> -saving -joint purchase of daily commodities -improvement of living standards (kitchen, dietary habits, health-care, hygiene, culture, etc.) 	1948 - 1949 establishment of women's association	1947 - enactment of Agricultural Basic Law 1951 - establishment of Zenkyoren (The National Mutual Insurance Federation of Agricultural Cooperatives) 1954 - establishment of Zen-chu (The Central Union of Agricultural Cooperatives CUAC)	Amalgamation of better living to work
<ul style="list-style-type: none"> -planning of farmer household economy -organized purchasing -health control activities -cultural educational activities -improvement of housing 		1962 - establishment of better-living advisers 1967 - guidance policy of better-living association (Agri. Coop.)	Business comes first
<ul style="list-style-type: none"> 9 activities (written on other pages) (all activities except farm household aspects) 	1970 policy to develop better living groups		A campaign for cooperative promotion
<ul style="list-style-type: none"> 5 activities (written on other pages) (activities conducted after income is obtained) 			
<ul style="list-style-type: none"> 8 activities (written on other pages) 6 emphasized activities (activities including people who make income from work other than agriculture) 		1986 - establishment of 6 priority activities	

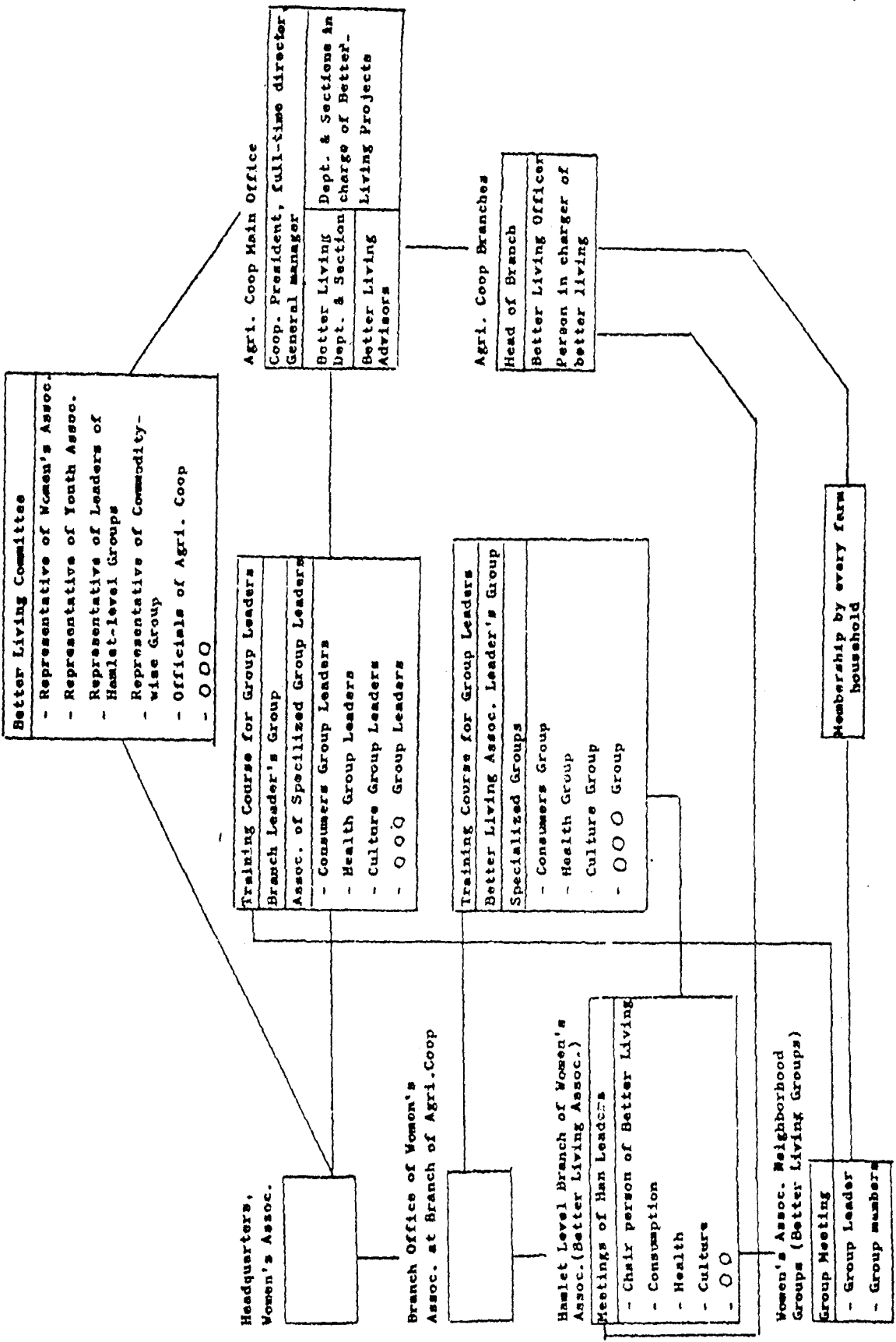
Trend of Agri. Coop Better Living Activities Objectives and Contents
 (Basic Plan for Better-Living, Agri. Coop Better Living Activity Basic Measures, Agri. Coop Better Living Basic Policy)

Better Living Basic Plan (1970)	Agri. Coop Better Living Activity Basic Measures (1979)	Agri. Coop Better Living Basic Policy (1985)
<p>1. Protection of living, performance of improvement functions</p> <p>2. Establishment of new rural societies</p>	<p>To enhance protection, safety and improvement of the daily living of members and to construct a healthy & an abundant life through joint efforts</p>	<p>Realize an abundant & healthy life-style through joint efforts</p>
<p>1. Obtain accurate information and education consulting activities</p> <p>2. Activities to protect & improve health</p> <p>3. Activities for the improvement of welfare for the elderly and promotion of healthy development of children</p> <p>4. Activities to consolidate the basic living in case of emergency</p> <p>5. Activities to provide a comfortable living environment</p> <p>6. Activities to protect and improve consumer life styles</p> <p>7. Activities to enjoy daily living and improve culture</p> <p>8. Activities to obtain appropriate employment opportunities</p> <p>9. Activities to enhance appropriate asset control</p>	<p>1. Activities to protect safety of life & health</p> <p>2. Activities to enhance protection, safety & improvement of household economy</p> <p>3. Activities to protect & reform living environment</p> <p>4. Activities to protect families, especially the elderly</p> <p>5. Activities to enhance improvement in quality of daily living</p>	<p>1. Activities to plan daily living</p> <p>2. Activities to obtain & stabilize agricultural income</p> <p>3. Activities to fulfill consumer life</p> <p>4. Activities to obtain & stabilize foundation for household economy</p> <p>5. Activities to protect and improve health</p> <p>6. Activities to give a motivation to live to the elderly and develop successors</p> <p>7. Activities to deepen spiritual fulfillment</p> <p>8. Activities to enrich human encounters and establish easy-to-live-areas</p>
<p>1. Obtain accurate information and education consulting activities</p> <p>2. Activities to protect & improve health</p> <p>3. Activities for the improvement of welfare for the elderly and promotion of healthy development of children</p> <p>4. Activities to consolidate the basic living in case of emergency</p> <p>5. Activities to provide a comfortable living environment</p> <p>6. Activities to protect and improve consumer life styles</p> <p>7. Activities to enjoy daily living and improve culture</p> <p>8. Activities to obtain appropriate employment opportunities</p> <p>9. Activities to enhance appropriate asset control</p>	<p>1. Fulfillment of consulting activities on daily living</p> <p>2. Establishment of joint purchasing movements closely tied to daily living</p> <p>3. Fulfillment of activities to protect & improve health of the elderly</p> <p>4. Promotion of activities to fulfill & aid daily living of the elderly</p> <p>5. Fulfillment of cultural classes which enrich spiritual aspects</p> <p>6. Finance activities which promote living plans and fulfillment of securing plan activities</p>	<p>Contents of Main Activities</p> <p>1. Fulfillment of consulting activities on daily living</p> <p>2. Establishment of joint purchasing movements closely tied to daily living</p> <p>3. Fulfillment of activities to protect & improve health of the elderly</p> <p>4. Promotion of activities to fulfill & aid daily living of the elderly</p> <p>5. Fulfillment of cultural classes which enrich spiritual aspects</p> <p>6. Finance activities which promote living plans and fulfillment of securing plan activities</p>

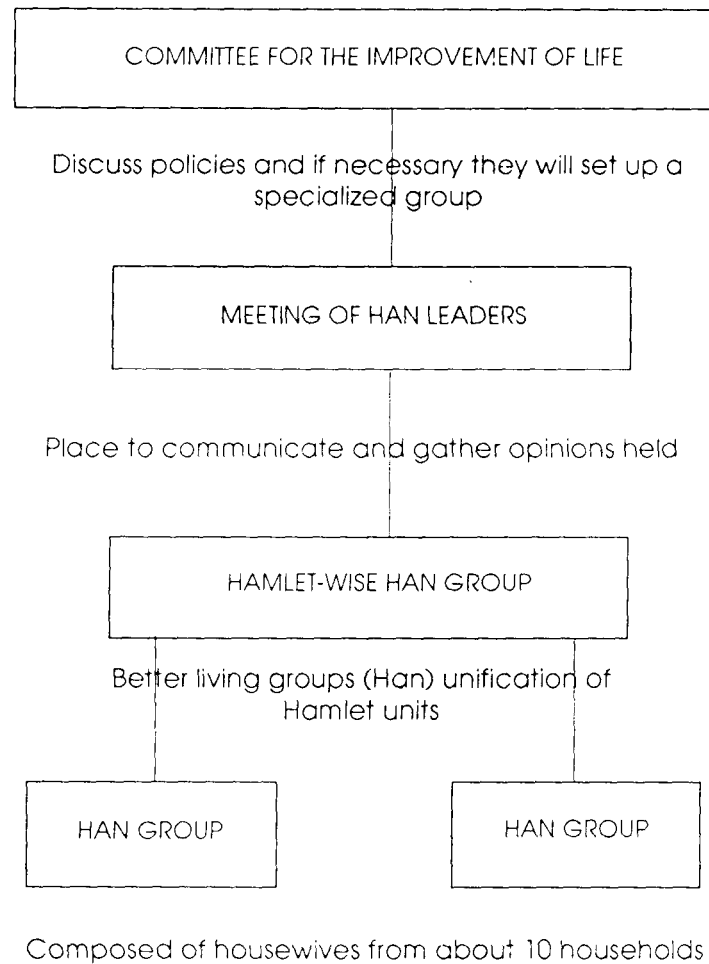
SYSTEM FOR IMPLEMENTATION OF AGRI. COOP BASIC POLICIES FOR BETTER LIVING (EXAMPLE)



Organizational Chart of Better-Living Group founded on the Women's Association Group of Agri. Coop



EXAMPLE OF BETTER LIVING ACTIVITY ORGANIZATION



2. Co-operative Consumer Activities

The co-operative consumers activities is one of the important tasks by agricultural cooperatives. The field of co-operative consumer activities is covering a wide range, from joint purchasing of daily necessities, consumer credit, mutual insurance, to joint utilisation of better living facilities.

3. Co-operative Cultural Activities

These activities aims to promotes members cultural enlightenment and solidify relations among the residents of the community as well as between members and society through activating cultural value of members. Co-operative cultural value of members. Co-operative cultural activities should meet the cultural demands of the members as well as transmit the practice to the next generations the traditional cultures which have been handed down in Japanese rural communities.

4. Co-operatives' Activities for the Aged People

The activities for the elderly aims to promote health, life stability, better communication among old persons and cultural transmission as well activate their role in the community.

In their role in concrete way especially in farm management, family activities and regional community. It also promote their farming and sales of their product, assistance and special care of old member living alone in their farms and the society also request the government to improve its policies towards the elders.

MEMBER PARTICIPATION STRATEGIES IN AGRICULTURAL CO-OPERATIVES IN JAPAN

The seminar on member participation strategies had two strategies:

1. Presentation and discussion on actual experience from a co-operative society i.e. Tsukuigun Agricultural Co-operative.
2. Skill practice on member participation through business planning.

Altogether 4 days, were devoted for this exercise. The first seminar was presented by Mr. Kondo general member of Tsukuigun Co-operative Society. Second seminar was presented by Mr. Serichi Miyakawa.

A) Experience of Tsukuigun Agriculture Co-operative Society

The era of Tsukuigun Agriculture Co-operative Society is found as a part of Kanagawa Prefecture Boarding Tokyo. 90% of the area is covered by rocks and arable land accounts for only 7%. The area also has 2 artificial lakes for irrigation and to water services to towns. Tsukuigun has an excellent transport, covered by railway and road transport land area covered by the society is 238 Km. It has 4 towns and 14 villages.

1. The Guideline for Training Programme for 1987

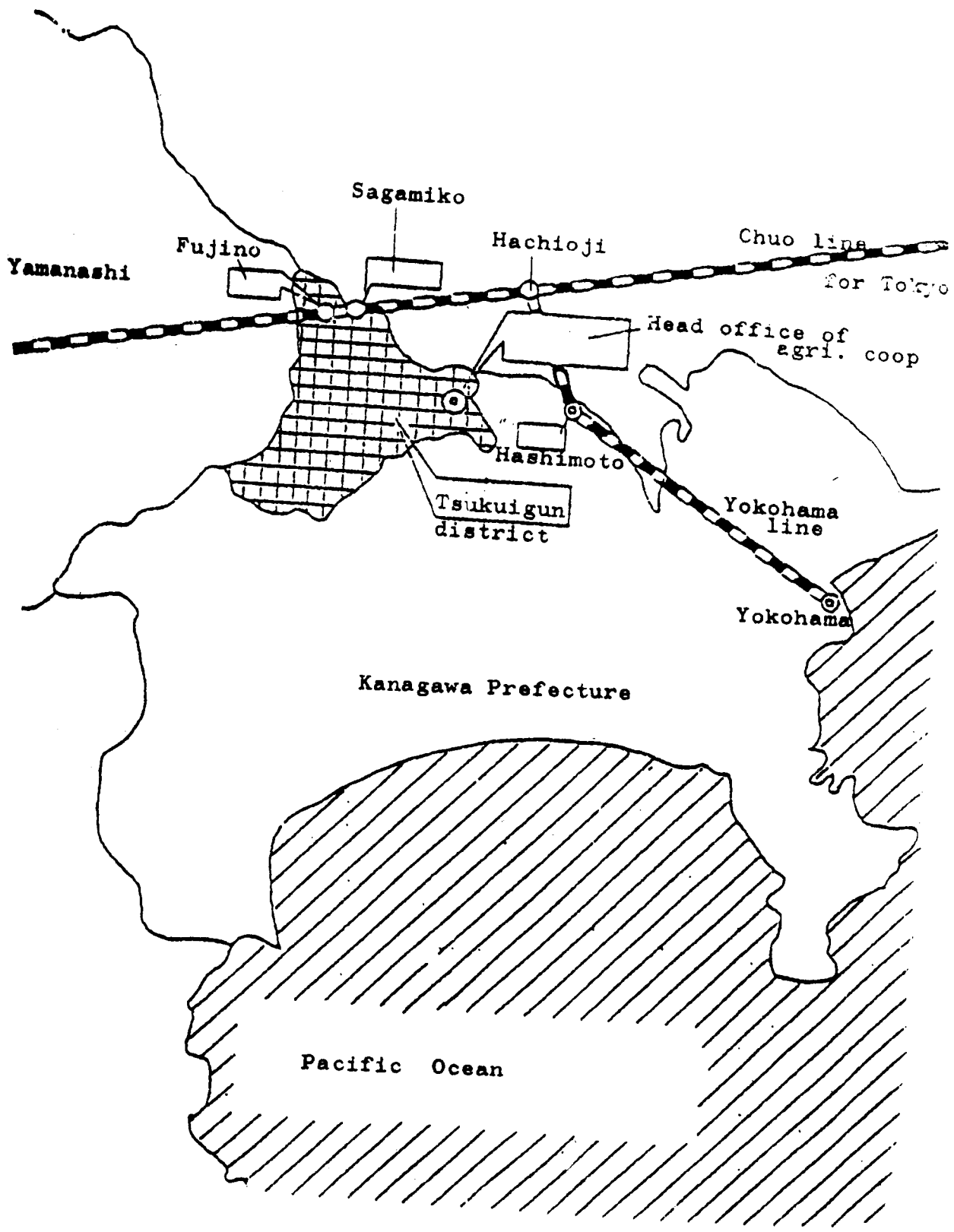
In 1986, the society implemented various education activities centred on communication promotion activities to strengthen the organisation. However, the agricultural co-operative movement is now requested new response to comply with progressing diversification of rural communities, aging population and liberalization of finance.

The more concrete education and training activities are demanded at present. In 1987, we set up the following basic guidelines based on the long term prospectives of officials and employees education which is the major accell to strengthen the movement.

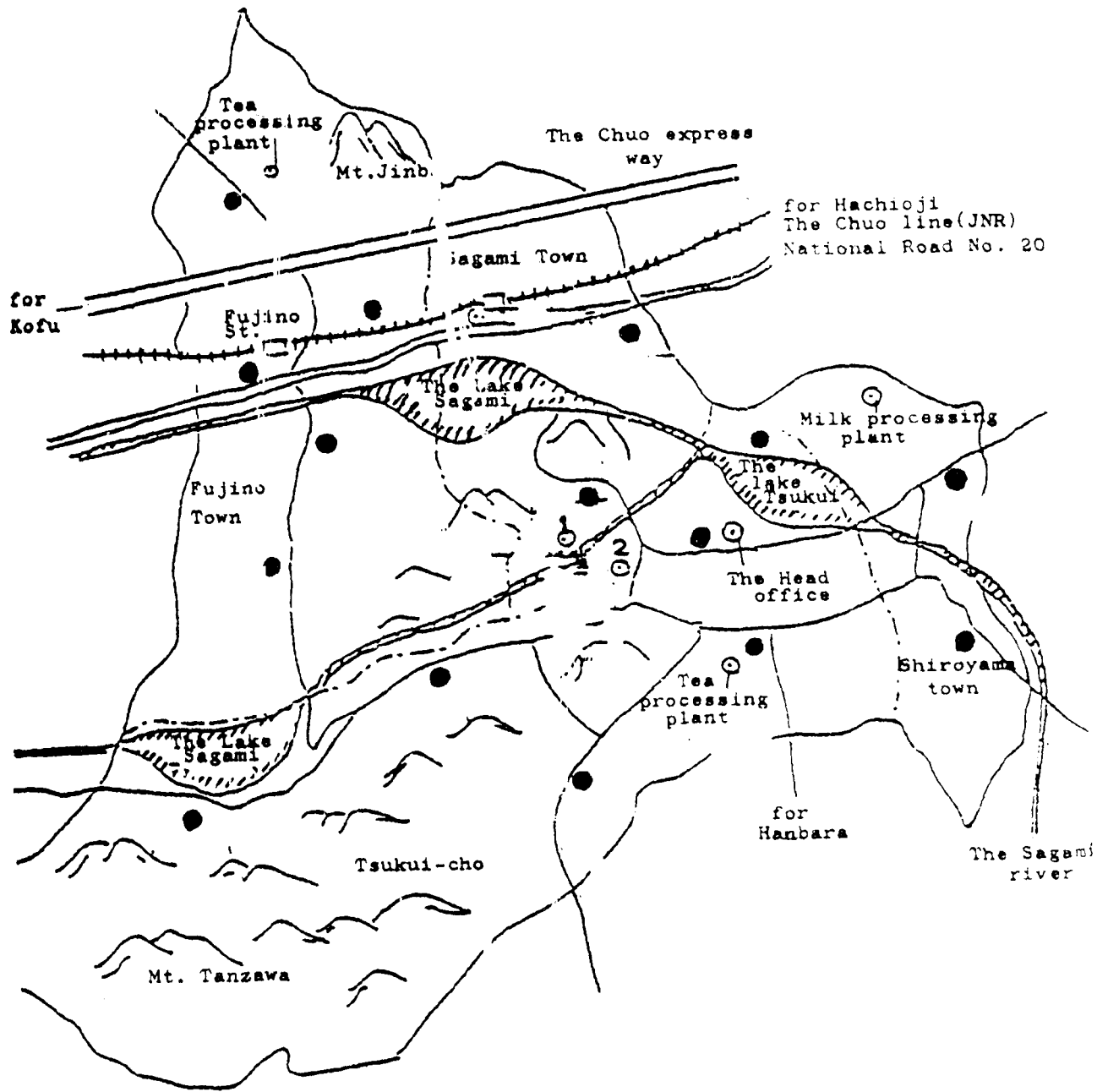
Basic guideline for Education

- 1) To promote creation of working environment where all the employee will be motivated for self-enlightenment and lift up each capability.
- 2) To implement training for further member communication.
- 3) To implement training to acquire the awareness as promotor of co-operative that is the mutual help organisation.
- 4) To promote in-service training to obtain knowledges through daily business.
- 5) To foster leader employees who can cope with diversified soci-economic conditions.
- 6) To implement on the job training for reception counter, sales promotion, and various technical businesses and to foster capable employees who can fully make response to various needs of the members.
- 7) To hold trainings for top leaders of cooperative movement, officials and auditors to level up the management capability.
- 8) To participate positively in the external training programmes conducted by agricultural co-operative organisations and other institutions to provide wide range of knowledges for employees divided in each grade.
- 9) To promote employees education to comply with high computerisation.
- 10) In the various sections the necessary training relating to each business shall be conducted creatively as follows:

- i) Production. Training courses shall be held to strengthen the management guidance and to obtain knowledges for fertiliser, feedstuff, agrochemical and other input materials.
- ii) Milk Plant.. To promote training for quality control and zero defects operation.
- iii) Purchasing. To promote gaining basic knowledge for business handling commodities and improvement of employees.
- iv) Financial... To conduct training for obtaining business knowledge to comply with liberalisation of finance and higher performance at counter and promotion business.
- v) Mutual... Dissemination of long term, short-term insurance. Knowledges of file keeping.
- vi) General affairs to promote spiritual education administration as co-operator and infiltration of co-operative spirit.



Map of the area of operation of the Tsukuigun primary agri. coop



- Branch
- 1. Sericulture centre, Manure making centre
- 2. The central branch

Plan for Consumer Goods Purchasing Business Promotion for Fiscal 1987

1. Rice

To expand the sales of rice positively through collection of orders by groups and strengthen the supply system through agricultural co-operatives stores to meet the needs of consumers:

- i) To expand annual order to all members,
- ii) To supply rice to restaurants in the area and expand the positive use,
- iii) To achieve the target of 130 tonnes (45) of handling share of rice supply in the area,
- iv) To participate in unified campaign of agricultural cooperative organisations and implement special campaign for promotion.

2. Foods

To strengthen joint purchasing centering on better living groups:

- i) To reduce costs through rationalisation of distribution by better living group,
- ii) To establish key station for handling perishable foods and increase handling commodities,
- iii) Expansion of basic and seasonal commodities utilisation and completion of contents,
- iv) Establish priority of purchasing business of agricultural cooperatives by concentration of large order of key commodities,
- v) Study and dissemination of health, no food additive foods.

3. Daily Necessities and Electric Appliances

Selection of key commodities to meet the needs of members and strengthening joint purchasing activities:

- i) To increase handling with energy conservation type commodities on health promotion goods and selection of these goods,
- ii) Dissemination of recycle use of sleeping mat,
- iii) To strengthen after sale service of durable electric appliances for family use and improve handling techniques of new commodities such as video cassette recorder,
- iv) Exhibition and direct sale of daily necessities and clothes and promotion of visiting sales,
- v) Promotion of selection key commodities and seasonal commodities in the same timing in all cooperative stores.

4. Exhibition and Direct sale in Purchase Business Promotion Day

To supply high quality and low cost of daily necessities by strengthening joint purchasing activities:

- i) Expansion of customers to visit in purchasing promotion days and strengthening linkages with joint purchasing through groups,
- ii) To strengthen exhibition and direct sale in each area.

5. Supply of Commodities through Agricultural Co-operative Stores

Operation of stores fully reflecting the characteristics of agricultural cooperatives:

- i) Implementation of special discount sales day at each store, effective display of space in front of the store,
- ii) To strengthen the field of perishable foods to be competitive with other stores,
- iii) Establish study meeting for store management to improve management,
- iv) To participate monthly sales promotion centering on prefectural head office,
- v) To prevent loss through complete administration,
- vi) To promote organising users positively,

- vii) To strengthen the distribution function of a co-operative store centering on perishable foods,
- viii) To improve management of store to secure self-paying basis.

6. *Automobiles*

To strengthen advantageous purchasing through buying up system:

- i) Positive dissemination of selected types of cars through accumulation of orders in agricultural co-operative organisations,
- ii) Positive promotion of seasonal special promotion activities,
- iii) Implementation of activities "Introduce one buyer for each official and employee",
- iv) Promotion and completion of automobile loan,
- v) Expansion of users for regular check up and repair.

7. *Liquified Petroleum Gas Supply*

To strengthen safety measures:

- i) To expand supplying households,
- ii) To promote full utilisation within in officials and employees,
- iii) To promote installment of gas leakage warning devices,
- iv) Promotion of utilisation of L.P.G. instruments and participation in the exhibition,
- v) Establishment of middle term improvement plan and its implementation.

8. *Gasoline Filling*

To strengthen service at the station:

- i) To obtain users and to improve reception of users,
- ii) Quick response of delivery of light oil and it's rationalisation,
- iii) To promote dissemination of cooperative brand oil,
- iv) To promote automobile goods supply in low price.

Plan for Promotion of Credit Business for Fiscal 1987

Matters to be implemented:

- i. Promotion of term savings (constantly),
- ii. Promotion of comprehensive saving account (constantly) (cash card),
- iii. Transmission of salary, assets endowment pension saving (constantly),
- iv. Promotion of pension (National, Ministry of Welfare, others),
- v. Automatic transmission of public charge (electricity, telephone, water, NHK(TV)),
- vi. Special saving campaign,
- vii. Collection of applications for tour saving promotion,
- viii. To expand savings by promoting shift of saving from other banks to agricultural co-operatives,
- ix. Loan recovery and recovery of credit sale,
- x. Training of employees in charge of reception counter of credit department-on the job training (every month)

The Outline of Implementation of Health Screening by Agricultural Co-operatives

1. *Objective*

To provide the chances of group health screening and recreation for elderly people and guidances for worthy living and health promotion and then contribute to improvement of welfare of elderly people in the area.

2. Qualification

Participants shall be more than 60 years old and members of pension receivers group or their family member.

3. Contents of the Implementation

- i) Health screening and health consultation,
- ii) Lecture on worthy living in high age and health management facilities in the area, film show,
- iii) Other matters relating welfare of elderly people.

4. Facility to Use

Tanzawa Tourist Center, Hotel Ashigara.

5. Methods of Implementation

- i) Period : 2 days
- ii) Transportation : Bus
- iii) Health screening and consultation : By medical doctors or health nurse.
- iv) Recreation : Bathing, lecture, joint dinner

6. Expenses

- i) Expenses for health screening and bus are met by Kanagawa Mutual Insurance Federation of Agricultural Co-operatives,
- ii) 5,000 Yen for each participant is born by The Tskuigun Primary Agricultural Co-operative Society,
- iii) Participants are requested to pay expenses other than (1) and (2).

7. Division of Functions

a) Branch offices

- i) Collection and selection of participants,
- ii) Liaison with head office,
- iii) Dispatch employees for facilities,
- iv) Settlement of expenses,
- v) Others

b) Head office

- i) Draft implementation plan,
- ii) Liaison and coordination work with branch office and mutual insurance federation,
- iii) Preparation of necessary materials for implementation,
- iv) Reviewing the result of implementation,
- v) Dispatch employees to the facilities,
- vi) Settlement of expenses,
- vii) Others.

Note : This outline shall be implemented from 1st March 1982.

Plan for internal training for 1987 (monthly)

Month	Training Course for	Contents of training	Trainee	No. of trainees	days	Expenses (yen)	Dept. in charge
March	New employees	Basid knowledge on Agri. coop. various business, book keeping, reckon on an abacus	New employees	20	11	450,000	General Aff.
	Sales promoters	Sales promotion	Chief, sales promoters	40	1	16,000	Admt.
	Fruits pruning	Practical training of pruning, cutting branches	Economic. sales promoters	20	1	8,000	Production
	Business promotion	Meeting for business promotion	Employees of production dept.	22	1	8,900	"
	Store employees	Store management and handling commodities	Employees in charge of store	15	1	25,000	Consumer good
	Long-term insurance	Revision of life insurance system	Incharge of insurance, promotor	65	1	30,000	Insurance
April	New employees	Book keeping, reckon on an abacus, online operation	New employees	20	8	150,000	Admt.
	Agro-chemical	Use of agro-chemical	Economic. Sales promotor	30	1	12,000	Production
	Leaders meeting	Farm guidance	Employees in production, General Affairs, Depts.	33	1	13,200	"
	Toxic chemicals	License for toxic chemical	Chief, volunteer for license	30	1	12,000	"
	Car sales	Sales point and manufacturing process	Economic. Sales promotor	25	1	100,000	Consumer good
	Operation of farm machineries	Operation of sprayer	Employees	4		0	"
	Employees in charge of counter	Knowledge on business and practice of counter business	Counter employees	20	1	40,000	Financial
	Taxation	Taxation business for counter at financial dept.	Financial insurance section chief and sales promotor	35	1	56,000	"
	Long-term, annuity insurance	Revision of life insurance system.	Employees in the head office	100	1	50,000	Insurance
May	Internal case study	On the job training, leaders training	Management	59	1	22,000	General
	New employees	Book keeping, reckon on an abacus	New employees	20	3	30,000	Administration
	Directors	Agri. coop. Movement in general	Directors, Auditors	45	1	18,000	"
	Auditors	Auditting practical knowledges	Auditors	10	1	4,000	"
	Consumer goods sales promotion	Solar heater sales promotion	Economic. sales promotor	20	4	200,000	Consumer goods
	Employees in charge of counter	Knowledges and practical training	Employees in counter	20	1	40,000	Financial
	Loanning business	Case study for recovering loan	management	25	1	20,000	"
	Contract conversion of long term insurance		Financial. insurance sales promotor	65	1	30,000	Insurance
June	New employees	Book keeping, reckon on an abacus	New employees	20	3	32,000	Administration
	Soil improvement	Soil analysis	Economic business, Economic fed	25	1	10,000	Production
	Gardening	Gardening	Economic dep. Sales promotor	20	1	8,000	"
	Leaders meeting	Farm guidance	Production dept. General Affairs Dept.	33	1	13,200	"
	Promotion commodities	Study visit to factories of foods, daily necessities	Economic. Chief sales promoters	20	1	200,000	Consumer goods
	Annuity insurance	Structure of annuity insurance and promotion method	Financial. Insurance dept. Sales promota	65	1	30,000	Insurance
July	Visit to farm household	Farming practice	Employee	40	1	0	General affairs
	Sales promoters	Promotion activities	Sales promoters, chief	40	1	16,000	Administration
	The Second Online office work	Office work procedures	Employees in charge of Financial and Insurance	60	3	24,000	"
	Promotion of feedstuff	Feed stuff promotion	Employees in live stock division Econ. Fed.	16	1	48,000	Production
	Staple food sales for female employees	Knowledges on rice	Female employees in charge of counter	20	1	8,000	Consumer goods
	Employees in charge of counter	Knowledges on business and practical training	Employees in charge of counter	20	1	40,000	Financial
	Insurance file keeping	Long/short term insurance file keeping	Employees in charge of counter in the head office	20	1	10,000	Insurance

Month	Training Course for	Contents of training	Trainee	No. of trainees	days	Expenses (yen)	Dept. in charge
August	Assistant for auditing	Knowledge for assisting auditing	Management, chief	50	1	20,000	Administration
	The second online operator	Online operation	Chief and staff for financial insurance dept.	60	12	96,000	"
	Perishable foods study visit	Dried foods centre, Nam company visits and examination of commodities	Chief of economic business sales promot	20	1	80,000	Consumer goods
	Taxation	Taxation	Management	25	1	20,000	Financial
	Loaning business	Examination, recovery	Chief and staff of financial insurance	35	1	56,000	"
	Employee in charge of counter	Knowledge on business, practical training	Staff for counter	20	1	40,000	"
	Car accident after treatment	Practical training on car accident, reception, treatment payment	Chief of financial insurance promotor	65	1	30,000	Insurance
	All employees	Lecture by guest speaker	All employees	300	1	200,000	General Affairs
	Sales promotors	Sales promotion activities	Sales promotor chief	40	1	16,000	Administration
	Leaders	Farm guidance	Staff of production general affairs	33	1	13,200	Production
September	Gardening	Gardening	Staff of economic dept sales promotor	20	1	8,000	"
	Management	Business of agri. coops.	Management	59	1	22,000	General affairs
	Staff in charge of counter	Competition of counter works in western region	Representatives	8	1	8,000	Financial
	Taxation	Taxation	Chief of financial insurance	35	1	56,000	"
	Inservice case study	On the job training	Management	59	1	22,000	General affairs
	Auditors	Auditing practical training	Auditor	10	1	4,000	Administration
	Sales promotors	Sales promotion activities	Chief sales promotor	40	1	16,000	"
	Staff for gasdine station	Operation of gas station	Staff of gasoline station	10	1	10,000	Consumer goods
	Loaning business	Examination, recovery	Chief and staff of financial insurance	35	1	56,000	Financial
	Staff in charge of counter	Competition of counter works in western branch	Representatives	8	1	8,000	"
December	Meeting of relating organization	Conference for promotion of production business	Staff of production general affairs Staff incharge of relating organizations	35	1	175,000	Production
	Store management	Study for implementation of this year's planning	Head of branch office chief of economic business	20	1	8,000	Consumer goods
January	All employees	Business planning and lecture by guest speaker	all employees	200	1	500,000	General affairs
	Auditing assistant	Practical knowledge for auditing assistant	Management, Chief	50	1	20,000	Administration
February							

Plan for promotion of agriculture and sericulture business for 1987

Classification	Item	Key policy	Implementation methods	1 2 3 4														
				1			2			3			4					
				3	4	5	6	7	8	9	10	11	12	1	2			
Special products	Vegetables	Activities of Tsukui area vegetable council, unification of standardization of summer cucumber, trial cultivation of newly introduced commodities. Measures for marketing, consumption in local market and seedlings	Strengthening joint marketing, collaboration among shipment organization, forced culture of cucumber Joint marketing of cucumber, trial cultivation Expansion of selected commodities direct sale, regular guidance for nursery of seedlings	Shipment planning			Marketing			Production planning			Joint marketing of cucumber			Joint marketing of spinach		
	Fruits	Strengthening organizations Measures for technology and marketing	Chestnut producers group and plum producers group to be strengthened Schooling on plooning, Joint marketing of chestnuts	Fostering producers group			Lecture meeting for chestnut and plum			Joint marketing of chestnuts			Nursery of seedling and delivery			Collection of order for seedlings		
	Flower and ornament trees	Promotion of ornament tree market introduction of seedlings, measures, for planting technology	Introduction of good quality seeds, cultivation training, guidance activities Guidance activities	Direct sale of ornament trees			Direct sale of ornament tree			Meeting of producers			Delivery of seedlings			Plooning Guidance Study visit		
	Green-tea	Strengthening producers organization Improvement of techniques	Tea producer's group activities Lecture meeting on cultivation, pesticide processing, guidance	Strengthening producers group			Guidance for management of tea garden			Processing and marketing			Joint pesticide			Training for farming technique		
foods	Rice	Establishment of paddy agriculture, Cultivation dissemination	Application of high quality seeds, joint pesticide, selection of commodities as conversion crop.	Application for sales of rice			Joint pesticide			Inspection of rice shipment			Collection of order for seeds					
	Wheat	retardation of crops due to continuous farming	Covereted soybeans, Joint use of farm machineries, measures to prevent retardation of crop due to continuous farming	Application for sales of wheat			Inspection and shipment of rice			Collection of order for seeds			Marketing of soybean					
	Soybean	strengthening of organization		Lecture meeting			Joint pesticide of soybeans			Collection of order for seeds			Marketing of soybean					
Sericulture	Cocoon	Consolidation of mulberry field Promotion of production compound feed nursery	Renewal of mulberry, diffusion of intensive mulberry field, promotion of fertilizer management in mulberry field	Renewal of plant			Fertilizer management			diffusion			Renewal					
	Silk worm	Selection of suitable variety of silk worm	promotion of production, diffusion of compound feeds, nursery of silk worm to cover wider area Selection of high quality silkworm	meeting			Consigned nursery			Guidance			Improvement of facilities					

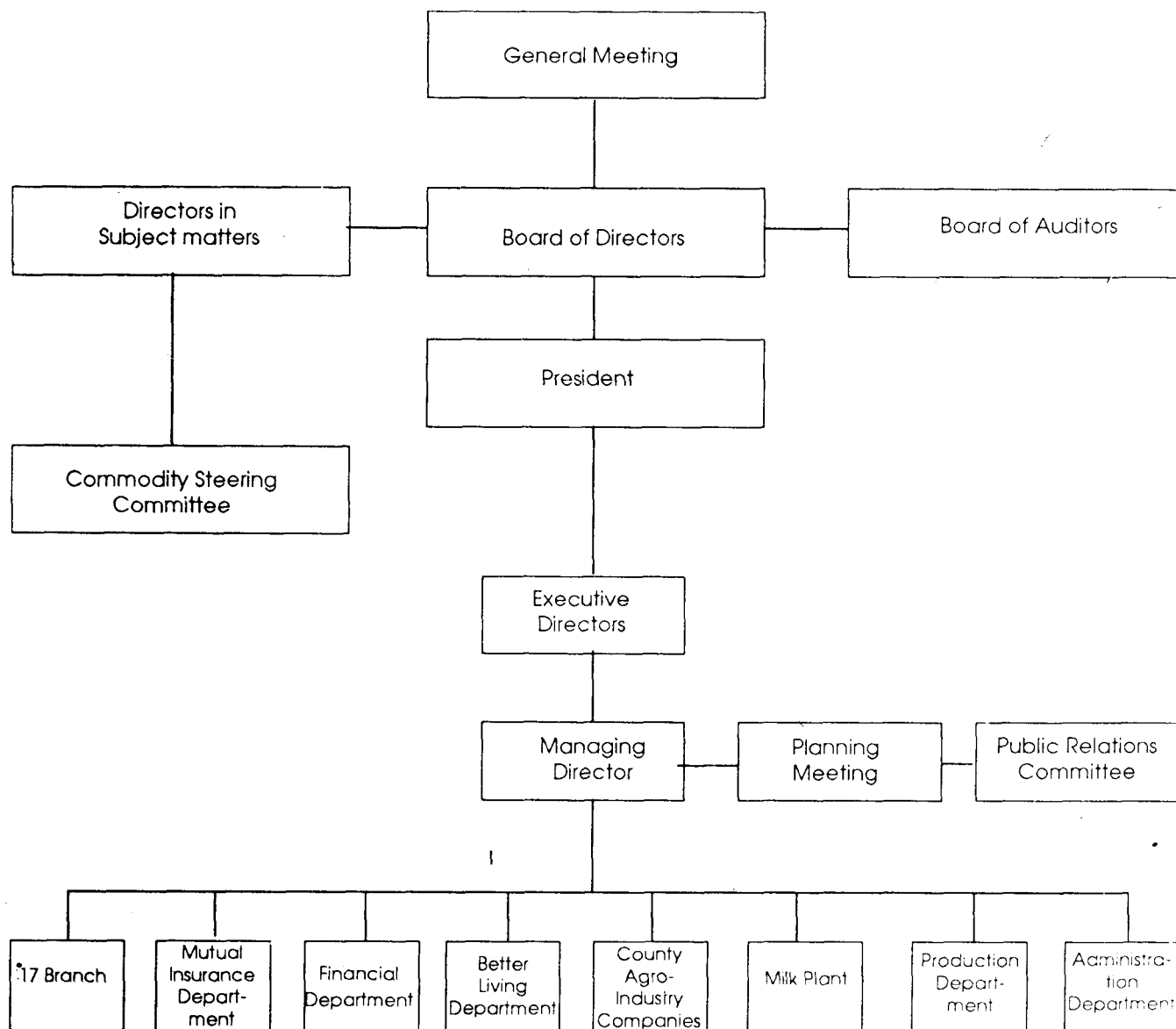
Classification	Item	Key policy	Implementation methods	1 2 3 4											
				1			2			3			4		
				3	4	5	6	7	8	9	10	11	12	1	2
Common	Kitchen Garden	Widening knowledges of kitchen garden	Lecture on vegetable growing, distribution of leaflets	Training of advisers for kitchen garden			Training of advisers for kitchen garden			Training of advisers for kitchen garden			Training of advisers for kitchen garden		
	School farm	Establishment of school farm	Establishment of school farm(20 schools), guidance activities	Distribution of leaflet on vegetable(spring)			Distribution of leaflet on vegetable(autumn)			Preparation of school farm(Guidance, meeting with school)					
	Soil preparation	Promotion of soil preparation		Tractor operation			Tractor operation			Rotor operation					
	Farm machineries	Maintenance, Prevention of accident	Effective use of animal drops, diffusion of deep tilling rotor, soil examination	Promotion of use (Soil test)			Animal drops			Collection of order			Promotion (Soil test)		
Input materials	General	Drafting production shipment plan	Basic survey, farm management note, accumulation of production shipment plan	Basic survey, farm management note, collection of production plans			Lecture on management			Promotion of agri. disaster loss compensation			Participate in various events		
	General	Agri. coop festival..Competitions	Direct sale of ornament plant, vegetables, competition of commodities	Basic survey, farm management note, collection of production plans			Tea garden competition,								
	Specified fertilizer for different commodities	Supplying specified fertilizer	Early supply of specified fertilizer for paddy, horticulture soybean, tea and mulberry	Collection of order for fertilizer (horticulture, paddy, soybean)			Distribution of fertilizer (tea, mulberry)			Distribution of fertilizer					
Committee	Ordered fertilizer	Joint purchasing of fertilizer	Completion of advance order for general fertilizer	Distribution of fertilizer			Order for autumn fertilizer			Order for spring fertilizer					
	Production materials	Promotion of joint purchasing	Full utilization of joint purchasing through commodity wise groups	Distribution of input material (sericulture, horticulture)			Distribution of general fertilizer			Collection of order for horticulture material					
Training	Committee	Horticulture, Flower, Sericulture, tea, management committee Farm management guidance	holding committee meetings for 3 to 4 times a year Guidance on book keeping and blue return forms												
	Training	Training for promotion of sericulture business	Promotion of business, agrochemical, handling toxic chemical, production Training for fertilizer and chemical application methods												

Livestock Business Promotion Plan for fiscal 1982

Item		March	April	May	June	July	August	September	October	November	December	January	February		
Dairy	Innovation of variety	Contest						←Country→	←Prefecture→						
		Testing capability			Testing and grasping individual capability										
		Procure excellent feeder cattle		←Purchasing from production area→					←Purchasing from production area→				←Purchasing from production area→		
		Consignment for raising cattle			Measures for young cow(through out the year)										
		Guidance for calves raising			Measures for young cow(through out the year)										
		Renewal of cattle	Body condition		Measures for improvement of productivity renewal (throughout the year)										
		Consultation			Joint guidance with pref. livestock association, personal guidance (for one year)										
		Guidance on improving milk	←Checking, milker, cooler→		Improvement of milk, milk testing(through out the year)								←Awarding→	←(prefecture awarding)→	
		Prevention of diseases	Cutting nail	←Prevention of files→	T.B. test	Preservation of influenza			Whole training	←I.B.R. vaccination→		Measures for cold weather			
		Sanitary improvement guidance	Wast disposal measures			Guidance on sanitary, prevention of worm					Preparation of liver fluke				
		Promotion of dairy helper	Regular use through the year												
		Promotion of beef cattle raising						Raising holstein bull, mixed dairy and beef cattle, promotion of beef cattle							
		Measures for self-supply of feeds	Soil improvement		Utilization of rough land, establishment of feed grains production system (for one year)									←Soil improvement by deep tilling→	
		Steering committee	Regular meeting											←Producer's congress→	
Beef cattle producer's group			Group meeting, training					←Study visit→							
Pig raising	Contest	←Joint contest with Sagamihara Agri. Coop→						←Country→	←Prefecture→						
	Prevention of disease		Vaccination for communicable disease (for one year)							←Measures for cold weather→					
	Improvement of beef	←Test on quality of meat→	Breeding pig loan	Study on mating	Renewal of breeder			←Study on quality of meat→							
	Joint marketing			Planned production shipment for one year											
	Improvement of sanitary									Wast disposal (for one year)					
	Consultation		Joint guidance with livestock assn.					←Guidance on sanitary and parasites→							
	Producer's meeting	←Meeting→	←Meeting→		←Meeting→		←Meeting→	←Thanks festival→		←Study visit→		←Meeting→			

Item		March	April	May	June	July	August	September	October	November	December	January	February
Poultry	Contest							←Country→					
	Preservation of disease		Vaccination (all the year)	←Common biting midge prevention (all the year)→						←Measures for cold weather→			
	Measures for marketing		Guidance on packaging and grading (regularly)					Prevention of broken egg (regularly)			Quality examination of egg(regularly)		
	Improvement of spawning ratio		Improvement egg yielding through improvement of feed demand ratio and renewal of birds (for one year)										
	Promotion of joint marketing		Planned production and planned shipment (for one year)										
	Consultation		Joint guidance with pref. livestock assn. (all the year)										
Common	Improvement of sanitary condition	Measures for wastes and bad smell		←Eradication of parasites→				←Meeting→					
	Producer's meeting	←Meeting→		←Thanks festival→	←Meeting→		←Meeting→	←Study visit→				←Meeting→	
	Guidance on feeding examination		(through one year)										
Training courses	Drafting and implementation of production shipment plan	←Basic survey, farm management note, accumulation of production plan→											
	Strengthening producers organizations												
	Agri. labour disaster insurance		←Promotion of participation→										
	Training of farm advisers												
Training courses	Farm management guidance	←Milk quality→		←Improvement of pig→		←Meeting for feed promotion→	←Improvement of milk cow→	←Calves for beef→	←Poultry disease prevention→	←Training of veterinarian→	←Council meeting of relating organization→		
	Farm management guidance	Final application of taxation		←Guidance on book keeping→		←Lecture on withholding tax, middle term settlement of account→					←Annual adjustment at the end of year→	←Settlement of account→	
	Promotion of feed supply business					←Show observation for large buyers→		←Study meeting for price stabilization fund→		←Participation in the price stabilization fund→			

ORGANISATION FOR BUSINESS PLANNING



Annual Planning exercise is undertaken during August-September and carried through to November for approval.

Firstly, members household life planning and income planning combined with production planning is undertaken by members. Farm consultants help them to prepare plans. Simultaneously, a survey of all subject areas is conducted by employees of the co-operative.

Beginning of November, Managers of each department prepare plans for his subject and their plans are again incorporated into one plan. End of November, the Board of Directors would meet and finalise the plan for general body's approval.

Implementation is discussed in December. When the figures are accumulated, the next step is to allocate business volumes for branch offices.

During January, the advisors go to branches and discuss implementing activities. Branch offices are asked to send their approval for plans by mid-January with any suggestions for modifications. The board of directors would meet in mid-February and decide on the plan.

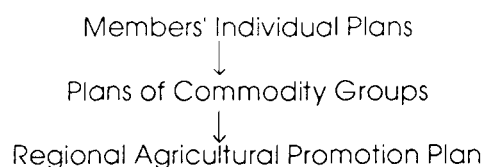
Fiscal year starts from 01 March. Members meeting is held during mid-April and the plan is discussed and approved. After that, branch meetings are held from April to June. The other part of the year is set apart for implementation.

The society has 3 year plans and annual plans. Individual members could have their individual plans accordingly and they maintain their own books of accounts. The society guides them to keep them properly.

B) Members Participation through Business Planning

During the presentations, a theoretical exposition was made at the beginning.

The Agricultural primary co-operative societies have 3 levels of planning:



The Regional Agricultural Promotion Plan consists of following components:

- a) The Regional Agricultural Promotion Master Plan,
- b) Member Farm Management Plan,
- c) Regional Agricultural Promotion Action Plan,
- d) Business Plan.

There are 2 types of plans in a co-operative society:

- i) Long-term plans (3-5 years)
- ii) Short-term plans (annual)

Long-term plans as well as short plans go through the levels indicated above.

Following are the components of individual farmers' long-term management plan:

- Land utilisation and improvement plan (plans or expectations of unti farms and farm roads, irrigation and drainage facilities, land marketing, lease system, group farming etc.)
- Plan of family labour and hired labour
- Planting plans (expanding the main crop annually, planting 'plus alpha' commodities to achieve the income targets etc)
- Plan of raising and breeding livestock.
- Plan of producing self-sufficient manure and feed stuff.
- Plan of consolidating machinery and facilities individually, jointly, or by the consignment system to the agricultural co-operative.
- Plan of introducing and improving control technics of cultivation and breeding (This will be possible only for industrial farm households)
- Cultivating plan for respective commodity.
- Purchase plan for materials for production.
- Marketing plan for farm products
- Plan of procuring financial resources.
- Plan of repaying loans.
- Household expense plan.
- Revenue and expense plan including the non-agricultrual income.

Following are the basic view points of the long term plan:

Basic viewpoints of the long-term plan

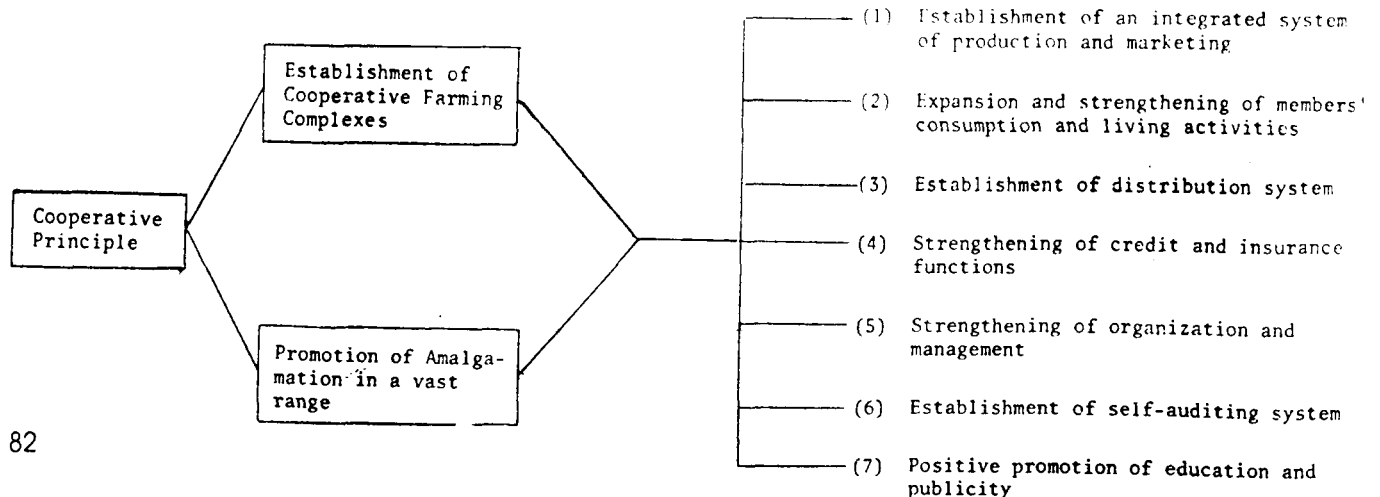
(To the stage of members as agricultural producers)

- i. Agriculture should be developed from petty farming whose units are individual farmers to large scale production aiming at the capitalistic profits to be secured and the production of commercial products.
- ii. In order to meet the increased demand for vegetables, fruits and livestock products, those supplies must be expanded and their power of controlling the market be also strengthened.
- iii. The conditions are higher quality of products, standardisation, low costs, and bulk distribution. That is producing areas should be densely expanded so as to secure a certain volume of distribution.
- iv. Technical Innovation is now going in the direction of more capital-intensive agriculture. As for individual farmers, however, there are a risk of over investment and technical difficulties in management. Therefore, the agricultural co-operative should be positive enough to take its share in the process of production and distribution by its own machinery and facilities.
- v. It is an absolute condition for petty farmers to do joint activities with others producing the same main crop. So you should nurture and strengthen an organisation of farmers whose not only main crop but also economic quality is the same.
- vi. In order to play a role of the control tower being a key position of agricultural production and distribution, an agricultural co-operative must establish an integrated system of production and marketing (fund -----> materials -----> guidance -----> marketing) as a management control organisation.
- vii. It is very important to secure men of ability in the agricultural co-operative.
- viii. Practically speaking, the agricultural co-operative should begin with practicable one out of above mentioned tasks.

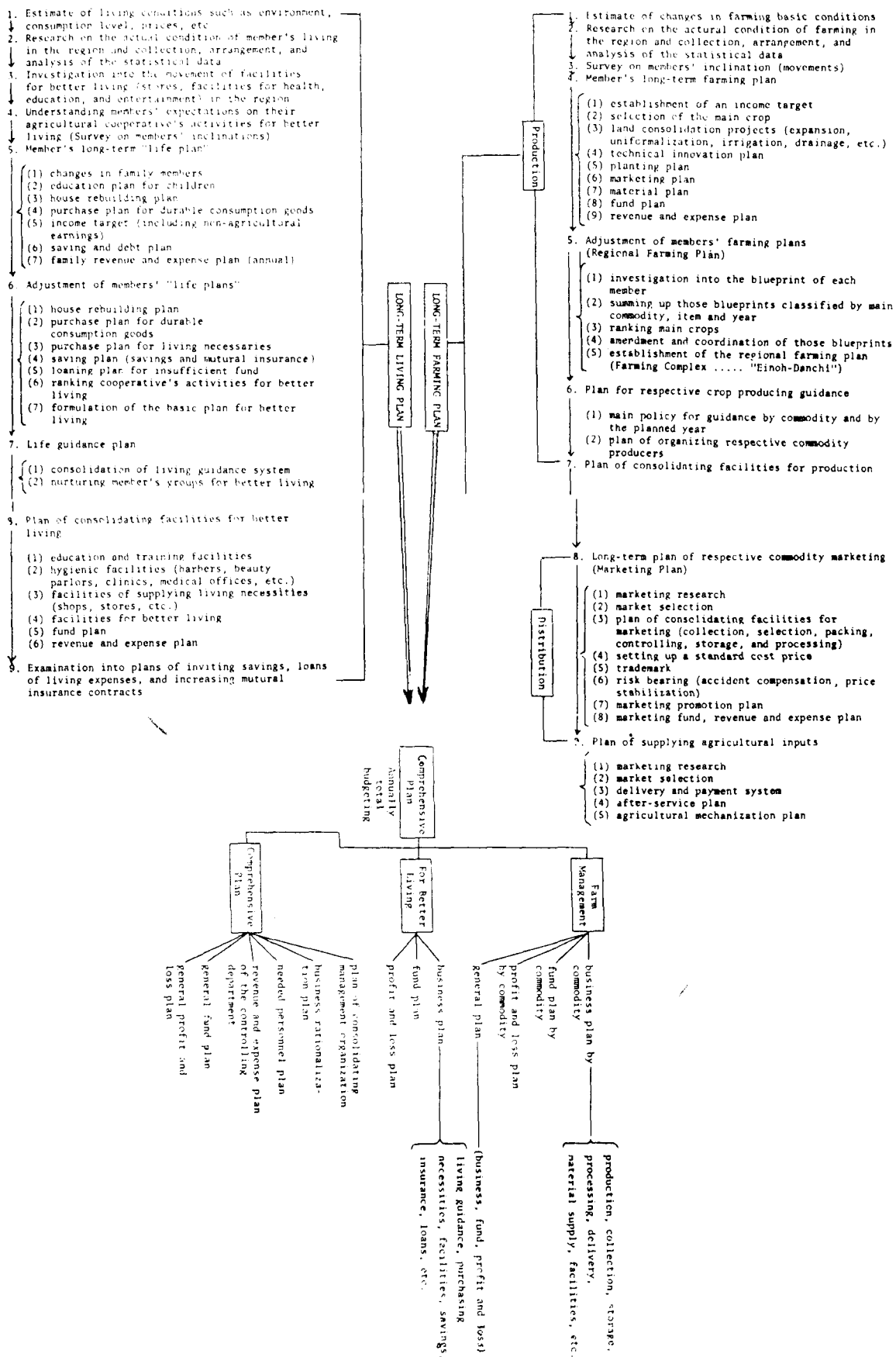
(To the stage of members as consumers)

- i. With a view to keeping and improving health of members, agricultural co-operatives have to conduct a campaign of joint defense against environmental destruction, pollution produced by drainage and noxious gases, and traffic accidents which appear as bad effects of the economy controlled by huge oligopolistic enterprises. (As a center of a residents' movement, participation in the regional development, expansion of co-operative hospitals to care for members' health, positive proposal to the government and the like should be done)
- ii. Furthermore, agricultural co-operatives should expand the volume of joint purchase, playing the leading role not only in mass consumers' movement (consumerism) for the supply of cheap, good commodities but also in protesting against price-hikes and inflation. (expansion of cooperative super markets, regular chainisation of these markets, complete examination in to commodities, united action with other consumer' organisation, etc.)
- iii. Welfare projects are also to be developed in such ways as preservation of members' properties and expansion of facilities for mutual insurance.

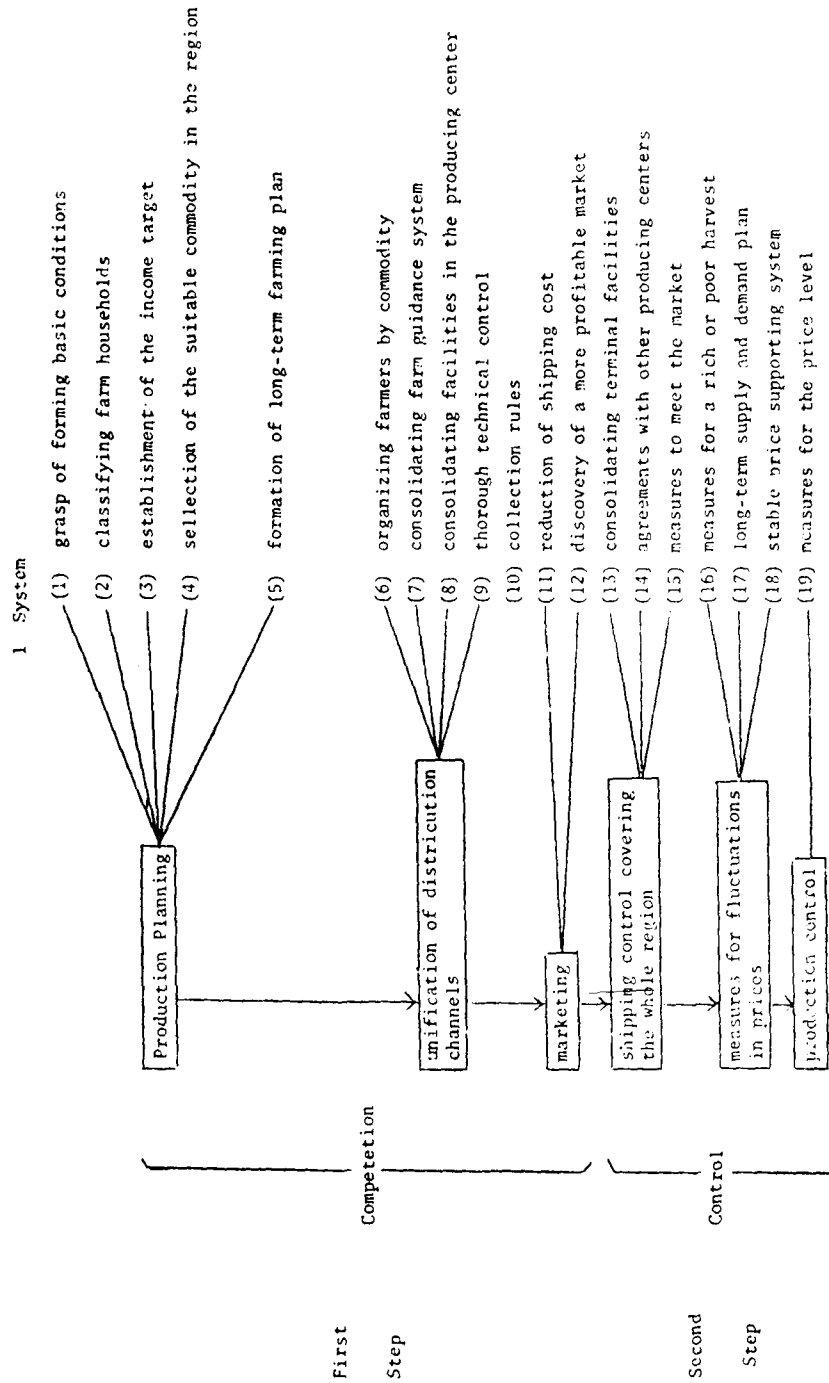
Following are the main targets of the agricultural co-operative long term plan:



The system of the agricultural Co-operative Long Term Plan can be illustrated as follows:



Techniques of Agricultural Coop. Long Term Planning is illustrated as follows:-



(Note) A calculating table for setting up the member's income target (e.g. rice and hog)

C) Preparation of Members' Farming Plan and Integrating it to Agricultural Co-operative Society Plan

A discussion was undertaken from basis to specified and an exercise was undertaken using necessary forum. The summary is as follows:

How to integrate individual members farming plan to agricultural co-operative society plan?

1. Characteristics of agricultural co-operative business

- i. Kinds of business to be undertaken are specified,
- ii. Area in which business is undertaken is limited,
- iii. Many formalities required for undertaking businesses,

2. Ways of developing agricultural co-operative business

- i. Expansion of farm management by members,
- ii. Increased utilisation ratio of agricultural co-operative businesses by members.
(Encouragement of members to participate in agricultural co-operative businesses)
- iii. How to encourage member farmers to formulate individual farming plan and its integration into agricultural co-operative business plan?

Elements which constitute farming plan of members and linkage with agricultural co-operative business plan

- a) Income target
 - b) Combination of products (appropriate combination of commodities)
 - c) Decision on farming patterns
 - d) Decision on production and sales plan
 - e) Decision on the procurement plan of production inputs
 - f) Decision on the procurement plan of funds
 - g) Decision on revenue and expenditure plan
- 1

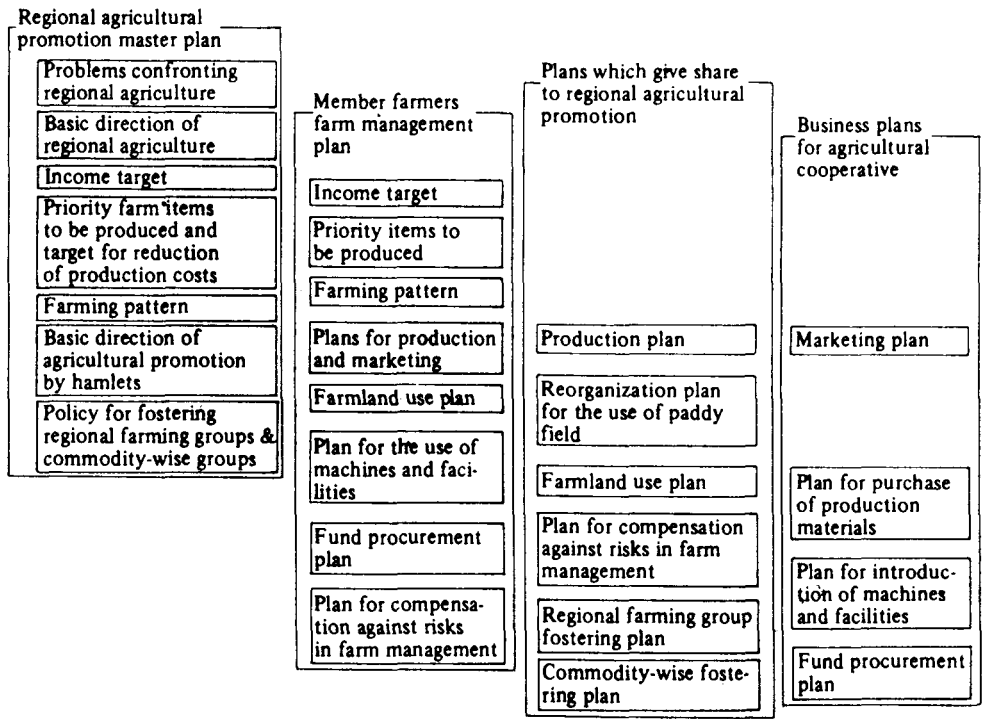
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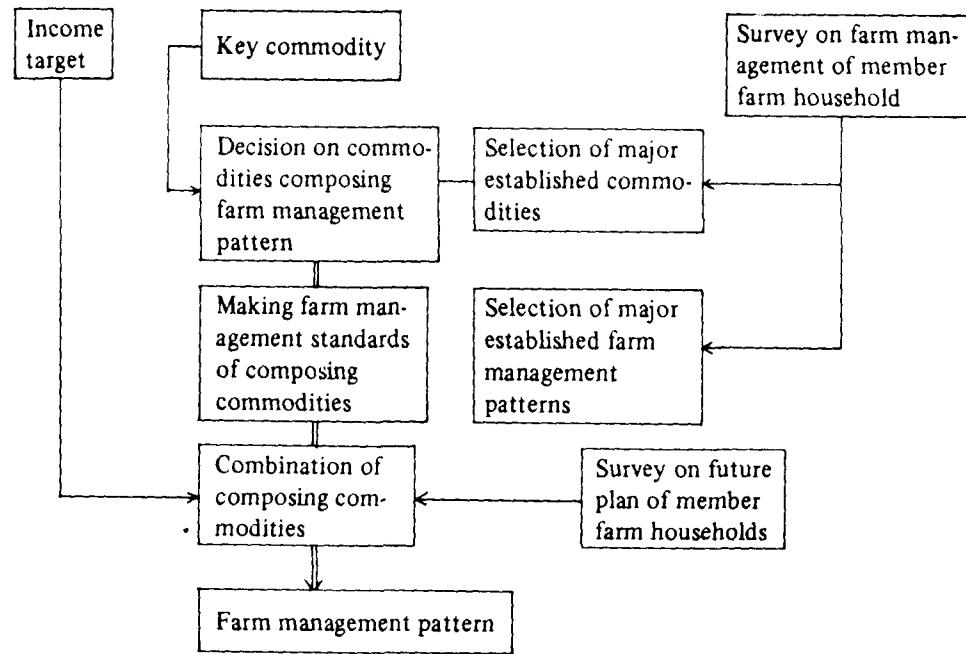
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5

Principles which are incorporated into the Regional Agricultural Promotion Plan

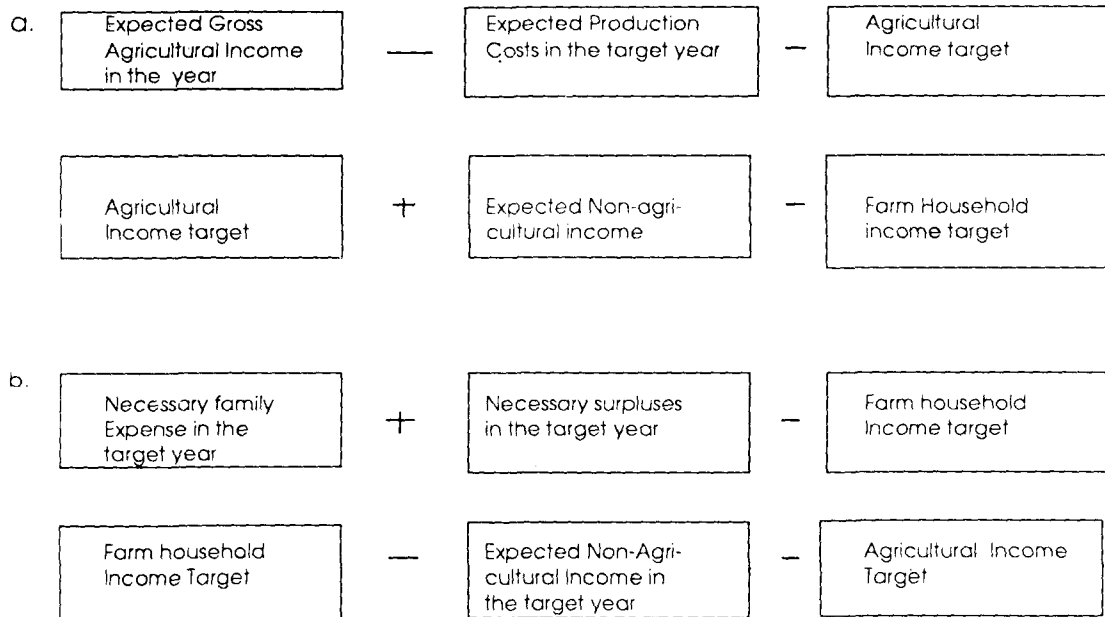


Flow Chart of the Working Process for Making Farm Management Patterns



1. Education & guidance plan of agricultural co-operatives
2. Marketing business plan of agricultural co-operatives
3. Production inputs supply plan of agricultural co-operatives
4. Funds procurement plan of agricultural co-operatives
5. Education & guidance plan of agricultural co-operatives

2) *Methods for the establishment of income target:*



4. Necessity and attention to be paid in making an investigation of member farmhouseholds

1) Necessity of making an investigation of member farmhouseholds

2) Items of necessary investigations

a. *Actual conditions of agricultural management*

- Family composition and situation of family engaged in employment
- Farmland under management and quantity of livestock raised
- Situation in the holding of farm machinery and agricultural facilities
- Situation in the production and sale of farm products.

b. *Intention for the future*

- Types of farm management (full-time/part-time)
- Income
- Farm management pattern
- Farm successor (available or not)

5. Establishment of members' farming plans and their integration into agricultural co-operative plan:

a. Formulation of members' farming plans,

b. Discussion within hamlet or among commodity-wise groups,

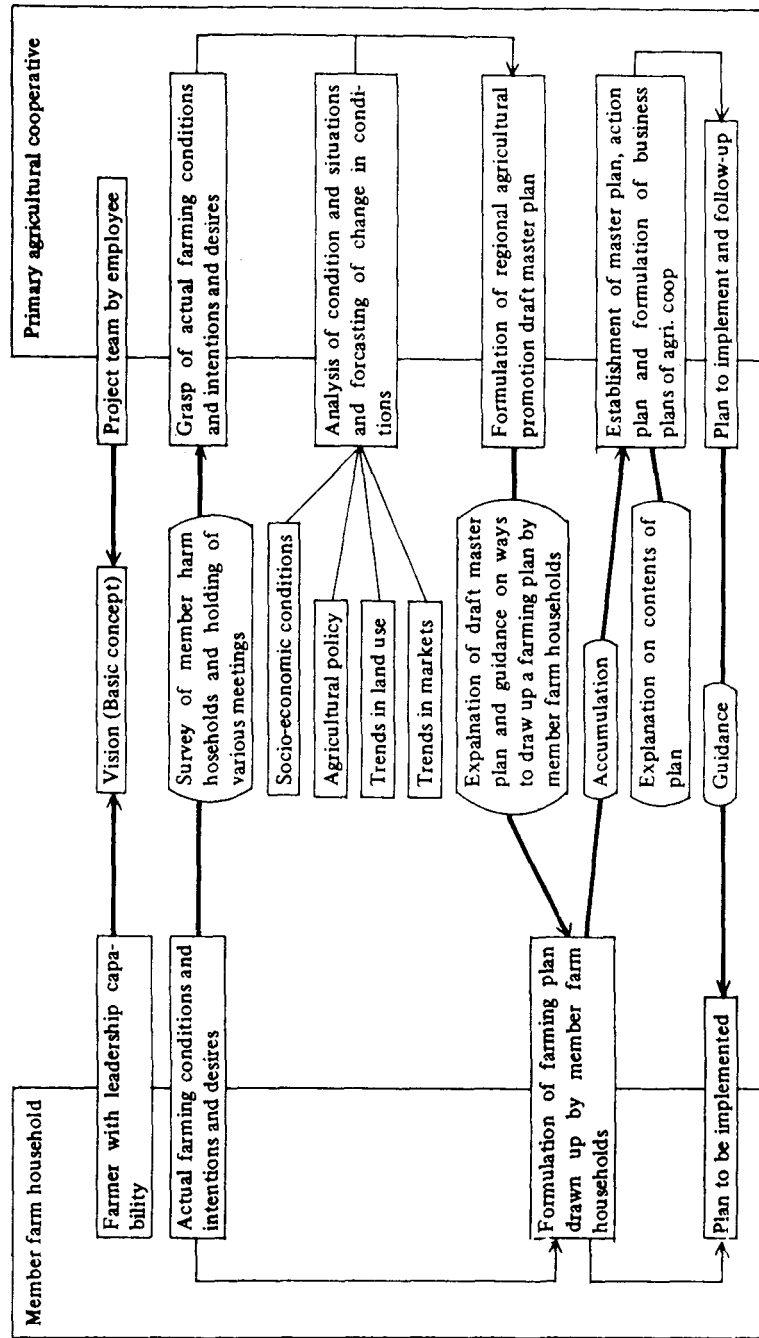
c. Advice and guidance by agricultural co-operatives,

d. Decision on farming plans of members for submission to agricultural co-operative,

e. Formulation of marketing business plan of agricultural co-operative.

(Reference: Form of management plan of my home compiled by the Central Union of Agricultural Co-operatives, in 1957)

Flow chart on the formulation of the regional agricultural promotion plan



Example of income target

(Unit: 1,000 yen)

Prefecture	Agri. Co-op	Target year of the plan	Income sources	Type of farm household		
				Full-time	Part-time I	Part-time II
Iwate	Kanagasaki	1985	Farm income	4,500	3,550	500
			Off-farm income	0	950	4,000
			Farm household income	4,500	4,500	4,500
Ishikawa	Kawakita-cho	1985	Farm income	7,000	5,500	2,000
			Off-farm income	0	1,500	5,000
			Farm household income	7,000	7,000	7,000
Ehime	Nomura-cho	1990	Farm income	4,500	3,380	90
			Off-farm income	0	1,120	4,410
			Farm household income	4,500	4,500	4,500

(3) A combination of commodities

a. Determination of key commodities

b. Determination on the appropriate combination of commodities

(4) Decision on farming patterns

a. Decision on production techniques by commodities

b. Decision on the scale of production & sales required

(For reference)

Model Agricultural Pattern by Cooperative and Expected Income
(target) of Farm-family.

—Tamagawa Cooperative—

Pattern	Scale at end of 1956	1st Plan (at end of 1961)	2nd Plan (at end of 1966)	3rd Plan (at end of 1971)
Rice and Dairy	4.2 Cows	5	10	13
Rice and Hog	42.5 Pigs	75	120	180
Rice and Poultry	50 Chickens	500	1,000	2,500
Rice and Horticulture	0.1 Hectares	0.2	0.6	0.7
Income Expected	...	500,000 Yen	700,000	1,000,000
(Except rice)	...	300,000 Yen	500,000	700,000

(Rice growing area of a farmer...0.7 hectares)

2. Farm land area under management and number of animals

	Items	Self owned	Borrowed	Total
Farm land under management	Paddy field	a	a	a
	Upland field	a	a	a
	Orange orchard	a	a	a
No. of animals	Dairy cattle			
	Hen layer			

3. Facilities and farm machineries owned

		No. of house	Total area
Facilities	Green house		a
	Cattle house		m ²
	Ware house		
Farm machineries	Tractor		HP
	Transplanter		Lanes
	Combine harvester		HP

A sample of investigation on future planning of member farm household
 Member's code

1. Management type

at present	Full-time farming	
	Part-time class I farming	
	Part-time class II farming	
() years from now	Continue Full-time To be full-time	
	Continue Part-time I To be part-time I	
	Continue Part-time II To be part-time II	
	Quit farming	

2. Income

	at present	() years from now
Farm income (1)	yen	yen
Off farm income (2)	yen	yen
Farm household income (1) + (2)	yen	yen

3. Farm management pattern

	at present	() years from now
Paddy + Orange		
Paddy + Beef cattle		
Paddy + Melon		
Paddy + Tomato		
Quit farming		

My Home's Management Plan

Community :	Name :
-------------	--------

Memorandum regarding land and domestic animals

Classification		Managed land			Land loaned	Remarks
		Own land	Rented land	Total		
Paddy	Single crop	a.	a.	a.	a.	
	Double crop					
	Sub-total					
Field	Ordinary field					
	Mulberry gardens					
	Orchards					
	Others					
	Sub-total					
Total arable land						
Forest						
Plain field						
Residential land						
Domestic animals		Kind	Number	Kind	Number	

Planned production and sales of farm and livestock products

P R O D U C T S						
Kind of products, farm and livestock	Land area or number of animals	Unit	Production		Sales	
			Yield per 10 a.	Volume	Volume	Amount
Rice	a.		kg.	kg.	kg.	
Wheat						
Barley						
Total						

Per 10a = 1/10 hectare

CHART II
Planned Consumption and Purchase of Production Materials and
Daily Necessities

(1) Use of fertilizer and fertilizer purchase plans.

Kind of crop		Paddy rice					
Land area		a.		a.			
Items		per 10a	Volume Needed	per 10a	Volume Needed	per 10a	Volume Needed
		kg.	kg.	kg.	kg.	kg.	kg.
Self-supplied fertilizers	Branyard manure						
	Green manure						
Nitric	Ammonium sulphate						
	Urea						
	Ammonium chlorate						
Phosphoric acid	Super-phosphate of lime						
	Soluble phospher						
Potassic	Potassium chloride						
	Potassium Sulphate						
Chemical compounds							
Assorted fertilizers							
Total							

CHART II (Contd.)
 (2) Planned purchase of farm machines, animals, agricultural chemicals
 and other materials

Farm Machines and Animals	Kind	Brand or breed	Number	Amount'	Time of purchase	Source
	Total					

Procurement of Funds for Purchase of Farm Machines and
Animals

	Kind	Amount	Funds		Borrowings and sources
			Own	Borrowings	

	Item	Use for crops or animals	Unit	Volume	Amount	Quarterly purchase Volume				Volume to be pur- chased from agri. coop.
						Apr- June	July- Sept.	Oct- Dec.	Jan- March	
						Agricultural chemical				
Other materials										
Total										

CHART III
Planned Incomes and Expenditures

Items	Month	April	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Total
Incomes	Agriculture(a)													
	Others (b)													
Expenditure	Agriculture(c)													
	Taxes (d)													
	Others (e)													
Balance (f) (a)+(b)-(c)-(d)-(e)														
Living expenses	Monthly (g)													
	Extra (h)													
Balance (i) (f)-(g)-(h)														
Deposits (j)														
Borrowings (k)														
Drawings (l)														
Repayments (m)														
Cash at hand (i)-(j)+(k)+(l)-(m)														
Original cash at hand (yens)														

Exercise on Business Planning Through Member Participation

Exercise- How to integrate individual members farming plan to agricultural co-operative plan

1. Aim

- a. To draft income target, combination of commodities to be produced, production and sales plans.
- b. On the basis of the accumulation of production and sales plans drawn up by member farm households, sales volumes and amount of agricultural co-operatives which forms a part and parcel of their marketing plan are to be calculated.

2. Implementation method

- a. On the assumption that participants are members of IDACA agricultural co-operative, income target should be set up taking consideration the number of family members with the income target presented by the co-operative as a standard.
- b. In the next phase, either the scale of planting should be determined by selecting commodities to be produced or the scale of raising hen layers should be determined.
- c. On the basis of estimated yield, merchandize ration, joint marketing ration and estimated unit price per 0.1 ha, sales volume and amount through agricultural co-operative should be obtained. These should be substituted for commodity wise gross income and commodity wise income based upon income ration to obtained. At the end overall agricultural income should be calculated and the difference of agricultural income set up at the beginning is to be calculated.
- d. Commodity-wise production and sales volume and sales volume through agricultural co-operative should be totalled.
- e. Sales volume and amount of agricultural co-operative should be calculated by obtaining commodity-wise production and marketing volume by hamlets.

3. Premises in drafting plan

- a. Irrigation and drainage of paddy field is easy and second cropping after harvest of paddy and upland crops is possible. But no crop conversion, namely from paddy into other crops will be implemented.
- b. Current cultivated area under management of member farmers neither increase nor decrease irrespective of crops.
- c. There is no farmhousehold engaged in raising hen layers in A village and also no open-vegetable growers in C village.
- d. No hiring of labour forces.
- e. Utilisation ration of agricultural co-operative is 100% in marketing, in other words, all members utilise the services of marketing.
- f. No other income than agricultural income.

g. Outline of each hamlet:

(Unit: ha. and feather)

		A Hamlet	B hamlet	C hamlet
Number of member households		7	6	6
Characteristic feature of the area		Plain land Urbanization in progress	Plain Land Genuine village	Mountain areas Depopulated trends
Income target (Husband, wife, 2 children)		Yen 3 million	Yen 3 million	Yen 3 million
Cultivated area under management	Paddy	6 ha	7.2 ha	3.8 ha
	Upland	3 ha	4.0 ha	5.2 ha
	Orchards	1.4 ha	2.4 ha	2.5 ha
Number of hen layers		-	3,000	16,000

4. Yield and sales unit by commodities

	Yield per 0.1 ha(kg)	Sales Unit per kg(yen)	Merchandise ratio (%)	Income ratio (%)	(Ref) Working hrs. required per 0.1 ha
Rice	500	345	85	58	124
Wheat & barley	360	160	95	50	55
Soy-beans	300	280	85	60	40
Sweet Potato	3,000	160	90	60	90
Irish Potato	4,000	120	90	45	90
Vegetables	3,500	200	80	56	320
Apples	2,500	240	95	55	250
Peaches	1,800	280	95	56	250
Eggs	*16	230	95	15	**51

* Per hen

** Per 100 hens

12. FIELD STUDIES IN FUKUSHIMA PREFECTURE

I Outline of Agriculture

Fukushima is located in the southern corner of Tohoku district. It is composed of three regions namely Aizu, Nakadori and Hamadori. It has ten cities, fifty two towns and twenty eight villages. Although Fukushima ranks third in land area with 13,782 sq km, in regards to farmland area it ranks fourth with a total of 190,000 ha, because of its topographical terrain which composed of mountains and valleys. Due to its tropical and sub-tropical climate it can raise all kinds of agricultural crops and fruits except mandarin oranges.

Farm households by type, engaged in agricultural management varies since 1960. Full time farmers decreased from 70,312 to 13,000; part time I farmers decreased from 61,337 to 30,000; however part-time II farmers increased from 39,527 to 92,400 which accounted for two third (2/3) of the total farm households. Main reason is that farm labours are shifting to industrial labour specially males thus what is left are females which now accounts for 60% of the agricultural labour power. Consequently household population was also decreased from 55% of the population ratio in 1960 to 32% in 1987. With this population 40.9% are males & 59.1% are females, and as to the age bracket 42.4% are more than 60 years old & 68.5% are more than 50 years old. As regards to present members farm household economy (average farm household income) of 6.9 million yen, agricultural dependency ratio is 22.7% while non-agricultural income and assistance received is 77.3%. While in 1975 agricultural dependency was 46% and non-agricultural income and assistance received was 54%.

II Agricultural Co-operative

There are one hundred thirty one (131) agricultural co-operatives with six branches namely Fukushima, Kuriyama, Shirakawa, Aizu, Iwaki and Souma of Prefectural Co-operative Union of Fukushima. Total membership is 200,209 comprising of 161,540 regular members and 38,689 associate members. There are 179,632 member households of which 144,268 are regular members and 35,364 are associates. There was a slight increase since Directors running the affairs of the agricultural co-operatives are 1,876 (of which 136 are full time) and 495 auditors, with a total of 2,371 officers with 6,820 full time and 558 part time, total number of employees is 7,378.

The major business activities of agricultural co-operatives are (1) savings, 706.9 million yen of which 530.6 million yen in time savings; (2) loans, 269.9 million yen of which 193.6 million yen are in long term; (3) insurance, 7,024.8 million yen (guarantee); (4) supply of goods 121.2 million yen of which 83.2 million for production materials and 37.9 for consumer goods; (5) marketing turnover 173.2 million of which 96.2 is rice. The trend was towards the increase in savings and insurance while other business activities are stagnant.

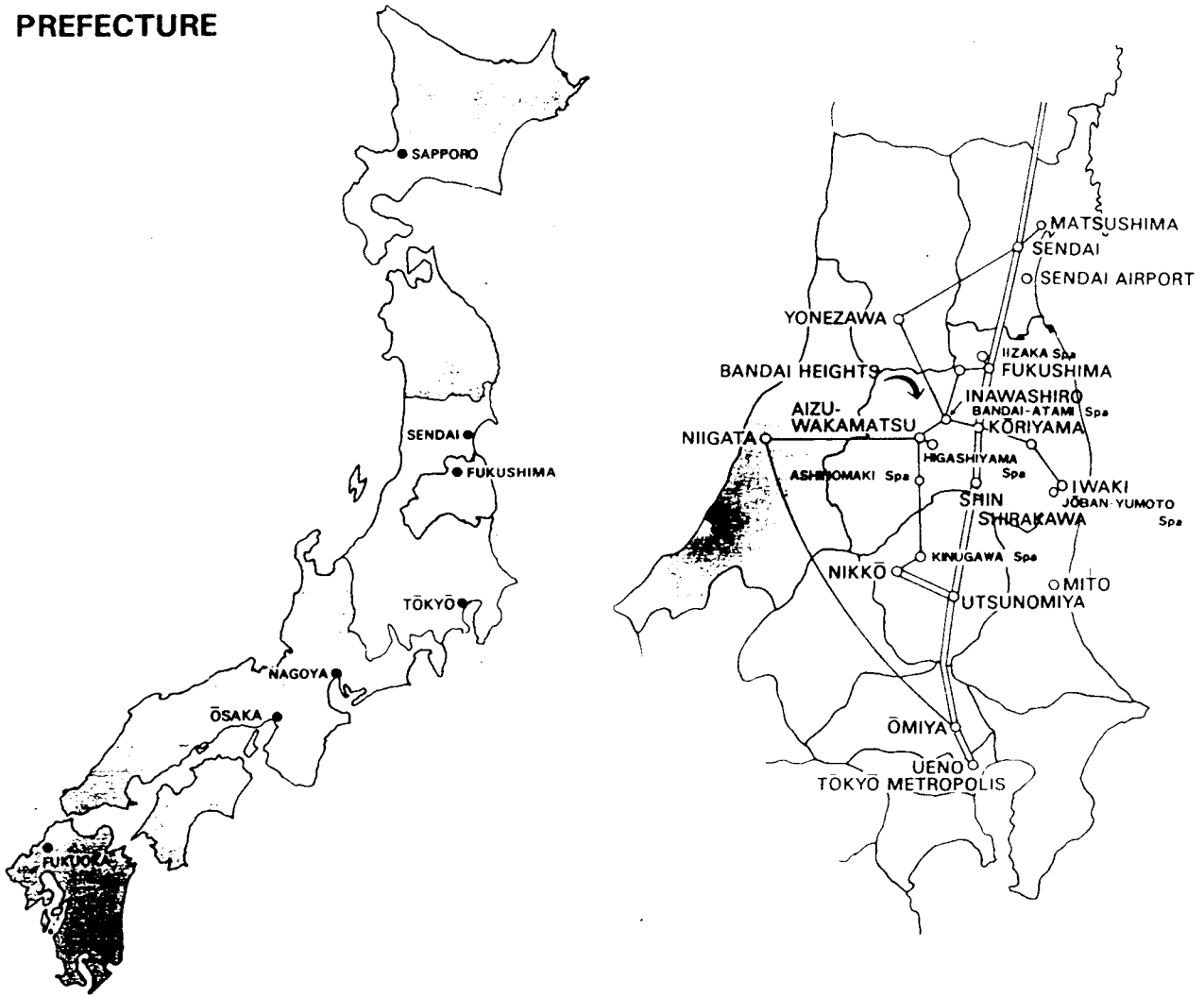
III Organisation and Activities of the Fukushima Prefecture Co-operative Union

A. Organization

The Fukushima Prefecture Co-operative Union is composed of six branches namely Fukushima, Kuriyama, Shirakawa, Aizu and Souma with a total membership of 200,229 of which 161,540 are regular and 38,689 as associates. Total number of member households 179,632 of which 144,268 regular and 35,364 are associates.

The objectives of this union are (i) guidance for member co-operatives in their organisation, business operation and management, (ii) auditing the accounts of member co-operatives; (iii) offering education and information to member co-operatives; (iv) liaison among member co-operatives; (v) investigation and study regarding co-operatives; (vi) any other matters required for attaining their objectives. Total officials of the agricultural co-operatives in Fukushima Prefecture are 2,371.

**LOCATION
OF FUKUSHIMA
PREFECTURE**



B. Activities

1. Training

The union has an education center called Agricultural Co-operatives Education Centre of Fukushima Prefecture. It is located at Hirano-aza Iizakamachi, Fukushima city. It is housed in three storey building with 48 rooms which provided accommodation facilities to 200 trainees. The main objective is to impart a planned and continuous education and training to members, officials and employees to provide basic knowledge, latest techniques and enhancement of consciousness among co-operators. The center is being run by one manager, 10 staff and 35 trainers in their respective specialities. There are 30 different training courses divided into broad three categories.

- i. Basic courses (1 day to 2 weeks) which emphasis on (a) basic history of agriculture in Japan including of some foreign countries; (b) the legal system and (c) accounting system.
- iii. Specialised training courses- Curriculum of this training is dependent on the kind of business societies have taken up.
- iii. Training of officials and employees- includes one year course for new employees, training for Presidents, Directors and Auditors. Due to the down trend in the membership, the Center emphasizes on the aspect or promotion of better living and encourages them to study at the Center.

2. Computer Systems Service

The Prefectural Union maintains a Computer Centre linked up with 126 primary co-operatives, 5 secondary co-operatives and national level federations including Banks by terminals. It has got 150 employees assigned to each primaries and federations. It is designed for *Management Administration* such as management administration system, accounting system, personnel salary system, share- capital system, fixed asset system, patronage dividend calculation system; for *Members Administration* such as member administration system, regional agriculture promotion plan drafting system, production and marketing planning system, pig-raising management examination and broiler management examination system; for *Purchasing Business* such as purchasing business system, advance order system, FOS system in gasoline filling station, LPG system; for *Credit Business* such as business outline system; for *Mutual Insurance System* such as insurance fund management system and auto-transmission; for *Marketing Business* such as marketing account settlement system, livestock and rice business systems.

IV Organisation and Activities of Fukushima City Iizaka Primary Agricultural Co-operative

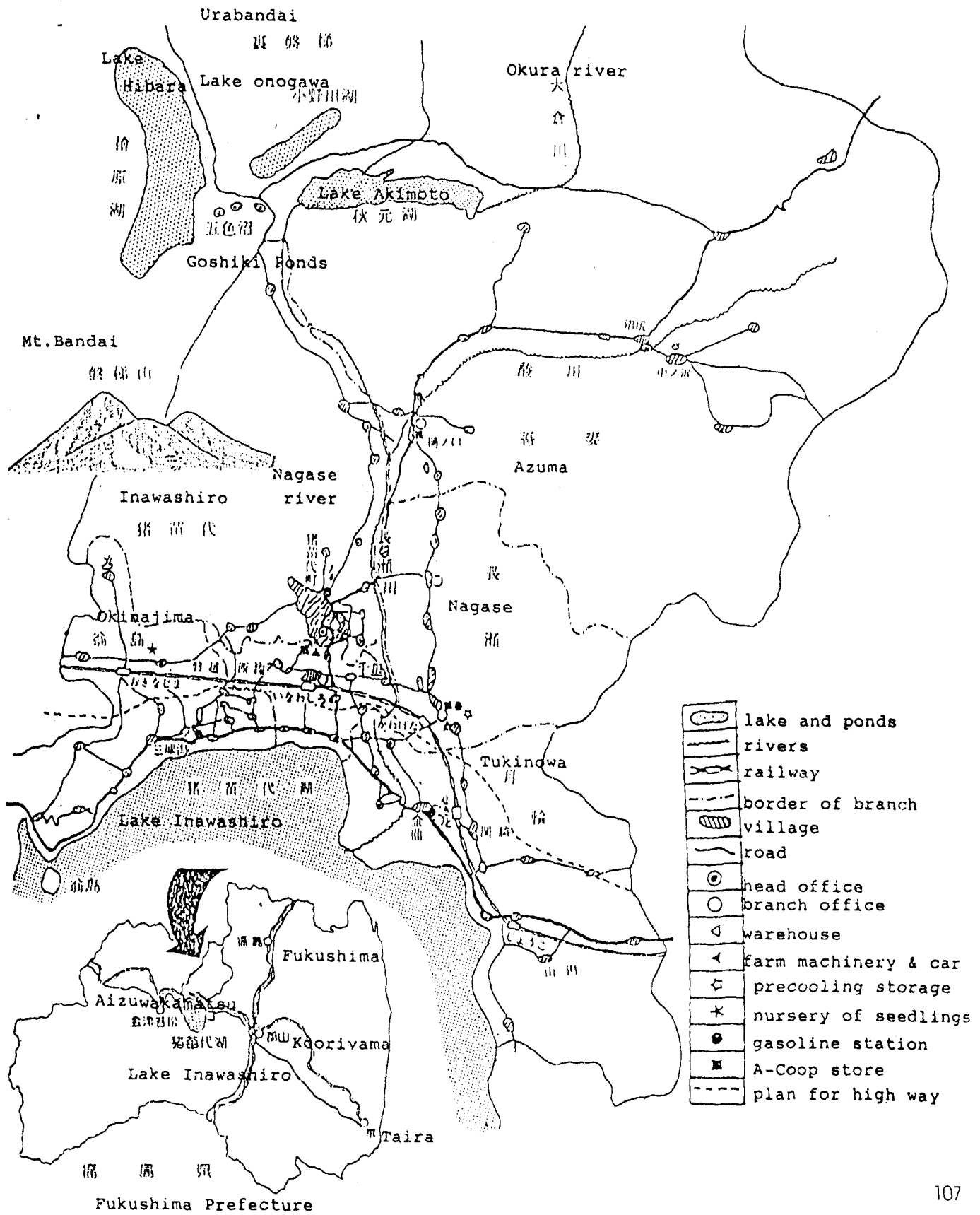
A. Organisation

Its area of operation is located in the northern end of Fukushima prefecture with a population of 27,058 having 7,793 households. It is the biggest fruit producing center in northern part of the prefecture. It is reorganised on January 1, 1983 with the amalgamation of six societies, however it started operating on February 2, 1983. It has total individual membership of 3,071 with 2,147 regular and 924 associate members. There are 2,534 household members of which 1,676 are regular and 858 associates. The number of farm households classified are as follows: full time 357; part time I 382; part time II 937. The business affairs are run by one full time Director who is the President, 26 directors, 6 auditors, one General Manager and 170 employees. Within the society there are 36 Producers Groups and 10 Commodity wise groups. Besides these groups, there are number of associations supporting the society i.e. Farm Successors Council of 162 persons; 720 persons Women's Association; 117 Young Wives' Association. In the management there are four major departments to support the general manager namely the Economic Department; Horticulture Department; Credit Department and General Affairs Department. Besides these departments, a number of councils are formed to support the operation headed by directors. It has also got six branch offices in order to deliver services to its individual members. To support the activities of the primary co-operative, it maintains the following facilities: One Main Office; Six Branch Offices; Five Fruit Grading Centers; one Refrigerator; three Pollen Stock Agriculture Warehouses; three Paddy Nursery Centres; three Petrol Stations; two Main A-Co-operatives and three Sub A-Co-operatives.

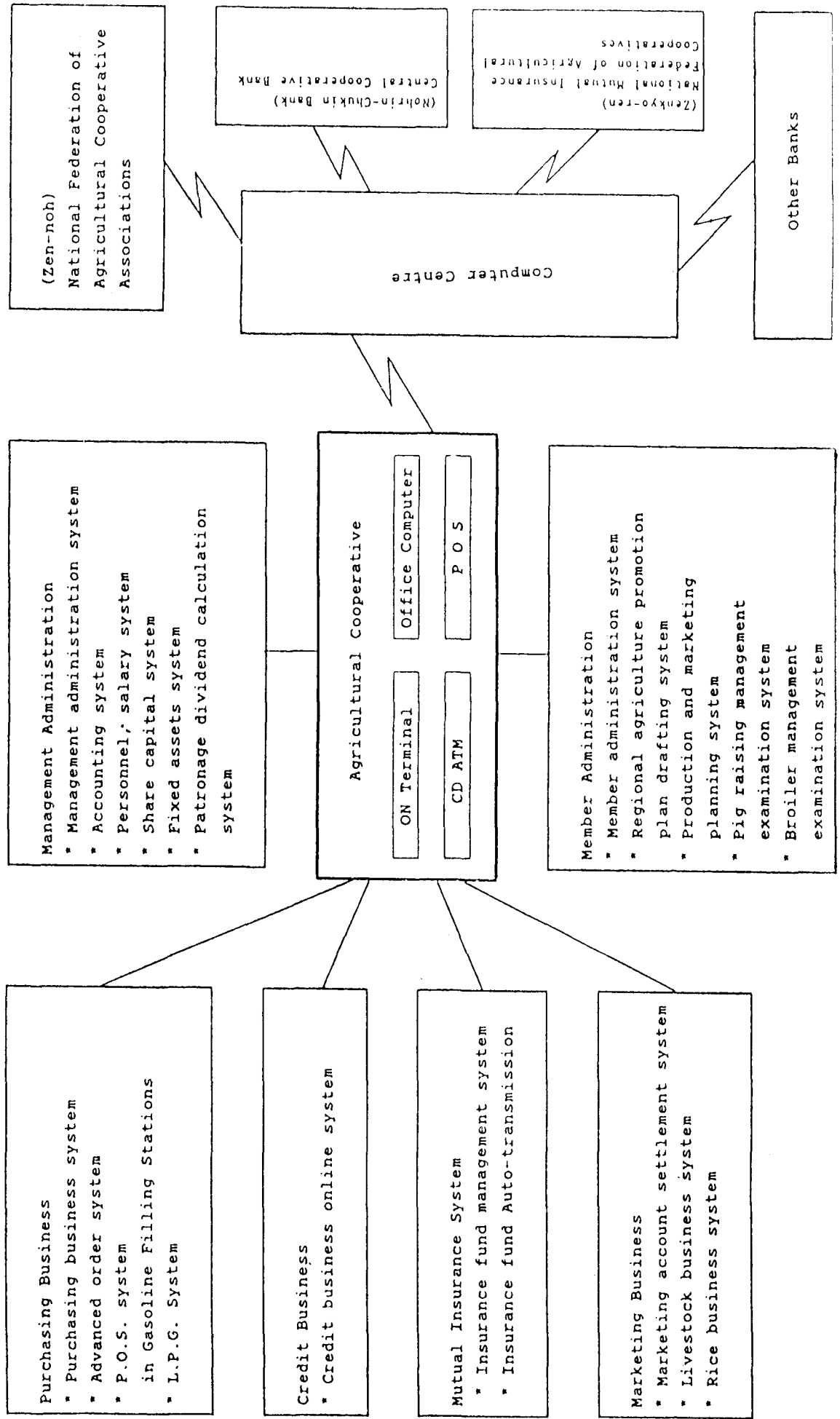
B. Activities

Main products of the Fukushima City Iizaka Primary Agricultural Co-operative are Peach, Apples, Pear, Grapes, Persimmon, Cherry and Rice. Eighty two percent of the farmland is utilised for fruit production and

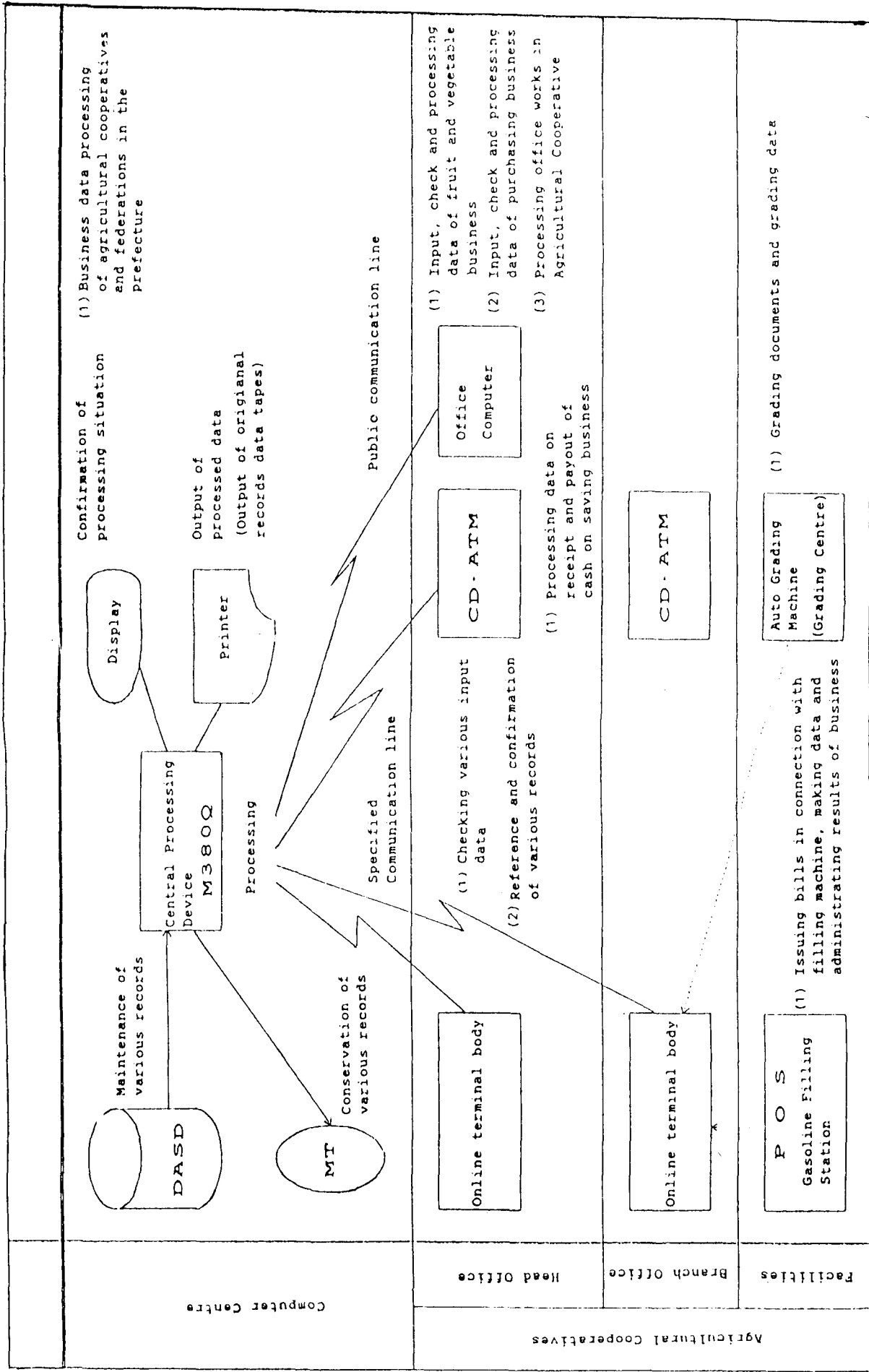
INAWASHIRO MACHI



Agricultural cooperative business and computer system

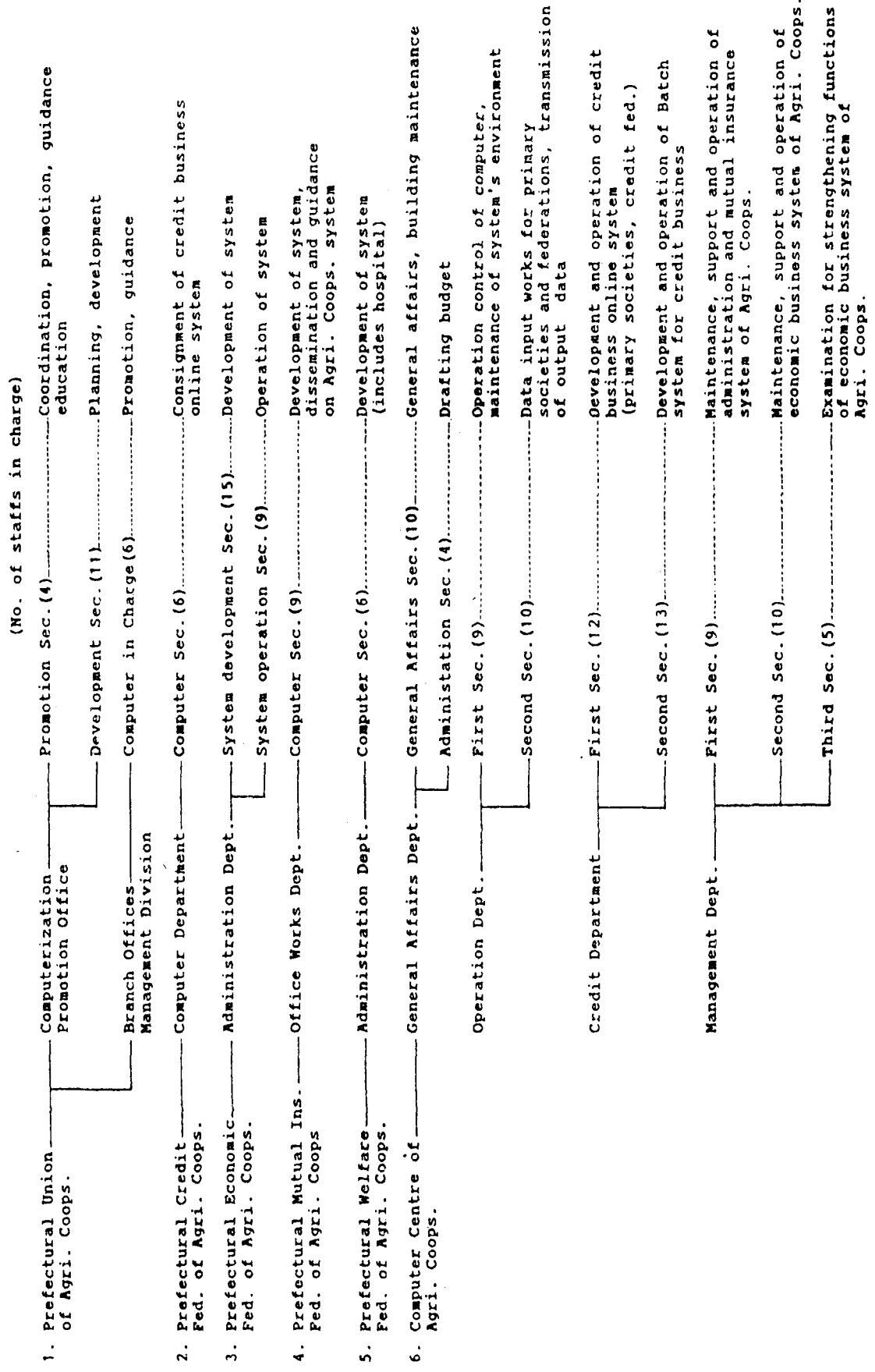


Formation of machines and data processing



Organizations for computer system of agricultural cooperative
organizations in Fukushima Prefecture

<Organizational setup in prefectural union, federations and computer centre> April, 1989



only twenty eight percent for rice production. As fruit production is the main activity of this primary, problems are surfacing due to the overproduction of fruits across the country, competition among different producing centers are increasing, thus, marketing becomes a problem. To cope with these problems efforts are being made to establish brand-goods through integrated marketing system as well as encouraging the production of quality fruits; Expansion of production through strengthening and consolidation of producer's organisation; Promotion of farming complex and improvement of shipping system in order to reduce the cost of production. Vegetables i.e. cucumber, strawberry, asparagus are being encouraged as subsidiary crops to fruits in order to augment the income of the members. In order to accomplish such activity it is necessary that quality organic substance (manure) be secured, appropriated amount be put in the soil so as to increase its fertility, improve shipment system by consolidation of small farm produces and also facilities to keep freshness of these commodities, to develop a brand name and standard packaging. With regards to rice production, due to change in the food habits and increase in the income there should be a shift from coarse to good quality rice in order to secure a position in the market and also establish brand name as Fukushima rice.

Increase in income target of members in order to realize a life and living full of richness, is at least one percent per annum. In order to increase the target management drafted a plan i.e. selection of principal variety based on a reference made by the Fukushima prefecture government. Farming patterns were also changed by management in order to maintain the standard criteria of high quality products. Plan for commodity-wise crop promotion to reduce cost of production and maintain quality; Promotion by establishing farming complexes by commodities, by making redevelopment of each developed area as well as planting suitable crops in suitable land. Because of the dwindling labour force, consolidation of agricultural production is encouraged i.e. persuading part-time farmers to liquidate their farmland and thereby accumulate them into the core farmers. In this case groups are expected to improve and integrated system of production, marketing, upgrading farm techniques and strengthen their management and also utilisation of Youth and Women's association to promote better living activities so as to motivate young successors who will assume responsibility for future farming.

V Orchard Growing Activities

The Fukushima Prefecture Experimental Station is a government farm conducting research in orchard. Research is being done on different types of fruits with special emphasis on apples, pears, persimmon, grapes etc. With the aim and view of increasing their production and improving the quality of fruits concentrated research work has been undertaken to develop new technology to be disseminated to the farmers for their adoption in their fields.

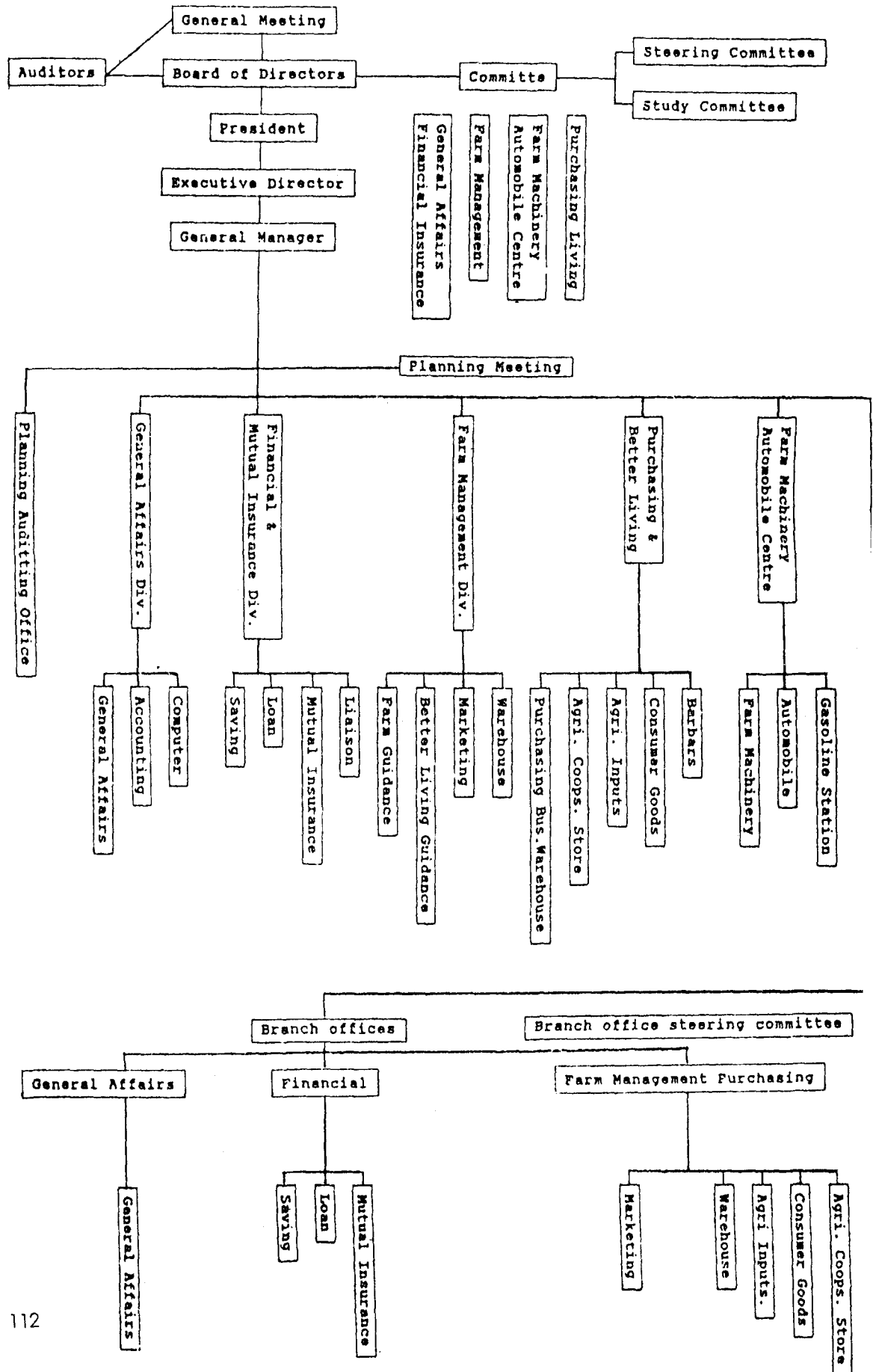
VI Organisation and Activities of Inawashiro-Cho Primary Agricultural Co-operative Society

A. History and Organisation

Inawashiro Valley is situated in between the Bandai Azuma and Adatara mountains one side and lake Inawashiro on the other side. The Nagasa river is crossing the town dividing the plain land into two. eastern part is of mainly sandy soil and western part consists of fertile soil by volcanic ash and alluvial soil. The total area is 345.33 sq. km, however only 44.53 sq km is used for agricultural production. It has a lake with an area of 103.89 sq. km the third largest in Japan with a depth of 93.5 m.

Inawashiro-machi Agricultural Co-operative Society has 4,905 households with a population of 18,991. Out of these 1,780 households with a population of 18,991. Out of these 1,780 and 1,133 part-time. Cultivated area is 3,303 ha. Most of the farm area of 3,239 ha are paddy field and upland field, which only shows that rice and vegetables are the main produce of this society. Total number of members are 2,617 of which 2,396 regular and 221 associates. Total number of officers and employees of this society are as follows: One full time Director; 17 part time Director; 6 Auditors and 152 employees. Within the membership there are 11 Commodity-wise groups. There are also three types of organisation supporting the society namely: Agricultural Production Association, Youth Association and Women's Association. The organisation management is run by the President Executive Officer and the General Manager. There are also Steering, Study and Planning Committees to assist the board of directors. Operation of the management is looked after by the General Manager with five section Chiefs namely: Farm Machinery, Automobile Centre;

Organizational structure of Inawashiro-machi Agricultural Cooperative Society



Purchasing & better living; Farm Management Division; Financial Mutual Insurance Division & General Affairs Division. There are five branch offices established to support the operation and bring services nearer to its members.

B. Activities

The Inawashiro-machi Agricultural Co-operative Society is capitalised with the share capital of 684.07 million yen (5,000 yen per share) one billion and 582 million yen are its fixed assets. It has also investment in other federations to the extent of 146.19 million yen of which 120.42 million yen is with Prefectural Federation and 613.79 million yen reserves for depreciation. Total savings is 10,667 billion yen of which 8,094 billion yen is in time savings, loan exposures 4,147 billion yen; long term insurance policy in force is 108,390 billion yen; and 31 million yen is appropriated for better living activities for its members.

To cope with the various problems such as import liberalization, limited government purchase of rice, shortage of agricultural labour etc. the society designed a three year program to be implemented with the basic policies as follows, (1) Improvement and promotion of agriculture to make use of characteristics of the region; (2) Strengthening healthy and rich better living activities; (3) Promotion of strengthening organisations and management structure to meet changes of environments; (4) Development of agricultural lobby activities to protect agriculture and (5) Development of management with full participation and full patronisation by member

In order to accomplish these basic objectives, farm guidance activities were included in the plan which are as follows: (1) Implementation of the agriculture promotion plan through the utilisation of computer system; (2) Promotion of model projects for agricultural promotion projects through farmland consolidation and modernisation of facilities and collective use of transportation and farm machineries; (3) Establishment of management consultation through sound management; (4) Measures for production techniques through correct application of fertilisers, to attain low cost of production but improve marketing of high quality rice from semi-controlled rice and promotion of other profitable major commodities by strengthening in the fields of biotechnology. Better living guidance was also included as their major activities in order to improve the living condition of its members which are also the following: (1) health care activities through improvement of eating habits, physical exercises in form of sports assembly, encourage medical check-up at least every year; (2) better living activities through promotion of thriftiness; (3) cultural activities through cultural schoolings and having festivals and sports assembly and using publication for members; (4) activities for elder lies and farm successors through education to young generations regarding importance of agriculture; (5) group activities through purchase of the farm household requirements.

VII Farmers' Lives in the Co-operative Primary Society

Mr. Kyuzo Kwajima is 54 years old living with his wife, two sons, two daughters and also his father who looks after vegetable gardening. He is a hard working farmer cultivating an area of 1.54 ha. of farm land which consists of 0.2 ha, paddy field, 0.1 ha ordinary land and 1.24 ha of orchard. His main source of income is from orchard i.e. apples of gyokurin, senshu and fuji varieties and Peach of hikawa, hakuho, akatubi, yamana hakuto, kawanajima, hakuto, yozora varieties. Because of his just experience in orchard and dedication in farming he was elected Chairman of the Peach Commodity-wise group. He manages his farm in organised and scientific manner with the help of his family members and also employing part time labour during peak season. He pays 4,200 yen for male and 4,000 yen to female. His total cost of production is 1.8 million yen. He is very conscious of their security having an insurance premium of 1,000 yen yearly. With all their farm activities his total annual income is 8 million yen of which 70% comes from marketing of his agricultural produce and remaining from non-agricultural income from his older son. With his income he was able to build a house of Japanese style with all gadgets of modern life, a car. He can also afford to travel abroad once a year

The composition of **Mr. Suzuki's family** is seven to include himself and his wife, one daughter who is the eldest and two sons. His father and mother are also living with him. However, only himself and his wife are engaged in farming activities working 250 days in a year. His total farm is of 3.4 ha. paddy field and 0.1 ha. of upland field. He raises rice, soy beans, wheat and barley and orchard. Although he has got a large track of paddy field he is more inclined towards livestock which is the major source of his income. Livestock business is done on collective basis along with other five members with him chosen as the leader of the Commodity-Wise

Group of Livestock. He started cattle fattening with 39 cows in 1988 and at present he is raising 69. He purchased all his cattle from the Co-operative by paying 500,000 yen per head of 10 months old calf. He has to rear these cattle for another 20 months before marketing. According to him the minimum number of cattle to raised in order to be profitable are 50 heads. In order to have a continuous source of income, purchasing and marketing should be staggered quarterly or every two months with minimum level of heads at a time. Along with other 5 members he constructed two cattle sheds with machineries costing

The composition of **Mr. Ukawa family** is eight to include himself and his wife, three daughters and a mother and father, a grandmother. He is managing a total farmland area of 3.9 ha. Currently 1.5 ha. is planted with tomatoes in green houses and the remaining area is now under consolidation operation. He is the leader of the Tomato Commodity-wise group of 60 members. He had vast experience of 20 years in tomato production and gained most of his knowledge from reading books on agriculture, experiments, trial and error being self learning and consultation with other experts. He is also engaged in research in his own farm to improve production and later share it to the members of the group. One of the most remarkable discovery he made is the use of underground irrigation system. According to him tomato growing does not need plenty of water, and that is the reason why green houses were covered with plastics to prevent direct watering from rain. He designed a system by which water is sprinkled from below with small holes in the plastic pipe. The amount of water should only be enough to maintain the correct moisture of the soil every day. The best source of water is underground because of its purity. The average harvest of his 1.5 ha is 12 tons to tomatoes with a total marketing turnover of 4.5 million yen.

VIII Culcural Activities and Historical Places of Fukushima Prefecture

One of the objective of the study visit was to acquire knowledge of the Japanese life and culture. It includes a number of historically and culturally important places and spot of natural beauty.

A. Aizu Tzukiyashi-Ki Estate

The estate is located in the north of Aizu-wakamatshu City. Within the estate there are Samurai quarters spread in a three ha of land. It is known that mostly of the buildings were burned during the Tzoshim battle of 1368. It was reconstructed as the residence of the feudal lords principal retainer. The group visited the Aizu's feudal lord's guest room, lavatory, water mill with 16 rice cleaning machine built about 1389, ware house for weapons and furniture, kitchen, fire place, ceremony house, governor's house, its drawing room for messages from its castle, etc. In the Samurai quarters the group saw a number of display showing the life and culture of Japanese people in those days. Those displays were the Japanese way of receiving her husband, Tonomo Saigo's wife and children killed themselves with swords to avoid capture by the enemy. The Japanese family members used small low individual table with four legs for much easier interaction, etc.

It was observed that Japanese people have been adopting the same type pf culture adopted by their ancestors even in the modern age. They love self-respect. Bowing their head to greet people is a manifestation showing politeness. The group also observed that historical display had helped to guide the people to preserve their way of life.

B. Tsurugajo Castle

The location of Tsurugajo castle is in the heart of Aizu-wakamatsu City in the Aizu-wakamatshu and Bandai region. The castle is fortified with high walls and was built in 1389 by Ashima Naomori, a feudal lord as a symbol of warrior culture. The castle was destroyed after the collapse of the Takugawa Slogunate. It was again rebuilt in 1965 and has a concrete structure with some wooden decor. It is surrounded by a huge stone wall and moat. There is a big park around it. The park is full of cherry trees and innumerable evergreen trees and plants.

The castle has five stories. Antiques are displayed in each storey. The castle itself is a symbolic replica of local history. In the first floor, there are ancient relics excavated way back from the 4th to 7th century related to the Buddhist culture. The second floor holds famous antique laquer and pottery. Different types of weapons connected with the Boshin Battle are located on the third and fourth floor. The fifth floor functions as an observatory platform for interesting folk materials. It was observed that the castle designed was a product of ancient art and culture. It reflects the custume culture. The group observed that such historical thing creates a sentiment of national glory.

C. Aizumura

The Aizumura is a garden located near the Kawahigashi town. It is full of flowers and trees of different seasons.

In the middle of the garden there is a gigantic 57 meters white statue of Aizu Jibo Kannon which is known as Buddhist Goddess of Mercy. An arrangement was made to go up to the statue. In the middle of round steps, gold plated Buddha's idols have been displayed. We were informed that anybody who wants to have his name in one of the idols displayed, a contribution has to be made.

The group observed that the statue indicated the local people's respect to the Lord Buddha and religion. It also showed the Japanese modern art.

D. Dr. Hideyo Noguchi Memorial Hall

The museum is located in the Inawashiro town. In May 21, 1938 it was established in order to commemorate Dr. Noguchi's meritorious deeds. Dr. Noguchi who died in Ghana in 1928 came from a poor farm family. He was a man of hard work, and eventually became internationally renowned for his medical research on snake poison and the bacteria which causes syphilis and for discovery of the yellow fever microbe.

When he was a child his left hand was burned in their fireplace. This incident made him to choose his course in medicine and left with the promise that unless he attain his goal he would never come back on this land again. It was observed that his conviction and dedicated efforts and contributions to the welfare of mankind made him successful in achieving his goal. The group admired him for his contribution in the field of medical research and felt that his work inspired the people for the development of medical research of the Japanese people and the people of the world.

E. Lake Hibara

There are four lakes in the Aizu-wakamatsu and Bandai region. Lake Hibara is the largest one on the plateau spreading 40 Km around its shore. Its location is in the Kitshiohara Village. It was formed when the Hibara river was dammed up. Some said that when Mount Bandai erupted 100 years ago the lake was formed. It has many inlets and lovely birds. Regular pleasure motor boat service is also available for boating in the lake.

All the participants were given chance of boat riding as entertainment. Scenic beauty in the surroundings was marvelous. Such entertainment spot and its scenic beauty are the main attraction for the people.

PART II
ACTION COMMITMENTS

ACTION COMMITMENTS

BANGLADESH

I. Action Plan on Member Participation Activities in Bangladesh by Iqbal Hossain Forkan

01. Current Situation of Member Participation in Agricultural Co-operatives in Bangladesh and Problems

a. Situation

Agricultural sector plays a vital role in the economy of Bangladesh. About 85 per cent of the total population of the country, depend directly or indirectly on agriculture for their livelihood. This factor contributes about 52 per cent to the GDP. The other sub-sectors, such as livestock, forestry and fishery also play important roles in boosting up overall agricultural crops of Bangladesh. The main agricultural crops are rice, jute, tea, sugarcane, potato, pulses, tobacco, spices and oil seeds. Besides, various types of tropical fruits and vegetables are also produced here. Sources of animal protein are fish (mainly sweet water fish, as the sea fish resources have not yet been properly developed), poultry, beef and mutton.

Due to the mischief of law of inheritance, agricultural land holdings in Bangladesh are being divided and fragmented every year, which make them uneconomic for development through application of modern means of production. This is one of the main reasons for which more and more farmers are turning into landless labourers with little scope of full employment for a subsistence. As the holdings are small and becoming smaller day-by-day, cultivation is continuing with the traditional system. Unless some positive measures are taken to remedy the menace of subdivision and fragmentation of holdings, it will always remain a far cry to make any effective development in the agricultural sector. However, member participation activities in Bangladesh are very poor due to illiteracy and inadequate knowledge about co-operative movement, which can be faced by proper and extensive member education programmes, propagation, motivation, training and extension services. But at present, member education programme is fully under the disposal of the government, which should be channelized through the co-operative movement. The co-operative societies do not have sufficient funds for undertaking co-operative member education activities. Besides this, due to inefficient leadership, many co-operative societies cannot manage their day-to-day operations and development programmes in a proper manner, though the co-operative societies has some positive factors such as almost all societies have elected leadership. Structurally majority of the co-operative societies are economically viable and they have clear demarcation of activities to avoid competition with each other.

b. Specific problems

The primary co-operative societies (eg., Union co-operative Multi-purpose societies (UCMPS) and Village Agricultural Co-operative Societies (KSSs) were not properly organised. Education of members and training of key-persons of the primaries could not be pursued by the Co-operative Department, Co-operative Unions and Samabaya Banks (Central Co-operative bank), a secondary level agricultural co-operative society) for want of funds, trained personnel and logistic facilities. For the same reasons, supervision on the primary co-operatives was not effective. Consequently, good management and efficient leadership did not emerge in the co-operative sector. In some cases, the membership and management of the primaries were confined to the affluent few, who exploited the benefits of the co-operatives to the disappointment of the small poor farmers. In spite of insufficient funds, lack of competent leadership and proper education, frequency of drought, flood, cyclone and other natural calamities worsens the problems of the co-operative societies. Often the government, owing to strained resources, could not rehabilitate the co-operative members.

However, considering the problems and potentialities of the co-operative movement, I think that there are bright possibilities of achieving better results through systematic member participation programmes.

02. My Reflections on the Experience Gained in Japan

As a participant, I hope that through the exchange of ideas and experiences from Japanese agricultural development through co-operative movement, it may be possible to devise ways and means for tackling the problems of agricultural co-operative movement in Bangladesh. I fervently believe that the experience of this seminar will enrich my attitude and efforts relating to development of the agricultural co-operatives in my country.

03. Ways of Adaption of the Japanese Experience to Solve the Problems of Member Participation in Bangladesh

On return from this seminar, I hope to hold a general meeting of my society, e.g. Samabaya Bank Ltd., Barisal, Bangladesh, including the representatives of other co-operative societies and concerned agencies of the locality for discussing the outcome and experience of this seminar and also I will explain about the development of agricultural co-operative movement in Japan. On the basis of the discussions at the general meeting, I may be able to draw up and work out a project for remedying the financial problems of the Samabaya Bank Ltd., Barisal and its affiliates as well as for intensifying members' participation to expedite their social and economic upliftment through the co-operative movement.

04. Title of the Project

To cater to the needs of member education and training of the leaders, members and employees of co-operative societies and also to create a regular source of income of Samabaya Bank Ltd., Barisal, by setting up a permanent complex under the name of 'Central Co-operative Management Training Institute', within the present compound of the Bank at Bogwra Road, Barisal, which is situated in the heart of the town.

05. Objectives/targets

- a) To increase the member education facilities,
- b) To give proper training for enhancement of leadership of the co-operative societies,
- c) To inspire the members to the co-operatives to think of them as their own,
- d) To cultivate the patriotic spirit,
- e) To increase the member participation in co-operative movement,
- f) To improve the viability of the society,
- g) To improve the quality of life of the members, and
- h) To create a regular source of income for the society as well as the members.

06. Details of the Activities Involved in the Project

The institute complex will be constructed within the present compound of the Bank on its own land. It will be a 5-storey building, having 9000 sq.ft. floor space in each floor, which will be utilised in the following manner:

a) 1st floor:

3000 sq.ft. will be used by the Samabaya Bank Ltd., for its own purposes. Rest of the 6000 sq.ft. will be leased out on monthly rental basis, preferably to the members of the co-operative society for department store or supermarket.

b) 2nd to 4th floors:

Will be leased out for commercial and official purposes.

c) 5th floor

Will be used as the institute.

07. Strategy for Implementation of the Project

The cost of the project is Taka 11 million, out of which Taka 4 million will be invested from bank's own fund. Taka 3 million will be taken from the lessees, which will be adjusted at the rate of 50% with their monthly rent and the balance Taka 4 million will be borrowed from commercial banks, under their annual credit programme.

08. Monitoring and Evaluation Procedure

Monitoring of the progress of the project would be based on the schedule of activities prepared according to a time plan and same will be undertaken by me. The progress report will be submitted to the meeting of the board of directors and the board will undertake evaluation of the progress of the project. However the final evaluation of the project will be undertaken by an independent team of experts, who will be appointed by the board of directors.

09. Indicatory Budget

Taka 000's

<i>Activity</i>	<i>1st Year</i>	<i>2nd Year</i>	<i>3rd Year</i>
1. Land owned by the Bank	-	-	-
2. Civil construction, including sanitation works	5,000	3,000	1,800
3. Telephone	-	-	30
4. Electricity	-	-	500
5. Furniture & fixtures	-	-	400
6. Miscellaneous expenditure	115	65	90
Total	5,115	3,065	2,820
Grand Total			11,000

10. Income Forecast

A. Income

Taka 000's

<i>Sources</i>	<i>1 Year</i>	<i>2 Year</i>	<i>3 Year</i>	<i>4 Year</i>
1. Rent of 6000 Sq.ft(1st floor)	-	432	432	432
2. Rent of 18,000 sq.ft. (2nd & 3rd floors)	-	-	1,080	1,080
3. Rent of 9,000 sq.ft(4th floor)	-	-	-	432
Total	-	432	1,512	1,944

B. Adjustment of Advance & Loan

Taka 000's

Description	2 year	3 year	4 year	5 year	6 year	7 year	8 year	9 year	10 Year
1. Adjustment of Advances of lease	216	756	972	972	84	Total advance of Taka 3000 adjusted within first 6 years.			
2. Bank loans refund with interest	-	480	700	700	1600	1600	165.42	Total of Taka 6,245.42 refunded within 8 years	
3. Own capital return	-	276	252	252	230	294	668.58	1834	1724
4. Maintenance	-	-	20	20	30	50	110	110	220
	216	1512	1944	1944	1944	1944	1944	1944	1944

II. Action Plan to promote member participation through business activities of Central Co-operative Bank Ltd., Naogaon, Bangladesh by Mr.Mohd.Aminul Haque

01. Assessment of the Present Situation of Co-operatives in Bangladesh

Member participation activities in Bangladesh are very limited due to the following factors:

- i. The support and assistance provided by the government for member education programme are not channelled through the co-operative movement,
- ii. Co-operative societies do not have sufficient funds for co-operative member education activities,
- iii. Generally, many co-operative societies are incompetent to manage their development activities,
- v. Lack of competent leadership.

Co-operative societies in Bangladesh have the following positive factors as people's organisations:

- a. Majority of societies have elected leadership,
- b. Structurally, majority of the co-operatives are economically viable,
- c. Societies have clear demarcation of activities to avoid competition with other societies.

Considering the problems and potentialities of the Co-operative movement, I think that there are possibilities of achieving better results through systematic member participation programmes:

Title of Project

To construct a petrol pump.

Objectives

- i. To increase the economic activities of the co-operative, which will enhance member participation to make available the continuous supply of fuel at low cost to members. This will also benefit the community and the nearby rural villages.
- ii. Get the market share of the industry's fuel demand.
- iii. Activities can be expanded like selling spare parts, tyres, auto service/repairs, accessories and other related items.

Participating organisations

Central Co-operative Bank Ltd., Naogaon, Bangladesh.

Location

Municipality Road, Naogaon, Bangladesh.

Member participation

During the last annual general meeting, held in December 1988, a resolution has been adopted to establish a petrol pump.

Rationale

Naogaon is a newly born district headquarter town and the main communication media is road transport. So petrol and diesel is most important and essential commodities. the population of Naogaon town is about 200,000.

Petrol

Motor cars/jeeps	:	350
Motor cycles	:	2800
Daily consumption	:	15 litres/ 5 litres per vehicle
Total per day	:	19250 litres

Diesel

Lorry/Tractors	:	500
Passenger Buses	:	200
Mini Buses	:	150
Daily consumption	:	30 litres per vehicles
Total per day	:	25500 litres

Strategy

The cost of the construction and operation is about Taka 2,000,000. Out of the total cost, Taka 800,000 will be mobilised from own resources and member's contribution and the balance of Taka 1,200,000 will be financed by Meghna Petroleum Corporation, an autonomous body.

Budget

	<i>(Takas)</i>
1. Land	200,000
2. Construction	1,650,000
3. Telephone/electricity	560,000
4. Furniture/fixtures	10,000
5. Licence Fee	5,000
6. Operation Cost	85,000
Total	2,000,000

CHINA

1. Action plan for Hebei Federation of Supply & Marketing co-operatives, by Mr. Zhang Yu-Qing

The International Co-operative Alliance (ICA), the Institute for the Development of Agricultural Co-operation in Asia (IDACA) and the Central Union of Agricultural Co-operatives (CUAC) provided us with this opportunity - the Regional Seminar on Member Participation in Agricultural Co-operatives for Asia. It makes possible for us to learn the excellent, effective and precise experience from the respective countries, especially the Japanese agricultural co-operative movement. I will return to my own country, with a lot of knowledge obtained in this seminar, on 05 August, 1989, after having a tight, interesting and knowledgeable three weeks.

Comparing the Japanese agricultural co-operatives with our supply and marketing co-operatives, there are quite a lot of differences between them, for instance, most of the population of China is involved in agriculture but in Japan, it is just the contrary, most of the Japanese are not involved in agriculture and also there is a tendency for the younger generation of the farmers to remove from the rural life to urban life. Also most of the advanced countries put part of the output of the industry into the agriculture, but China is the contrary, we have to put a lot of funds earned by agriculture in the industry. Also the Japanese agricultural co-operatives are the principal channel related to agriculture. It is possible for the plantation, harvest, storage, transportation and promotion but in China related to agriculture, we have supply and marketing co-operatives, the ministry of commerce and the ministry of agriculture. Why I said this is to try to clarify that not all the advanced experience of Japanese agricultural co-operative movement are suitable to the Chinese supply and marketing co-operatives.

But there are a lot of precious experience which are quite useful to our work, for instance, since our reform on agriculture, industry and so on has been practised for almost eight years, along with the improvement of their living, people are paying more and more attention to money making, no exception for the Chinese supply and marketing co-operatives, especially the grass-root co-operatives, the constitution of the co-operatives clearly states that the aim for the co-operatives is to provide a better and comprehensive service to the farmers. But now a lot of grass-root co-operatives do not do so, what they do is nothing but making money, they look upon the money making highly above service to the farmers, so gradually the co-operatives lose the trust of farmers and lose the attraction to farmers. This is the most serious problem that the Chinese supply and marketing co-operatives are facing now. But from the seminar, we learned how the Japanese agricultural co-operative movement attained the trust of farmers as possible as they can. For example, in order to make a better plan, the primary agricultural co-operative societies send a lot of commodity-wise advisors to go to the hamlets to have discussion with the individual farmers, to give advice and guidance considering the climatic conditions, the soil condition and so on, they educate and train the farmers not to spend the limited investment on unnecessary things such as overuse of the fertilizer, the pesticide and the farm machine. On one hand, they are the advisors to the farmers. They should give them correct and precise guidance and advice, otherwise the farmers will not trust the agricultural co-operatives any longer. But on the other hand, they are employees of the agricultural co-operative societies, they get the salary from the agricultural co-operatives, so there is a contradiction but the commodity-wise advisors would rather choose the first one. The leaders of Japanese agricultural co-operatives have recognized the problem, by they think by doing so, it can enrich the life and livelihood of the farmers. This is the only way to obtain the trust of the farmers. This is not a near-sighted action but long-term perspective, so that the farmers will highly appreciate the channels provided by the agricultural co-operatives, not the private channel as the farmers in Japan are free to choose the provided channels.

From the last three days of the seminar, we learnt how to integrate individual members' farming plans to agricultural co-operative's plan. We have to confess that the business planning of the Japanese agricultural co-operatives is really well done. the rice land, vegetable land, the orchard, the farm machinery, the fertilizer and pesticide, the material supply and products preparation are all under precise arrangement. For example, they have the rice control programme because the farmers produce so much rice, so there is no waste of land and no waste of products. But in the country side of China, no much attention is paid to what the farmers plant and how much the farmers produce. So sometimes, there is a large waste of certain products and at the same time, there is a great shortage of certain products. That

is to say that the business planning of the Chinese supply and marketing co-operatives is not done as well as the Japanese Agricultural co-operatives.

Why the Japanese agricultural co-operatives makes the business plans so excellently, I think one of the reasons is that they have done plenty of field investigation; as we are told, every employee of the agricultural co-operative has to at least once a month go to the hamlets to have discussions with the farmers and to do the research work; even the directors and the managers of the society are included. But in China, the co-operatives in upper level make business plan according to the reports sent by the grass-root co-operatives and the staff in grass-root co-operatives do not pay much attention to the field investigation on individual farmers. So the business plans we make lack precise foundation and there certainly exists blindness in business planning. To my mind, the Chinese supply and marketing co-operatives should adopt that regulation, no matter what level the co-operatives are, the staff should go to the deep masses of farmers to do field investigation. This way the blindness will be cut down in making business plans.

There is also one thing I want to mention, the Japanese agricultural co-operatives provide a marvelous technical guidance to the farmers, for example, there is orchard, we may say an experimental orchard, in the agricultural co-operative society in Fukushima Prefecture we visited. All kinds of fruits and each kind with different varieties, are being experimented and then they scatter the techniques of growing fruits to the fruit growers. I found the farmer we visited, who owns a peach orchard, handles the peach tree just like the peach trees in Fukushima Prefecture. The Japanese agricultural co-operatives are giving more emphasis on providing the technical guidance to the farmers. That is why the farmers, who amount to only 3.4% of the total population, can provide enough food for the total population. But in China, the farmers amount to 80% of the total population, yet cannot produce enough food for the total population. This is because the Chinese supply and marketing co-operatives neglect the technical guidance to the farmers and also they do not have enough technical manpower as the Japanese co-operatives have.

What I mentioned above is just one or two aspects of the advance experience of Japanese agricultural co-operatives. There are still a lot of useful experience which can be practised in the Chinese supply and marketing co-operatives. So after going back to China to Hebei province, being an interpreter and translator, first I will translate all the materials given here one by one. If possible, I will get them published in the magazine run by our federation so every farmer will know how the Japanese run their agricultural co-operatives, what are the useful experiences which can be adopted to our co-operatives, how they solve their existing problems and how they make the business planning on member needs. Secondly, since our directors already know what they Japanese agricultural co-operatives are, I will persuade them to select one or two counties to try on the learned experience, to check in reality what experience is practical in the Chinese supply and marketing co-operatives and what experience is not suitable to the Chinese co-operatives. Then we will promote the suitable experiences tried in the pilot projects, to other co-operatives in China. Surely I will make a report on how the pilot projects are going on to the ICA and IDACA, if the pilot plans are executed.

From the name card you can see, unlike the other participants, I am just a common staff. I do not have enough power to decide to adopt the precious experience of Japanese agricultural co-operatives. What I can do is to persuade the leaders to do that. Anyhow, I will do my best to put what I got from the seminar into my work in Hebei province of China.

II. Learning the guidance programme from the Japanese agricultural co-operative societies ***Gao Chang-Sheng***

I have obtained the common knowledge about the Japanese economy, agriculture and the agricultural co-operative societies, since I have stayed in IDACA for three weeks. By means of studying and visits, I got to know something about the management of guidance programmes, sales promotion, purchasing activities, credit, insurance, welfare system, processing industry and so on in the Japanese agricultural co-operative movement.

Among all these activities that the Japanese agricultural co-operatives are involved in, to my mind, the Chinese supply and marketing co-operatives should learn the guidance programme first. Through attending the class and visiting, I feel that Japanese agricultural co-operatives give emphasis on the guidance programme. They look upon it as the centre of purchasing, sale, credit and insurance.

By studying in the seminar, I feel that the guidance programme mainly include the following activities:

1. Improving the soil condition by using the technical knowledge of the agricultural co-operatives,
2. Providing facilities for large amount of agricultural and side-line products. For instance, the large scale peach production in Fukushima prefecture.
3. Organizing the farmers according to professions, exchanging the techniques on plantation and livestock raising, improving the level of technical knowledge of the members,
4. Analysing the results of the management. For example, the computer centre of the Central Union of Fukushima Agricultural Co-operative Society.

Since the systematic reform in 1982, the Chinese supply and marketing co-operatives are paying more and more attention to learning the experience of the Japanese agricultural societies, they provide all kinds of services to the farmers for production. After the responsibility system was carried on in the country side, the farmers need the help of the co-operatives for providing the information, techniques and service in guidance, analysis and management. So the experience I gained in this seminar about the guidance programme is worth practising in the chinese co-operatives.

The following is my main plan on learning the experience of Japanese agricultural co-operatives:

- i. To make a clear report to the leaders on the advanced experience I gained in this seminar and to hold meetings to have discussions about that.
- ii. To select Huailai country and Wanguan country in Hebei province for the two pilot projects.
- iii. To provide guidance on vegetable production to the farmers around Beijing city to meet the needs of the Beijing vegetable market.
- iv. To set up a large scale wholesale market of vegetable in the outskirts of Beijing city, to promote the vegetable produced by the members of the co-operatives and to provide information to the farmers on the market situation.
- v. To establish a computer system to make analysis on the management of farmers and co-operatives.

INDIA

1. Action Plan by Mr. Harish Chandra

01. Current Situation

If we go by the numbers and membership of the agricultural co-operatives, we are the largest in the world, having 0.35 million co-operative societies with a membership of 150 million and a Rs.480,000 million working capital. But if we see the quality of societies and role being playing in improving and expanding the agriculture, the picture is not very encouraging.

As a whole, the co-operative movement should be a tool and means of freeing the masses from bondage and exploitation, from the moneylenders and feudal lords who are thriving on the money lent to the members of the co-operative societies. This practice is driving away the members and creating a bad name for the movement. Frankly speaking the participation of the members is absolutely negligible. It is the officials of the society who are running the whole show without even the knowledge of the members.

In few cases, the management is being run by the officers of the government, who if trying to streamline and involve the genuine members in the participation and try to channelize the benefits to normal members, sometimes they are shunted out by the vested interests.

02. Specific problems

Ignorance and illiteracy among the masses are the greatest stumbling blocks in the education and participation of the members and unfortunately these also act as great advantages in the hands of vested interests, landed gentry, money-lenders and corrupt officials.

The extent of awareness is so much that members even don't know what co-operatives mean to them, how can it help the farmers in improving and expanding agriculture so as to improve their socio-economic conditions. Like any other credit institutions, agricultural co-operatives are also considered as lending institutions, a substitute for village money lender. By forming a co-operative alliance, it can help them in getting a number of benefits, i.e. joint use of agricultural machinery, irrigation, nursery, marketing and overall education, is a dream to them. It is also in the interest of the landed gentry and rich peasants not to allow the benefits of the society percolate to the members down below them - small and marginal farmers, etc. In the name of the members, other influential and village hoodlums take away the money and poor member has to pay it back by selling their farms.

Unfortunately the spirit of self-help, give and take and helping each other in village life has disappeared very fast while this spirit of co-operation is the basic feature in the success of co-operative societies.

03. My reflection on the experience gained in Japan

In fact members participation as well as education and training are basic pillars of the success of the agricultural co-operative movement in Japan and ultimately the prosperity of the farmers in the rural and semi-urban areas. Another factor is the co-operative comradarie among the farming community. They are also conscious of nationalism and want to be respected and honoured as a great nation. Another thing is the desire for learning from each other and experiments. Other factors are hard work, discipline, perfection, precision and honesty of purpose. The greatest factor in the success of the co-operative movement is 100 per cent literacy in the country which make them aware about good food, health and better living and spirit of healthy competition among the farmers.

04. Ways of adapting the Japanese experience to solve the problems of member participation in the country

- a. To encourage the member participation, the ice has to be broken either by the government or voluntary agencies. As till now voluntary agencies have not been able to activate and increase member participation, it is the government which should take lead by selecting one or two or even more than that genuine, honest and dedicated members to be educated about the importance, use

and benefits of co-operative societies for the benefits of the farming community, which ultimately benefit the nation as a whole. This group of farmers will make a nucleus in every village for spreading the message of co-operative movement, encourage farmers, forming youth's associations, women's societies, hamlet groups as well as commodity-wise groups. They will organise wide awareness campaign, hold meetings for improvement of agriculture. At present, there is nothing like providing farm guidance for members to use new techniques of production, optimum use of fertiliser, insecticides and pesticides, seeds, etc. All these credit services should be integrated with farm guidance. There should be two types of education for the members:

- i) *Formal* - selected farmers should be given intensive education on agricultural co-operatives and farming, in co-operative training as well as agricultural extension training schools,
- ii) *Informal* - informal education and training be organised for members and other farmers in the village on the occasion of festival fairs and sports assembly. There are a number of co-operative institutions, providing variety of services, i.e. short term, medium term and long term.

The system of multi-agencies operating in an area be abolished and single window concept be introduced to provide short term, medium term as well as long term credits to the members, for providing different inputs and marketing facility, forward and backward linkages be provided so that members are able to easily get all the inputs for agriculture and remunerative prices for their produce. Procedures for getting services will be thus simplified.

05. Title of the project

'Mass Education and Training for Members'.

06. Objectives and targets

There are sixty revenue districts in Uttar Pradesh. To begin with only 30 districts be selected for education and members participation within the next 3 years.; first year 10, second year 10 and third year 10 districts.

- i. Improvement and promotion of agriculture,
- ii. Strengthening system for inputs and marketing,
- iii. Strengthening healthy and better living activities,
- iv. Development of agricultural lobbying activities to protect agriculture,
- v. Development of management of full participation and full patronisation by members.

07. Details of activities involved in the project

- i. Arrangement of easy flow of credit and other agricultural facilities,
- ii. Farm guidance activities,
- iii. Better living guidance,
- iv. Marketing business - food grains, horticulture and livestock,
- v. Warehousing business,
- vi. Purchasing business,
- vii. Consumer goods,
- viii. Management and finance.

08. Strategy

- a) Two-pronged strategy be adopted:
 - i. education and training to members,
 - ii. easy supply of credit for agriculture and other diversified activities.
- b) Education and training:
 - i. Formal - through co-operative colleges and extension training schools,
 - ii. Informal - meetings and gatherings in village, festival, fairs and sports assembly.
- c) Role of government officials should be of a friend, philosopher and guide and not that of a bureaucrat. Voluntary organisations be encouraged.

- d) Honest, dedicated and committed officials be rewarded and inefficient and corrupt be punished.
 e) Severe punishment be given to corrupt and dishonest directors.

09. Monitoring and evaluation

Monthly monitoring of the activities be done at village, tahsil and district levels. Evaluation be conducted twice in a year and recommendations be strictly implemented.

10. Indicative budget - INR .45 million.

(Amount in Rs./lakhs)

Activity	1st Year	2ndyear	3rd Year	Total
1. Education & extension staff-recruitment	2.5	3	4	9.5
2. Infrastructure for education and equips	3	4	5	12.0
3. Publicity - Radio,posters, brochures,pamphlets, Video films	5	7	8	20.0
4. Vehicles	3.5			
	14.0	14.0	17.0	45.0

Land Development Banks to provide finances and introduce the system through their branches.

Introduce through colleges run by NCUI and agricultural extension colleges.

II. Action Plan by Mr.A.K.Chaudhury

The most distinguishing feature of the primary agricultural co-operatives in Japan is the almost 100 per cent membership of farmers and their total participation in all the activities of the co-operatives. It is said that the co-operatives in Japan take care of their members from the cradle to the grave. Collection of their savings, advice, guidance in the formulation of individual farming plan and integrating it with the plan of the society, marketing the farm produce, providing for various kinds of insurance, providing farm inputs and implements, providing consumer items, advising on better living, making arrangements at the time of birth, marriage and also death, are the activities of co-operatives. In other words, the farmers here do everything through co-operatives.

On the other hand, the primary agricultural co-operatives in India cater to the needs of only short and medium term loan and that also of only a small per centage of member farmers. Although there are 89,010 primary agricultural co-operative societies, the percentage of borrowing members is less than 35% for the country as a whole. Participation of members in the activities of the co-operatives is negligible.

The main problems are:

- a) very low turnover,
- b) heavy default on the part of members and their ineligibility to borrow,
- c) lack of infrastructure,
- d) management of the society in the hands of a few vested interests.

The last problem is the result of lack of awareness of their rights and duties among the member farmers and lack of participation in the activities of the co-operatives.

Since my experience is limited to Bihar, I shall confine myself to Bihar only, where also the primary agricultural co-operatives suffer from the same malaise as elsewhere.

A quick survey report of all primary agricultural co-operatives for the period 1980-85 revealed that most institutions had become sick and that more than a 3rd of the 6757 such societies had been declared non-viable. While the total co-operative membership was reported to be around 57 lakhs, barely 12 lakh members had availed of a co-operative loan once in the last 12 years. Out of these, about 3 lakh members were categorised to be wilful defaulters. The collection of co-operative dues was also at a low level. While the overdue in absolute terms was Rs.36 crores only, in terms of percentage this was more than 75 per cent. This not only shows very low turnover per primary agricultural co-operative but also heavy overdue. However, the state government came to their rescue and by giving them share capital assistance and other concessions make them eligible for refinance from the lending institutions, but this was treating the symptom only and not the disease. The real problems are (i) low turnover, (ii) huge overdue, (iii) lack of awareness of their rights and duties, (iv) non-participation and (v) lack of infrastructure. Most of them have not got their godowns. The turnover is so low that they cannot afford to have a paid staff to manage the affairs of the society.

A multi-pronged strategy has, therefore, to be adopted to improve the health of these co-operatives through member participation. While some assistance can be given to all the societies, a comprehensive package has to be limited to a few societies only due to constraint of resources. We shall, therefore, discuss only a comprehensive project which has been prepared for about 1500 such societies spread over in 20 districts. The idea is that the success of this project will stimulate other societies and follow suit by generating internal resources through member participation and some state assistance.

Title of the Project

'Establishment of 1500 co-operative rural growth centres in 20 districts.

Objectives

- a) to provide loan and other farm inputs to member farmers;
- b) to provide marketing facilities for the farm produce;
- c) to make the primary agricultural co-operative nucleus of all-round development of the member farmers through member participation.

The project has three main constituents:

- i) construction of 1500 godowns each with 100 mt capacity,
- ii) imparting training and creation of training facilities,
- iii) to diversify and prepare a plan for the business and farm activity of each primary agricultural co-operative and to provide financial assistance for the same. (Unless the activities are diversified, the turnover of the co-operatives will not increase).

Each of these activities except the construction of the godowns will be executed by the member farmers. They will, however, supervise the construction of godowns.

The **work of the construction** of 1500 godowns would be completed by March 31, 1993:

- a) 200 in 1989-90
- b) 300 in 1990-91
- c) 500 in 1991-92
- d) 500 in 1992-93 (31.3.1993)

After that the training of the member farmers and formulation and implementation of farm and other business plans would continue till 5 years by which time, it is expected that the member farmers would not need any outside assistance and run the affairs of the co-operatives by themselves.

For the execution of the project, a project cell has been constituted at the state level and also at the concerned district level in which the representatives of the co-operatives are also there.

The total **project cost** is Rs.33.78 crores. The break-up is as follows:

i) Construction of godowns	25.00 crores
ii) Training and development of infrastructure	4.28 crores
iii) Promotion of business	4.50 crores

The following will be the **funding pattern**:

1. *Construction of godowns:*

a. NCDC's loan to the co-operatives through the state government	50%
b. Share capital assistance by the state government out of the loan from NCDC	35%
c. Share capital assistance by the state government out of its own budget	10%
d. Internal sources of the society	5%

2. *Training and development of infrastructure:*

a. Expenditure on project cell and training during the project period will be borne by NCDC. The money will be given to the state government as grant.	100%
b) For purchase of vehicles for the field staff, NCDC will give loan to the state government	100%

3. *Promotion of business*

Share capital assistance by the state government out of loan from NCDC	100%
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Details of activities involved in the project

a) *Construction of godowns:*

- i) Establishment of project cell at the state headquarters,
- ii) State level monitoring and evaluation committee,
- iii) Selection of districts,
- iv) Establishment of project cell at the district level which will consist of representatives of the beneficiary primary co-operatives also,
- v) Selection of primary agricultural co-operatives. Preference to be given to those (i) which have their own land for the construction of godown; (ii) which have a reasonably good business turnover; (iii) whose position of overdue is reasonably good; (iv) where the level of participation by the members is good,

- vi) Preparation of estimates for the construction of godowns,
- vii) Selection of executing agency,
- viii) Sanction and release of funds,etc.

b) Training and development of infrastructure:

- i) Purchase of vehicles,
- ii) Engaging some training institutions for the training of member farmers,
- iii) Selection of some trainers from the existing institutions for mobile training programmes,
- iv) Purchase of training tools,etc.

c) Promotion of business:

- i) Preparation of farm planning with the help of extension officers of the Department of Agriculture,
- ii) Arrangements for the marketing of the agricultural produce of the member farmers,etc.

The first four activities regarding the construction of godowns have been completed, namely (i) establishment of project cell at the state headquarters, (ii) state level monitoring and evaluation committee constituted, (iii) selection of districts, and (iv) establishment of project cell at the district level. When the beneficiary societies are selected, their representatives will be included in the district project cell.

It may also be noted here that some of the activities may be taken up simultaneously. While the work of construction of godowns is under progress in some of the societies, the work like selection of societies in other districts, preparation of estimates and sanction and release of funds,etc. may be done. Also where the godowns have been completed, training programme and promotion of business activity may start.

Time frame of the project may be summarised as follows:

a) Selection of 200 primary agricultural co-operative societies	8 weeks
b) Preparation of estimates	4 weeks
c) Selection of executing agency	3 weeks
d) Sanction and release of funds	1 week
e) Actual construction work	28 weeks
f) finalisation of bills,etc.	4 weeks.

It may be noted here that some of the activities like selection of co-operatives, preparation of estimates,etc. cannot be confined to a single year. In the first year, may be, efforts are made to select more than 200 co-operatives. Likewise the estimates once prepared may be applied in case of other co-operatives also as the estimates may be prepared literally so as to take care of some variation in the price of various materials. It is for this reason that it is expected that in the first year, 200 godowns will be constructed, but in the second year 300 and in subsequent 2 years 500 godowns each can be constructed. A budget estimating expenditure for each year is provided in the Annexure to this plan.

In case of other two activities i.e. training and development of infrastructure and promotion of business, the Annexure contains yearly budget allocation.

It is expected that in the second year of the project, both these activities would be started in 200 co-operatives; in the third year in 300 co-operatives and in the fourth and fifth years in 500 co-operatives each. Although the fund will be released at a time, it is expected, however, that the co-operatives in consultation with district cells will prepare their own five-year plan for these two activities.

It is expected that with the implementation of this project, these co-operatives will become viable, the turnover will increase to a great extent, the business will be diversified and above all the members will fully participate in all the activities of the co-operatives as they would start getting remunerative prices for their farm produce, through the co-operatives. It is also expected that these co-operatives will set example for other co-operatives and through their own efforts and the financial assistance of the state government, in the beginning they would also strive to become self-reliant and vibrant instruments of socio-economic change in rural life.

ANNEXURE

INDICATIVE BUDGET

Unit = lakhs

Activity	1st year	2nd year	3rd year	4th Year	5th year
A. Construction of:					
200 godowns	332				
300 godowns		498			
500 godowns			830		
500 godowns				840	
B. Training & development of infrastructure of:					
200 co-ops		57			
300 co-ops			85.50		
500 co-ops				142.50	
500 co-ops					142.50
C. Promotion of business of:					
200 co-ops		60			
300 co-ops			90		
500 co-ops				150	
500 co-ops					150
Total	332	615	1005.50	1132.50	292.50
Grand Total	INR 3,377.50 lakhs or 33.78 crores				

III. Action Plan for Increased Member Participation in Agricultural Co-operatives : A Single Window Approach by R.L.Nagpal

Background

The statistical profile of the co-operative movement in India is quite impressive. There are about 350,000 co-operative societies with a total membership exceeding 150 million. Co-operatives cover almost all fields of economic activities, ranging from credit, marketing and processing to fisheries, dairy, industrial, handicrafts, etc. We have hospitals and dispensaries running on co-operative basis. The bulk of the co-operative societies are, however, in the agriculture sector with credit portfolio as their principal objective. The total agricultural credit disbursed by co-operatives was Rs.4,400 crores in 1987-88.

Co-operative societies in the agriculture sector have made a significant contribution in increasing the agricultural production in the country. Once a famine stricken country, India has now attained not only self-sufficiency in food grains but has built up buffer stocks of nearly 10 million tonnes and also export capabilities. This achievement in the agriculture sector in India has received international acclaim. Co-operatives are proud partners in this phenomenal success.

Notwithstanding the large membership and substantial contribution in agricultural production, co-operative societies in India are plagued with several problems. In the first instance, these societies continue to depend very heavily on back up from the state - both financially and administratively. The second drawback is almost complete absence of member participation, the most pivotal input in a co-operative endeavour. Most of our co-operatives are very small sized, with a small turnover and thus non-viable units. The absence of democratic element is another problem being faced by the co-operative movement.

Credit co-operatives which constitute the backbone of the co-operative movement in India are faced with several problems such as -

- a) Inadequate turnover,
- b) Non-viable character of the societies,
- c) Lack of member participation,
- d) Low percentage of borrowing members,
- e) Very high level of overdue making most of the societies ineligible for refinance from the financing institutions,
- f) Erosion of democratic content,
- g) Closed door policy towards certain sections of the society.

There is a plethora of co-operative societies for various types of activities. In the credit sector, we have PACs (primary agricultural credit societies) for short-term and medium-term credit. A primary land development bank or the branch of the State Co-operative Land Development Bank is in charge of investment credit. There is a marketing structure for marketing of agricultural produce of the members. For the supply of essential consumer articles required by the farmers, we have set up consumer co-operative stores. Then we have processing co-operatives. For his requirements, a farmer is thus to go to various organisations. This is not only time consuming but lack of co-ordination between the various agencies, the farmer is not able to get the various inputs on time and in right quantities. These factors alienate him from his society and thus he is forced to go to the village money lender who is ever ready but of course at a very high cost.

India is a land of several social customs. Any programme aimed at making drastic changes cannot be carried out in isolation of social traditions. The Indian farmer is receptive to changes which do not trespass the broad social parameters.

Japanese experience

The unique feature of the co-operative movement in Japan is its total coverage. All the farmers are members of the primary agricultural credit society. There is thus full participation of the members in the affairs of the multi-purpose agricultural co-operative society. In fact, there is a kind of emotional attachment of the farmer with his co-operative society. The society in turn reciprocates the same by

providing the entire range of services from collection of savings, extension of credit facilities, preparation of farm management plan, organisation of producers groups, marketing of the produce of the members, guidance with respect to better living programmes, etc. There is thus no wonder why the agricultural co-operatives of Japan are considered as the bright models in the world co-operative movement and the best example in the Asian co-operative movement.

The multi-purpose functions of the agricultural co-operative societies in Japan providing the entire package of services required by a farmer carries a message for the co-operative movements in other countries and particularly in India. The implementation of the programme should not end up in replication of the Japanese Co-operatives but should take into account the local requirements in formulating any programme based on Japanese experience.

Title of the Project

The title of the project will be 'Increased Member Participation in Agricultural Co-operatives through a Single Window Approach'.

Objectives

- a) Integrate co-operative short-term, medium-term and long-term credit structure and establish linkage with the marketing structure,
- b) Enable the farmer to obtain all his inputs for agricultural operations, daily necessities and market post-harvest output through a single window at the village level,
- c) Improve member participation,
- d) Improve the quality of life of the members.

Strategies

- i) The primary agricultural credit society in a village should be the focal point and centre of activities for the farmer.
- ii) Selection of the primary level credit societies should be based on economical considerations. There should be no room for influence from political quarters.
- iii) The area of operation of the proposed focal point society should be within a reasonable radius. Where the radius has to be more for certain considerations, the primary societies already in existence in the area of operation should function as branches of the focal society thus making available the facilities to the farmers at his door steps.
- iv) The focal society should be well equipped to provide all the inputs required by the farmer- the package to include provision of credit, fertilisers of the right quality and quantity and at the appropriate time, better variety of seeds to suit the agro-climatic conditions of the area, pesticides, insecticides, etc. The society should also endeavour to obtain for the farmers the services of the extension agencies to provide necessary farm guidance. During the course of 3-5 years of its operations, the society should take adequate measures to have their own farm guidance managers,
- v) The post-harvest strategies may include marketing of the agricultural produce through the co-operative marketing society. This would ensure better linkage of credit with marketing and help in better recovery of the credit given.
- vi) An assessment of the overdue of the societies in the area be made on an urgent basis and steps taken to write off the bad debts and defer repayments,
- vii) On completion of this exercise, a massive doze of assistance from the government will be a pre-requisite input in the successful implementation of the project,
- viii) Trained managerial and professionally qualified staff is another important input required. Here also assistance on a liberal scale should be forthcoming from the government,
- ix) The co-operative should be enabled to have adequate storage facilities and transport fleet suitable to the needs of the members.

Difficulties that may be Encountered

Normally any change should be welcome. However, there is always resistance from certain quarters to the proposed change. In this case also, the 'single window approach' may face resistance from the existing structure. In India, people would like to have their society in their village, even where they are least active members. This is a matter of prestige for them. Therefore, a lot of spade work will be required to persuade the concerned institutions and their members to implement the new project.

In India, co-operation is a state subject under the Constitution. Each state government has its own administrative set up to promote, develop and regulate the functioning of co-operative societies. The implementation agencies are thus the state governments and the co-operatives. The role of the central government is of a recommendatory nature. The state governments may adopt the model with modifications in the light of local requirements. Since the issues involved are of a complex nature, requiring consultations at various forums, I would suggest that the 'Single Window Approach' be tried in one or two areas in each State on a pilot basis. Its extension could be examined in the light of the performance of the pilot projects. The proposal involves several agencies. The co-ordinated approach may be feasible only at the State Apex Level Society - whether it is the State Co-operative Bank or the State Co-operative Land Development Bank. The evaluation and monitoring can be attended to by a committee consisting of the representative each of the State Co-operative Bank, the State Co-operative Land Development Bank, the State Co-operative Marketing Federation and the State Co-operative Consumers Federation and the Registrar of Co-operative Societies of the state.

Finances

The financial requirements for the pilot projects will depend on the areas selected, the financial position of the existing co-operatives, the availability of the infra-structure in the area of operation and other factors. Therefore, any precise requirements of finances cannot be estimated. On a rough estimate, however, each pilot project would require a minimum of Rs.50 lakhs in the first year, followed by a slightly reduced amount in the subsequent two years. While implementing the programme, care has to be taken that the co-operatives in the project area are managed by democratically elected representatives of the members and the professionally qualified managers.

INDONESIA

Action Plan by Mr.A.Markam

01. Current Situation of Member Participation in Co-operatives in Indonesia and Problems

a. Situation

As clearly stated by the coordinators of this Seminar, this paper should concern an action plan of the institution where I work, Dekopin, the Indonesian Co-operative Council, where I am active as one of the officials, is the Apex organization of the Indonesian co-operative movement. The members consist of KUDs - Village Unit Co-operatives- which are mainly agricultural co-operatives and many other co-operatives that may or may not have activities in the agricultural field. (Non-KUDs) Fishery and Dairy co-operatives are also active members of Dekopin. Among the strongest members of Dekopin are for instance, the Armed Forces Co-operatives, the Veterans Co-operative, the Youth co-operatives, the Civil Servants' co-operatives, as well as co-operatives providing supporting services such as the Co-operative Bank, the Insurance co-operative and the Audit Service Co-operative and many others.

Even though all the co-operatives in Indonesia recognize Dekopin as the apex organisation, not all of them are active members. Many of the co-operatives are not registered as members yet, due to various reasons. Membership need to be strengthened and participation need to be enhanced not only at national level but also at provincial and district levels. Operations are carried out through a network of branches in all provinces and districts.

b) Specific problems

The government has ample funds and authority over the co-operatives and still tend to develop co-operatives in a top-down manner, while Dekopin would rather see co-operatives develop from the grass-root level upwards. The hand of the government may be desirable to trigger co-operatives into being but too much top-down activities may hamper voluntary member participation. Voluntary member participation for the sake of the co-operatives and their members are what is called for, not for the sake of a government programme. Dekopin is trying hard to strike a good balance between the top-down approach and the bottom-up approach. Therefore, a member participation programme is most important and among other activities, this is what Dekopin programmed to conduct.

Another major problem to be faced by Dekopin at the moment is the shortage of funds. Contribution from members do not come in sufficient quantities to support Dekopin administration. Therefore, Dekopin faces difficulties in paying its dues to international organisations in the past, as well as in carrying out its programmes. Funds from other sources, apart from subscription are needed.

02. Reflections on the Experience Gained in Japan

Japan after the world war II has undergone a very fast and successful economic development. This is mainly due to hard work; a strict discipline backed up by a strong tradition. Japan has developed into an industrial nation within a relatively short time after the devastation of world war II. Banking and marketing developed alongside the industrial development. All these made Japan one of the largest suppliers of the world of industrial products and it can compete strongly with other developed countries. But behind all these successes, Japan is facing many problems. The strong Yen makes every thing made in Japan very expensive. High wages of labour make the price of agricultural products made in Japan too high to be able to compete against foreign imported commodities. Without government protection, Japanese farmers would not be able to withstand competition from overseas. Without government protection, the supply of staple food would have to depend on other countries thereby making the country vulnerable. This is the reason why the Agricultural co-operatives of Japan must have a strong lobby with the government. Agriculture is carry out in a very intensive manner, backed up by continuous research and development, utilising up-to-date equipments and machineries. The Japanese population structure is getting old and the farming population is continuously on the decline. The young are not interested in agriculture not only because it is considered dirty to work on the land but due to other reasons too, such

as difficulty in getting a wife for Japanese farmers. This seems to be the most serious problem the Japanese agriculture has to face at the moment. At the moment, already 60% of the farming population consist of elderly women.

So, the agricultural co-operatives have to work hard to keep farmers interested in continuing farming. It carries out many activities for the benefit of farmers, because only by providing good service and by perseverance, co-operatives can gain the confidence of their members and make them participate in co-operative activities. "Better Living" activities reaches not only the farmer member himself but also the whole family.

At the same time, the agricultural co-operatives have to maintain the strong lobby they have with the government in order to keep liberalization of the trade in agricultural products limited to certain products only, in order to make room for the Japanese farmer to live their lives as a farmer.

03. Ways of adapting the Japanese experience to solve problems of member participation in Indonesia

The situation and condition in Indonesia is different than that of Japan. Not everything in the "Japanese experience" can be adopted by Indonesia. Anything at all that is going to be practised in Indonesia has to be adapted to the Indonesian situation and to the prevailing conditions. Perhaps the most important lesson learned in solving problems of member participation is the so called "better living" activities. The co-operatives provide counselling services in many matters like planning the family budget, insurance, healthy and even provide services as it were, from cradle to grave, such as baby care, schooling of children, marriages and funerals. All these services, besides the necessary farm guidance provided by the co-operatives themselves, are very important examples for Indonesian co-operatives in the improvement of their services to members. In Indonesia, some of these services are provided for by the government. In such a case, the co-operatives can give a helping hand in making those services available for the members, e.g. by providing premises for health and child care, birth control clinics and so on.

Constant and regular visits are necessary to be carried out by the officials of the co-operative in order to maintain good contact with members and thereby keeping them interested and loyal to the co-operative.

04. Title of the project

"Improvement of Membership and Member Participation of DEKOPIN"

05. Objectives and targets

- To increase membership (by 10% in year 1, 25% year 2, 50% year 3),
- To enhance voluntary member participation,
- To make Dekopin a strong and useful organisation beneficial to members and thereby improving support and participation,
- To make Dekopin an effective organisation for the development of co-operatives and make it really function as an agent of development for the country.

06. Details of activities involved in the project

- Propagation of better living activities,
- Meetings for members,
- Seminars on member participation,
- Travel to visit members,
- Participation in seminars and training programmes at home and abroad for members,
- Involving members and prospective members in projects with foreign assistance,
- Co-ordination of simple and easy registration of members through provincial and district branch offices,
- Projects for exports.

07. Strategy for the implementation of the project

- i. Propagation of better living activities through publications, seminars and meetings.
- ii. Visit members and explain about services rendered by Dekopin,
- iii. Arrange in such a way so that registration of new members can easily be done through Dekopin branch offices in the province as well as in the districts.
- iv. Compile baseline data, qualitative as well as quantitative, to facilitate evaluation at a later date.

08. Monitoring and evaluation procedure

Collect baseline data for the present to be compared with the situation in one year, two years and three years from now.

Compile quantitative data and qualitative data whenever possible.

09. Indicative budget

Activity	Year 1 \$	Year 2 \$	Year 3 \$
Data collection	1,000	1,000	1,000
Meetings/seminars	10,000	15,000	20,000
Visit members	20,000	25,000	25,000
Comparative studies	10,000	10,000	10,000
Propagation of better-living activities	10,000	10,000	10,000
Counterpart budget for foreign aid projects	100,000	100,000	100,000
Other expenses	10,000	10,000	10,000
Total	161,000	171,000	176,000
Grand Total			508,000

Note: The above figures are based on rough estimates and is subject to last revisions.

10 Time Plan

Activity	Year 1	Year 2	Year 3
Data collection	x		
Propagation of better-living activities	x	x	x
Meetings	x	x	x
Visit to members	x	x	x
Project negotiations	x	x	
Seminars	x	x	x
Evaluation		x	x

REPUBLIC OF KOREA

I. Action Plan by Mr.Chong Hwan Kim

01. Current situation of member participation in agricultural co-operatives in Korea and problems

a) Situation

The agricultural co-operatives have made significant strides in their organisation, operation and business but member participation is not yet sufficient. Therefore, the agricultural co-operatives are making efforts to instill a sense of ownership and participation among member farmers.

b) Specific problems

The current level of member participation in agricultural co-operatives are very low and insignificant.

02. My reflections on the experience gained in Japan

- There are a number of national level member education and training programmes for enhancing member participation in Japan.
- They make all out efforts to increase members' income and improve the living conditions of the members.
- Korean agricultural co-operatives should adopt the methods used by the Japanese agricultural co-operatives for improving member participation and better living activities.

Agricultural co-operatives should make continued efforts to fulfil the member farmers' needs by supporting all activities to increase income of the farmer and the social and cultural well-being of the farm households.

03. Ways of adopting the Japanese experience to solve the problems of member participation in Korea

- Efficient management of the agricultural co-operatives,
- Cultivation of a sense of ownership among the member farmers and strengthening of member education and training,
- Expansion of support activities to increase the income of the farm households,
- Expansion of rural cultural and welfare programmes.

04. Title of the project

'Member Education programme by ACLTI'.

05. Objectives

- Inspiring the members of the co-operatives to think of them as their own,
- Enhancement of the leadership for the grass-root organisations,
- Training the young prospective farmers as leaders for management of agricultural co-operatives.

06. Details of activities involved in the project

i. Selection of trainees

The co-operatives participating in education programmes are selected by the country office of the NACF, after considering regional representation, development level and type of co-operatives. The participants to be trained in each country and province are decided according to the annual training master plan, which also take into consideration the farming season of each area.

ii. *Method of training*

The curriculum of the five days' course will comprise of lectures, presentation of successful case studies and group discussions.

Lectures are given by the teaching staff of the institute and specialists in other subjects will also be invited.

Group discussion promotes mutual sharing of experiences. This means that the group educates itself by active participation in the discussion. The presentation of successful case studies delivered by the leaders of the co-operatives or grass-root organisation. This presentation aims at igniting a strong desire for achievement among other participants.

07. Strategy for implementation of the project

All the trainees and teaching staff will have to reside in the same dormitory during the course. Common life in the institute, even though for such short span of time of five days, will create and develop a spirit of unity and comraderie. During the course, the daily life of the teaching staff of the institute will be a good example for the trainees. They exhibit a spirit of service to the trainees. They live, think and learn together and thus they influence each other.

08. Monitoring and evaluation procedure

The institute collects completed questionnaires from each individual trainees at the completion of each course, in order to evaluate the effects of the training.

The institute tries to increase the effect of the training and spread a spirit of co-operation among member farmers by follow-up guidance activities and taking interest in the activities of the trainees even after they return home and start implementing their experiences. This good relation will be kept up through exchange of letters and visits to their farms for guidance.

09. Indicative budget

Unit = million Won

	Year 1	Year 2	Year 3
Salary and wages	500	500	500
Management expenses	400	400	400
Training expenses	150	150	150
Travel expenses	450	450	450
Total	1500	1500	1500
Grand Total			4500

10. Time Plan

Activities	Year														
	Months														
	12	1	2	3	4	5	6	7	8	9	10	11	12		
- Survey of Education Demand	•	•											•	•	•
- Establishment of Education Plan		•	•	•	•										
- Preparation of Education Materials		•	•	•	•										
- Selection of Trainees															
- Education				•	•	•	•	•	•	•	•	•	•	•	•
- Evaluation of Education							•	•					•	•	•
- Follow-up guidance			•	•			•	•		•	•				

- * i) The Institute implement the project constantly by the year
- ii) The Institute plans to train 7,000 persons every year. The course cannot be held the whole year round because of intermissions during the busy farming and cold winter seasons.

II. Action Plan by Mr.Hyung Sung Hwang

01.Current situation of member participation in Livestock co-operatives in Korea and problems

a) Situation

National Livestock Co-operatives Federation (NLCF) of Korea was established in January 1981, as a multi-purpose co-operatives federation. It had 161 member co-operatives across the country by the end of 1988. Each member co-operative's regional foundation is a county. A county is composed of 10 or 15 primary societies. A 'Chook-san gye' (small member farmers' group) was set up in each primary society.

b) Specific problems

Utilization ratio of livestock co-operative business by member farmers is at a low level. So encouragement of member farmers to participate in livestock co-operative business is a crucial problem to be solved as soon as possible.

02. My reflections on the experience gained in Japan

The hamlet and commodity-wise groups in Japanese agricultural co-operatives were well organized and play their role as a bridge between agricultural co-operatives and member farmers successfully. In spite of amalgamation of primary co-operatives, the close relationship between the primary co-operative and its member farmers has been retained and even enhanced. The reason is due to the vital role of hamlet and commodity-wise group in primary co-operatives.

03. Ways of adapting the Japanese experience to solve the problems of member participation in Korea

There are many 'chook-san gyes' in livestock co-operatives of Korea, which were organized by member farmers. The objective of chook-san gye is the function of bridging role between the livestock co-operative and its member farmers like that of hamlet and commodity-wise groups in Japanese primary co-operatives. To enhance the role of 'chook-san gye' as an active group of member farmers, intensive education of the leaders of 'chook-san gyes' is needed.

04. Title of the project

'Education of leaders of 'Chook-san Gyes'.

05. Objectives/targets

- Cultivation of the spirit of understanding among the leader and his group.
- Inspiring the leaders to think that livestock co-operative is member's own,
- Enhancement of leadership of the member farmers' groups.

06. Details of activities involved in the project

Number of trainees : 1,600 leaders of 'Chook-san gyes'

Period of training : 5 days

Selection of trainees:

In order to develop member farmers' participation in the livestock co-operatives and their business, member co-operatives nominate the participants.

Place of training : Livestock Comprehensive Training Institute of NLCF

Curriculum of training:

- a. Lectures are given by the teaching staff of the institute and the lecturers who are specialists in subjects of concern are invited from private sector also,
- b. Case studies of successful 'chook-san gyes' are presented by their leaders,
- c. Trainees will be grouped into groups of 10 persons, for the purpose of group discussions,
- d. All trainees will be induced to have influence on their members of 'chook-san gyes'.

07. Strategy for implementation of the project

The presentation of successful case studies will be made by the leaders of advanced 'chook-san gyes'. They will explain the experiences of their co-operatives to other participants with special reference to their experiences and problems they encountered in the process. Thus the presentation and explanation will ignite a strong desire for achievement of those goals by other participants.

08. Monitoring and evaluation procedure

The training institute collects questionnaires from each member co-operative every year after completion of the training and analyses the trend of member farmers' participation in co-operative business. And the institution reflects the results of evaluation on the next education procedure.

09. Indicative budget

The financial support for the education comes from two sources. The institution is responsible for general management expenses. The member co-operatives take responsibility for direct expenses for training such as travel expenses, food cost and teaching material cost:

Activity	Unit-million Won		
	1st Year	2nd Year	3rd Year
Training of 600 leaders			
- traveling expenses	72.0	72.0	
- food costs	15.6	15.6	
- teaching material	1.2	1.2	
Training of 400 leaders			
- traveling expenses			48.0
- food costs			10.4
- teaching material			0.8
Total	88.8	88.8	59.2
Grand Total			148.0

10. Time Plan

Activity	1st year	2nd year		3rd year
		(Persons)		
Education of leaders of 'Chook-san gye'	600	600	400	

MALAYSIA

I. Action plan by Mr.Suhaimi bin Saleh

01. Current situation of member participation in agricultural co-operatives in Malaysia based on Besut Rubber smallholders co-operative

a. Situation

Besut rubber smallholders' co-operative was formed in early 1980. To date, the number of members have reached 5000 but out of this, less than 500 members contribute minimum share of \$100. There are about 110 rubber smallholders development centres in the operational area with 15-25 members at each centre. Only 50% of the members in those development centres participate in co-operative activities, especially marketing of rubber. They also have very little knowledge about co-operative movement. member participation in management and planning of co-operatives is still limited as RISDA provide their staff to assist in managing the co-operatives. According to the plan, RISDA staff will be withdrawn by the end of 1990 and as such, the board of directors and staff will have to be prepared to manage the co-operative on their own.

b) Specific problems

- i. Difficult to get additional contribution of share capital from members to expand capital base,
- ii. Poor participation from members to carry out activities and project planning,
- iii. Lack of knowledge about co-operative movement among members and staff concerned. Thus, the commitment and involvement towards co-operative movement is still limited.

02. My reflection on the experience gained in Japan

Agriculture co-operative movement in Japan have a long history and it has undergone many changes. All co-operatives have common basic problem that is member education and active participation.

- i) They have conducted a systematic education and training programme to all members, employees and management officials about all aspects of co-operative movement and management,
- ii) 100 per cent of farmers become members and participate actively in all activities and contribute to the share capital,
- iii) Co-operative members have high co-operative spirit and trust towards co-operative management.

03. Ways of adopting the Japanese experience to solve the problem of member participation

- i) To prepare a working paper about the various activities that can be done and present to co-operative management for discussion, endorsement and implementation,
- ii) One co-operative will be chosen as a model. All staff and officials concerned will be briefed further on action plan and implementation,
- iii) Monitoring and evaluation through constant supervision and monthly meetings,
- iv) Presentation of results to the board of directors and RISDA management,
- v) Adoption of activities by other co-operatives.

04. Title of project

'Measures to promote member participation and establishing efficient smallholders co-operative with special reference to Besut Rubber Smallholders Co-operative'.

05. Objectives/Targets

- i) To increase membership of Besut Smallholders Rubber co-operative to atleast 6000 and atleast 2000 of the members pay minimum contribution of \$ 100 by the end of 1990.

- ii) To promote member participation by strengthening current activities and promote suitable farm guidance and better living activities,
- iii) To improve co-operative administration and management standard so that they will be able to manage on their own in 1991.

06. Details of activities involved in the project

- i) Increase education and training programmes to members and employees of co-operatives. member target group will be full time smallholders at a number of smallholder development centres.
- ii) Introduce computer system in order to have better record keeping and information system
- iii) Upgrade current activities by creation of storage and processing facilities, especially for marketing of rubber.
- iv) Introduce supply of consumer goods through smallholders centers as one of the better living activities.
- v) Introduce price stabilization fund, payment of patronage dividend and provide incentives to get better participation and trust from members.

07. Strategy for implementation of the project

- i. Strengthen administration of 100 rubber smallholders development centres and establish their members farm records,
- ii. Provide co-operative education and training to all members of smallholders development centres and RISDA farm advisers, through constant education programme,
- iii. Create atmosphere of awareness by information dissemination through regular meetings between members and co-operative officials,
- iv. Create responsible and motivated leadership among members to help management to give better understanding to the members,
- v. Set up consumer supply stores, establish price stabilization fund and give patronage dividend to get better participation and trust from members.

08. Monitoring and evaluation procedure

- i. Every official and staff of co-operative together with RISDA farm advisers will take the responsibility to carry out suggested activities according to the plan,
- ii. Progress meeting and evaluation will be done every month to discuss problems faced by the staff in carrying out the activities,
- iii. RISDA authority will be informed about the progress and problem faced to get necessary assistance and guidance,
- iv. Meeting and discussion between members and co-operative movement will be held every month at various smallholders development centres,
- v. Achievement made will be recorded and reported to RISDA authority. Suggestion will be made by RISDA authority for adoption in other smallholders co-operatives.

09. Indicative budget - August 1989 to December 1990

<i>Activity</i>	<i>1st year</i>	<i>2nd year</i>	<i>3rd Year</i>
1. Education and training	\$ 2,400	\$ 7,200	
2. Allocation for supply of goods	\$ 10,000	\$ 20,000	
3. Installation of computer	\$ 8,000	\$ 2,000	
4. Storage and processing	\$ 5,000	\$ 10,000	
5. Allocation for price stabilisation fund	\$ 10,000	\$ 20,000	
Total	\$ 35,400	\$ 59,200	
Grand Total			\$ 94,600

10. Time Plan

(months)																	
Activity	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
1. Staff training				•••••	•••••	•••••	•••••										
2. Member education	•••••	•••••	•••••					•••••	•••••	•••••	•••••	•••••	•••••	•••••	•••••	•••••	•••••
3. Supply of cons.goods			•••••	•••••	•••••	•••••	•••••	•••••	•••••	•••••	•••••	•••••	•••••	•••••	•••••	•••••	•••••
4. Installation of computer				•••••	•••••	•••••	•••••	•••••	•••••	•••••	•••••	•••••	•••••	•••••	•••••	•••••	•••••
5. Patronage dividend				•••••	•••••						•••••	•••••					
6. Incentive					•••••												•••••
7. Meeting	•••••	•••••	•••••	•••••	•••••	•••••	•••••	•••••	•••••	•••••	•••••	•••••	•••••	•••••	•••••	•••••	•••••

II. Action plan by Mr.J.Abu Bakar

01. Current situation of member participation in agricultural co-operatives in Malaysia and problems

a. Situation

There are 62 schemes level co-operatives (primary co-operatives) in FELCRA agency. These co-operatives carry out various activities and 12 of them has been involved in transportation of agricultural produce. But a number of them has been facing management problems.

b. Specific problems

This problem occurs due to several factors:

- i. Lack of knowledge and information about proper type of vehicles to be used, price of vehicles, fuel consumption and cost of maintenance, which have direct effect to the cost of project.
- ii. Lack of knowledge about project planning and financial analysis technique. Therefore members are unable to make proper planning as per the guidelines of the project.
- iii. Poor monitoring and evaluation system.

02. My reflections on the experience gained in Japan

I am very much interest about farm guidance activities done by Japanese Agricultural co-operatives, which have provided farming pattern to the members. This kind of service has assisted the members to choose the right composition of commodities in order to increase the farm income.

Based on the experience gained in Japan, I want to introduce the concept to FELCRA, in order to assist schemes level co-operatives in planning and implementing of agricultural product transportation project.

03. Ways of adapting the Japanese experience to solve the problems of member participation in Felcra (Malaysia)

- i. Prepare a working paper to the management about the concept of project guidance, specifically on transportation of agricultural produce.
- ii. Choose one co-operative as a model to implement this concept.
- iii. Constant monitoring and evaluation.
- iv. Adopting this concept to other co-operative concerns.

04. Title of the project

'Project Guidance: Transportation of agricultural produce (oil palm schemes)'

05. Objectives/targets

To improve the management of transportation of agricultural produce project in all co-operatives concerned through project guidance services.

06. Details of activities involved in the project

- i. Collection of data:
 - a) information about vehicles,
 - b) information about spare parts supply,
 - c) information about oil palm schemes,
 - d) information about current project performance.
- ii. Data evaluation.
- iii. Prepare a standard project paper as a guideline to the co-operative concern.

- iv. Discussions and implementation (Training).
- v. Monitoring and evaluation.

07. Strategy for implementation of the project

- i. To give knowledge to all the co-operative managers and staff concerned through exposure and training,
- ii. Collect progress reports from the co-operative involved.

08. Monitoring and evaluation procedure

- i. Collection of monthly progress reports,
- ii. Report evaluation by Felcra Co-operative Development Unit,
- iii. Regular meetings to discuss and solve problems faced by the co-operative concerned,
- iv. Find out a new method or system of monitoring and control.

09. Indicative Budget

<i>Activity</i>	<i>1st Year</i>	<i>2nd Year</i>	<i>3rd Year</i>
1. Data collection	50,000		
2. Data evaluation of current projects	10,000		
3. Prepare standard paper	10,000		
4. Discussions and training		250,000	
5. Implementation and follow-up		50,000	50,000
6. Monitor and evaluation		10,000	10,000
Total	70,000	310,000	60,000
Grand Total			440,000

10 Time Plan

<i>Activity</i>	<i>1st Year</i>	<i>2nd Year</i>	<i>3rd Year</i>
1. Data collection			
a) Information on vehicles			
b) Information on s/parts			
c) Information about oil palm scheme			
d) Information about current project performance			
2. Data evaluation			
3. Prepare standard paper as a guideline to the Co-o			
4. Discussion and implementation (training)			
5. Monitoring & evaluation			

NEPAL

Action Plan for the Application of Japanese experience through co-operative training and member education by Mr.Surya Ratna Shakya

Situation

Nepal is an agricultural country. It is one of the tenth least developed countries with per capita income of about US\$ 160 per year. The population growth rate is 2.7% of 17 million is hardly balanced by the growth rate of GNP. Agriculture provides livelihood to about 94 per cent of the country's population and contributes about 65 and 75 per cent of the GNP and the total export earnings respectively. The level of economic development of Nepal is very low due to the natural conditions including a lack of mineral resources, a decline of arable land and inefficient facilities of communication.

Since 1956, the socio-economic development of the country has been on a successive 5-year economic development plan basis. In each plan, high priority has been given to the agricultural sector. Co-operatives have been always considered an important means of improving the living conditions of farmers.

From time to time, steps have been taken up in order to improve the qualitative growth rather than quantitative growth of co-operatives, changing objectives, membership, management, area coverage, etc. In the initial stage of co-operative movement, the supply of agricultural credit was the main thrust. Later on, the supply of agricultural inputs, produce marketing and processing, supply of consumer goods have gradually been supplemented in the activities of the co-operatives. In course of co-operative development, a number of non-agricultural co-operatives have emerged. However, the agricultural co-operatives still dominate the co-operative movement. They are mainly multi-purpose in nature and number 720 with a membership of 1.5 million in 72 districts out of 75 districts of the country.

Out of total membership of co-operatives, 70 per cent are illiterate and many of them are unaware of co-operative concept. Although co-operatives are expected to be self-reliant by increasing volume of business and profitability with members' active and full participation in their activities. But they are receiving members' participation in their activities because they are unaware that co-operative belongs to them and is for their own purpose and managed by themselves.

In 1962, the Government Training Centre (now the Centre for Co-operative Development Training -CCDT) was established in order to institutionalize the co-operative training and member education. Training and member education activities have been looked after by CCDT. In order to increase the members' participation in the activities of co-operatives, member education in the form of mobile camp in a large scale have regularly been carried out by CCDT.

Justification

Agricultural co-operatives have been carrying limited activities such as savings, supply of agricultural credit and inputs, produce marketing and processing, supply of daily essentials. However, members' participation in those activities are not satisfactory. Several problems identified are listed down:

1. Majority of members are illiterate and ignorant about co-operative concepts.
2. Most of the members lack the improved agricultural techniques. Therefore, the productivity and production are unsatisfactory.
3. Members' patronisation in the business activities of co-operatives is negligible. They do not know how to utilize co-operatives for their common benefits.
4. Members' participation in the decision-making process is very poor due to the absence of clear-cut idea about their own role in their co-operatives.
5. Members' knowledge and skill on business planning is almost nil that is why their business return is not satisfactory.
6. Members are completely unknown as to how they can have better living. So their living condition is not good.

Long term objective

- Improve members' economic and social conditions,
- Make co-operatives economically viable and managerially efficient and sound.

Immediate Objective

- Prepare members to work in commodity-wise groups,
- Make them able to formulate long-term and short-term business plans,
- Enable them to continuously participate in business decision-making process,
- Improve the overall performance of co-operatives and make them efficient in rendering services.

Indicators

- The commodity-wise groups will be found in operation,
- The groups will be found to do sharing of management cost jointly,
- The members will be found to have made business plans,
- They will be found to do business with their own co-operatives,
- They will be found to have actively taken part in the decision-making process,
- The performance of co-operatives will be found efficient in services.

Details of activities

The project is expected that the Japanese experiences on farm producers group and commodity-wise group approach, farm guidance approach, business planning system and better living system will be adapted in the local situation and applied in two/three agricultural co-operatives in one district of Nepal. The application of those experiences will be taken up through the co-operative training and member education approaches. For the application of the experiences, the project has foreseen a number of activities, which are given in Annexure 1 to this document.

Strategy for implementation

The activities foreseen in the project will be implemented with the following strategies:

- Project implementation committees at the central and local level will be formed for the purpose of implementation of the project,
- The curricula will be designed by the trainers of CCDT for the training and member education activities in consultation with the co-operatives which are expected to be selected for the project,
- A number of meetings attended by the officials of the Ministry of Agriculture and the Department of Co-operative Development and trainers of CCDT will be organised from time to time. In the meetings, discussion will take place on the project, curricula, selection of co-operatives, implementation of activities, etc.,
- Necessary materials for the training and member education activities will be designed and multiplied,
- Criteria for the selection of co-operatives will be developed,
- Co-operatives will be selected on the basis of criteria stipulated beforehand,
- After the selection of the co-operatives, a situation study will be conducted,
- Consultation with managers and board of directors will be continued on the implementation of the project,
- After the completion of each activity, follow-up action will be taken up as to whether members and board of directors and managers have practised what they learnt from their courses.

Monitoring and evaluation

Monitoring of the project activities will be done in the form of introducing monthly, trimester and annual reports, making visits on the spot, taking interviews and holding seminars. One of the faculty members of

CCDT will look after monitoring function. He will constantly be vigilant to the implementation of the project activities, collect reports from time to time, give necessary direction, make field visits, call meetings, establish necessary communication between the central implementation committee and the district implementation committee. report to the central implementation committee about the project activities as and when necessary and conduct seminars and consultations.

Every six months, project activities will be evaluated by CCDT in collaboration with the district co-operative union concerned. The evaluators are expected to assess the physical targets and achievements and to do an impact study on the basis of indicators given in the project.

Indicatory budget

Description	Total cost	1990	1991	1992
1. Course on economic improvement of co-operatives and its members	20,000	20,000	-	-
2. Seminar on co-operative activities under the project	100,000	-	50,000	50,000
3. Course on improvement of performance of co-ops	90,000	30,000	30,000	30,000
4. Member education camps	90,000	30,000	30,000	30,000
Sub-Total	300,000	80,000	110,000	110,000
5. Honorarium	120,000	50,000	20,000	50,000
6. DSA	60,000	20,000	20,000	20,000
7. Printing	50,000	20,000	10,000	20,000
8. Stationery	20,000	10,000	5,000	5,000
9. Sundry	30,000	10,000	10,000	10,000
Sub-Total	280,000	110,000	65,000	105,000
Grand Total	580,000	190,000	175,000	215,000

Details of Activities

S.No.	Description	Target group	No. of Trainees	Total units	1990	Years 1991	1992
1.	Course on economic improvement of co-op and its members	Trainers, co-op officers managers	20 (6days)	1	1	-	-
2.	Seminar on Co-op activities under the project	Trainers, board members, managers, Coofficials	60 (6 days)	2	-	1	1
3.	Course on improvement of performance	Board members and managers	252 (6days each)	5	3	3	3
4.	Member education camps	Board members gen. members	750 (2 days each)	15	5	5	5

PHILIPPINES

Amalgamation of 10 multi-purpose co-operatives - a joint action plan by Mr.Pacito N.Nefulda and Mr.Gil R.Melegrito

Preface

The Regional seminar on member participation in agricultural co-operatives with particular reference to the Japanese experience is worth adapting in the Philippines. Considering the plan of the Co-operative Union of the Philippines to propagate conversion and amalgamation of pre-co-operatives into viable agricultural co-operatives.

It is the intention of this plan to follow the footsteps of the Japanese co-operative movement, particularly the better living activities and farm guidance activities, which we believe is a good vehicle in boosting the dying state of the agricultural co-operatives. Herein, the plan will be a pilot project in organizing an agricultural co-operative integrating production, marketing and credit. Thus, in the end, it may serve as a model, if proven to be successful. It is also anticipated that financial resources will be made accessible by the interested parties, because this is vital to the success of the project plan.

Situation

By 1975, there were 17,193 Samahang Nayons (SNs) that had been organized and registered throughout the country by the government. These associations of pre-cooperatives were to serve as channels for delivering basic support services to the farmers. As such, they were to serve as conduits for extension and agricultural credit distribution points for production inputs and assembly points for marketable produce. In addition, SNs were to serve as educational medium for leadership and membership development in the rural communities. Beginning on the later part of 1975, growth within the structure of SNs began to slow down for lack of trained management and financial resources, particularly in the area of marketing activities. As of January 1986, the Bureau of Agricultural Co-operative Development (BACOD) listed 17,155 registered SNs, however only 7,200 were reported active. Reason was that being SNs, they were not allowed to engage in economic activities. No effort from the government was initiated to convert the SNs into full-fledged co-operatives to be able to engage in business. Lately, the BACOD launched a programme of conversion, unfortunately it was too late due to the fact that majority of these SNs were already inactive.

The Co-operative Rural Bank of Pampanga, Inc. has as affiliates of 177 SNs and 15 non-agricultural co-operatives. Based on the records of CRB, Pampanga, Inc., loan delinquency of the members of SNs registered the highest with ratio of around 70%. This is because most of them are tied up with other credit provided by informal money lenders, usually offering usurious interest rates and other marketing arrangement for their produce. The lack of marketing facilities as well as high cost of farm inputs aggravated their problem. Realizing this situation, the CRB thought of strengthening the SNs by converting them into full-fledged co-operatives with the assistance of the Co-operative Foundation Philippines, Inc. (CFPI) and later promote amalgamation among the SNs into a higher level of organization.

B. Specific problems

It is worth mentioning that SNs were originally organized as pre-cooperatives, and will not engaged in economic activity. Two years was the time table to convert "viable" co-operatives doing business, however, nothing has been done. These co-operatives require additional assistance in management development, staff training, technical know-how, etc. This training includes training for needs assessments and understanding of the farmer's place in the larger economy and society (conscientization), value orientation (ideology), classification and persuasion on the value of collective action to solve farmer's problems (orientation), basic co-operative structure and benefits, and local leadership development.

Reflections on: the experience gained in Japan

In reference to the situation of the specific problems cited above, it is worthy to note that the experience gained in regard to the seminar on member participation in agricultural co-operatives, is relevant in

approaching our problem, especially in the promotion of better living and farm guidance activities. The consolidation of small hamlets and their collective efforts in various business activities as well as the very high patronage of the co-operatives. Though the Japanese Co-operative movement is considered as one of the best model in terms of collectivization and considering their advance technical knowledge and mechanized farming, these are worth adopting, particularly the discipline inculcated to them.

Ways of adapting the Japanese experience to solve the problems of member participation in the Philippines.

- To increase membership coverage and participation of farm households through promotion of better living activities,
- To strengthen co-operative structure by converting SNs into multi-purpose co-operatives for self-reliance,
- To promote and develop farm guidance activities by utilizing agricultural technicians of the CRB and CFPI,
- To conduct vigorous training for member participation with emphasis in settling goals and policies and in business planning as vital necessities,
- To conduct training in essential courses, such as general members, prospective members, board of directors, audit and inventory committee, trainers, credit committee, managers, as well as the staff to enhance viable and sound management,
- SNs are small groups of farm households at the barangay level and in order to acquire the much needed strength through group efforts and pooling of resources, we will encourage them to amalgamate at the municipal level.

Title of Project

'The Amalgamation of 10 multi-purpose co-operatives'.

Objectives/targets

To develop/strengthen 10 selected Samahang Nayons into a multi-purpose co-operative and amalgamate them into an agricultural co-operative at the municipal level.

Activities of the project

- i. Consultation/briefing/ promotion of the project,
- ii. Pre-membership education programme for the selected SN member participants and prospective members,
- iii. Registration of multi-purpose co-operatives,
- iv. Trainers' Training (4-days),
- v. Basic bookkeepers' training (4-days),
- vi. Basic managers/ chairmen training (5 days),
- vii. Basic board of directors training (3 days),
- viii. Credit committee training (3 days),
- ix. Audit and inventory committee training (4-days),
- x. General membership programme/better living and farm guidance training (3 days),
- xi. Amalgamation of the multi-purpose co-operatives,
- xii. Advance training/ Seminar/workshop on co-operative tie-up for credit, production and marketing. Model building (5-days),
- xiii. Advance training / leadership training course (4 days),
- xiv. Advance training/management course (4 days),
- xv. Financing sourcing,
- xvi. Integration of operation,
- xvii. Monitoring and evaluation of the project.

Strategy for implementation of the project

1. Conversion of 10 SNs into multi-purpose co-operatives in one year.
2. Expansion of membership not limited to land reform beneficiaries only.
3. Provide basic training during the first year, to prepare the members in co-operative business and amalgamation.
4. Amalgamation of the 10 multi-purpose agricultural co-operatives at the municipal level.
5. Seek financial resources that will be needed for the project. This will be used in building marketing and post-harvest facilities.
6. Advance training will be provided to the members in relation to amalgamation.
7. Monitoring and evaluation will be conducted to assess the accomplishments and the parameters set. This will also be utilized for adjustment and correction of the project.

Monitoring and evaluation procedure

- i. A perception meeting will be held at the SN level to discuss the project. Parameters will be set by the farmer-members in order for them to conduct self-evaluation.
- ii. Participatory evaluation will be used to encourage the members to raise their own opinion, problems as well as expectations. This process will be used to raise their consciousness and awareness about co-operatives and not only of the project.
- iii. A group leader will be elected to supervise the process and collect or records the members' assessment. Another way of doing this is through the process of documentation, wherein individual records of reflections will be made.
- iv. The CRB in collaboration with the CFPI personnel will facilitate, train and collate the documents and will be presented in the group meetings for them to know the results and be used to correct or adapt the results.

Proposed Budget

Amount in Pesos

1. Consultation/ Promotion			
Per diem - P.150 x 10			15,000
2. Pre-membership education programme			
Per diem P.150 x 4 x 3	=	1,800	
Transport 100 x 4 x 2	=	800	
Supplies 50 x 50	=	2,500 x 10	51,000
3. Trainers' Training			
Per diem P.150 x 4 x 4	=	2,400	
Transport 100 x 34 x 4	=	6,800	
Board & L. 200 x 24 x 3	=	27,200	
Supplies 50 x 30	=	1,500	37,900
4. Basic Manager's course			
Transport P.100 x 24	=	2,400	
Per diem 150 x 8 x 3	=	3,000	
Board & L. 200 x 24 x 3	=	24,000	
Supplies 50 x 20	=	1,000	30,400
5. Basic Board of Directors course			
Transport P.100 x 78 x 2	=	15,600	
Per diem 150 x 8 x 3	=	3,600	
Board & L. 200 x 78 x 3	=	46,800	
Supplies 50 x 70	=	3,500	69,500

6. <i>Credit Committee course</i>			
Transport P.100 x 34 x 2	=	6,800	
Per diem 150 x 4 x 3	=	1,800	
Board & Lodging. 200 x 34 x 3	=	20,400	
Supplies 50 x 30	=	1,500	30,500
7. <i>Audit and Inventory Committee course</i>			
Transport P.100 x 34 x 2	=	6,800	
Per diem 150 x 4 x 4	=	2,400	
Board & Lodging 200 x 34 x 4	=	27,200	
Supplies 50 x 30	=	1,500	37,900
8. <i>General Membership education programme</i>			
Beiter living/Farm guidance course			
Transport P.100 x 8 x 3	=	3,600	
Per diem 150 x 8 x 3	=	1,600 x 10	52,000
9. <i>Amalgamation/organizational expenses</i>			
Per diem P.150 x 23 x 3	=	10,350	
Transport 100 x 23 x 3	=	6,900	17,250
10. <i>Advance Training/Seminar workshop</i>			
Per diem P.150 x 4 x 5	=	3,000	
Transport 100 x 34 x 2	=	6,800	
Board & Lodging 50 x 34 x 5	=	34,000	
Supplies 50 x 30	=	1,500	45,300
11. <i>Advance Leadership Training</i>			
Per diem P.150 x 4 x 4	=	2,400	
Transport 100 x 34 x 2	=	6,800	
Board & Lodging 200 x 34 x 4	=	27,200	
Supplies 50 x 30	=	1,500	37,900
12. <i>Advance Management course</i>			
Transport P.100 x 34 x 2	=	6,800	
Per diem 150 x 4 x 4	=	2,400	
Board & Lodging 200 x 34 x 4	=	27,200	
Supplies 50 x 30	=	1,500	37,900
13. <i>Monitoring and Evaluation</i>			
Per diem P.150 x 10 x 3 x 5 x 3	=	67,500	
Transport 100 x 10 x 3 x 5 x 3	=	45,000	112,500
14. <i>Soft loan and grants</i>			
Facilities	=	10,000,000	
Credit	=	5,000,000	15,000,000
			15,375,050
15. <i>Contingency/Allowance for inflation (20%)</i>			141,591
Grand Total			Pesos 15,716,641
			US \$714,393

Time Plan

Activity		Year 1												Year 2											
		1	2	3	4	5	6	7	8	9	10	11	12	1	2	3	4	5	6	7	8	9	10	11	12
1.	Consultation/briefing	----(1-3)																							
2.	PMEP	------(1-4)																							
3.	Registration	------(2-6)																							
4.	Trainers' Training	---(4-5)																							
5.	Basic Bookkeepers training	---(7-8)																							
6.	Basic Manager/Chairmen Training	---(6-7)																							
7.	Basic Board of directors Trg.	---(7-9)																							
8.	Credit Committee Training	---(9-10)																							
9.	Audit & Inventory Committee Trg	---(10-11)																							
10.	Gen.membership programme													---(1-2)											
11.	Amalgamation													------(1-4)											
12.	Adv.Training/Seminar													-----(4-6)											
13.	Adv.Training/Leader													---(5-6)											
14.	Adv.Training/Management													---(6-7)											
15.	Financial sourcing	-----												------(1 to 3 years)											
16.	Integration													------(2.4 to 3 years)											
17.	Monitoring & Evaluation	-----												------(1.6 to 3 years)											

Note: Year 3 - Continuation of item 15 to 16

SRI LANKA

I. Action plan for implementation in Sri Lanka by the Sri Lanka Co-operative Marketing Federation Ltd., by Mr.Ranjit K.Samarasinghe

Background

Sri Lanka Co-operative Marketing Federation was established on the 1st of March, 1973.

It is an apex organisation with a membership of 257 members, consisting mainly of multi-purpose co-operative representation.

Member Participation and management

Member participation in the activities of the federation is limited to annual general meeting, where 75 per cent of the membership participate to discuss matters related to the annual budget and approve the same.

The membership elects 25 members to represent them district-wise to the Central Committee of the Sri Lanka Co-operative Marketing Federation. This committee meets quarterly and follow-up activities of the organisation.

Five members of the central committee are elected nominees to the board and represent the general body as directors for a period of three years.

The chairman and three others are appointed to the Board as directors by the Commissioner of co-operatives.

The direction of the organisation lies with the board of directors and the executive powers are wielded by the General Manager, who is an employee of the organisation.

Objectives of the federation

The objective of the organisation is to aid and encourage member societies in accordance with co-operative principles to pay way for the expression of collective ideas relevant to the activities of the member societies, to be engaged in the production and marketing of agricultural produce through member societies or directly with farmers, to be engaged in export/import trade with a view to achieving its objectives. It could engage in wholesale and retail business activity, both locally and externally, giving due leadership to the membership through identified areas of activity at national level in accordance with the co-operative law and subject to the bye-laws of the organisation.

Purpose and need for planning

Basically, the need for corporate forecasting and planning arises from the fact that the individual enterprise operates in a changing environment. In a traditional, pre-industrial society, planning was relatively unimportant, because the economic, social and political environment remained relatively constant from generation to generation. But in contrast, today, urbanization and industrialization is constantly changing the way of life. Organisations have to cope with changes and survive in the new environment and plan for changes in the future. Therefore, planning is essential for survival.

Is Sri Lanka co-operative marketing federations in a state of readiness to face the challenges of change and what degree of participative contribution could one expect from the membership?

As stated before, the organisation is weakest in this area in that it lacks a plan drawn up with the commitment of the general membership. The organisation has functioned in this fashion since its inception and has managed to survive or be salvaged with government inputs and financial assistance.

To avert the current situation, I identify two key areas:

- i. Uncommitted membership,
- ii. Financial constraints.

The regional seminar conducted by the ICA/CUAC/IDACA on member participation in agricultural co-operatives and its methods with special reference to the Japanese experience held over the past few weeks has highlighted many aspects, which could be used in Sri Lanka in business planning and management of agricultural co-operatives. I particularly consider the following aspects to be most useful and applicable in our local situation:

Membership participation/commitment

1. Member participation and development of rapport between grassroots level organisation membership and apex level organisations.

Current Status : Almost nil, membership continues to affiliate merely because they are members.

They go their own way and have no (or very little in few cases) links with the apex. Interests of the membership is more on trading and meeting consumer demands as against the apex which was set up to relate to the agricultural sector in respect of inputs, marketing and processing of agricultural products and give leadership to the farming community as a whole.

A new apex for consumer co-operatives has been formed in July, 1989.

Action Plan

1. Relate to membership, district-wise and obtain their views on future relationship with the apex. There are 27 districts represented in the general body.

Stage I

- i. Convene central committee in September, 1989 and declare interest to discuss matters pertaining to future plans and relations with the apex.
- ii. Formulate plan to consult membership district-wise at the above meeting.

Strategy and activities

- iii. Present to the central committee the Japanese experience of member participation in agricultural co-operatives for their information, comments and discussion. Aspects to be highlighted are:
 - a. Historical background of the Japanese co-operative movement,
 - b. Aspects of Japanese agriculture,
 - c. Facts on organisation and activities of agricultural co-operatives in Japan, of relevance to us,
 - d. Activities of multi-purpose agricultural co-operatives and the role played by the federation.

I would seek their views on how we should reorganize ourselves to meet the challenges ahead. Every effort will be made to reach agreement on the line of action.

2. Since most of the multi-purpose co-operatives are consumer oriented, I will discuss with the department to look at possibilities of reconstituting the general membership, keeping back membership of those directly involved in agriculture or related activities and moving the others to the newly formed consumer apex.
3. There are other secondary and primary level co-operatives functioning in the agricultural sector, who are not affiliated to an apex. I shall arrange to meet them and discuss affiliation with them in October, November and December, 1989 with a view to enlisting them as members.

Stage II

In January, 1990, arrangements will be made to formulate a business plan in relation to agricultural M.P.C.Ss. in consultation with them.

This plan should be completed and available for approval by the general body by March 1990. We will make use of methods applicable of the Japanese experience in this instance.

Financial Constraints

We are operating on an overdraft of Rs.1.5 million on which we are paying out interest to the tune of Rs.200,000/- per month.

We have already commenced looking at unproductive assets and areas of operation with a view to reducing:

- i) operational costs,
- ii) overdraft facility.

We should be on a better position financially by 31 December, 1989.

Business planning through member participation at MARKFED

<i>Objectives</i>	<i>Strategy</i>	<i>Responsibility</i>	<i>Target</i>
1. To enhance member participation in business activities of MARKFGED	Convene Central Committee: i) declare interest to discuss matters pertaining to future plans and member relations with the apex. ii) Formulate plan to consult membership district-wise. iii) Present Japanese experience of member participation in agricultural co-operatives for discussion and comment. iv. Seek consensus on plan of action.	R.K.Samarasinghe, Chairman	End Sept '89
2. To develop rapport and business relationship with the several membership	i. Identify consumer oriented members ii. Meet members district-wise and discuss future plans, with those involved in agricultural pursuits. iii. Seek departmental assistance to reconstitute membership. iv. Affiliate co-operatives associated in agricultural pursuits who are not members.	R.K.Samarasinghe	Jan., 1990

II. Plan to re-orientate the primary milk producers co-operatives to suit the total agricultural needs of the members- A Pilot Project by Mr.R.G.Wijetunga

Background

Despite the availability of inherent resource material (cattle and buffaloes), the government's milk pricing policy has precluded a vast majority of the rural farming community from engaging in viable dairy farming. In consequence, milk production remains to be a side line business in their farming activities. Therefore, the objective of the Coconut Triangle Milk Producers Co-operative Union is to ensure a good marketing network to facilitate its members to sell the highly perishable farm produce, milk. Being in this situation, the business activities of this single purpose dairy co-operative union are confined to:

- i) Procurement of milk,
- ii) Offer the best possible price for milk,
- iii) Supply low cost inputs for milk production,
- iv) Maintain a balance between the producer and consumer price of milk and dairy products, processed and marketed by the Union.

Although the Union has a total membership of 129 primary milk producers societies with over 9000 farm households, to the poor producer, price of milk continue to be a major constraint to scientific farm guidance and planning. In this context, the need to integrate individual member's farming plan to the dairy co-operative plan is beyond expectation. Hence, the planning of business activities is confined to only the annual budgetary preparations in accordance with the needs of the milk producing members as stipulated in the bye-laws.

Reflections on the experience gained in Japan

Small land holding agriculture demands intensive farming techniques to achieve maximum productivity from limited resources. In a farm based economy like in Japan, the multi-purpose approach in developing agricultural co-operatives has not only facilitated integration of farm activities through scientific planning and guidance, but has also enabled the farm household to be linked to both production and consumption needs through a two-way interaction, thereby maximising agricultural earnings and household savings for better living conditions. Education, training and farm guidance have played a vital role in farm planning to achieve income targets at the grassroots level, resulting in members' confidence in the movement. Each member contributes to the success of the co-operative in the same way as he derives economic and social benefits.

Though the Sri Lankan economy is also agriculture based, the single purpose approach to agricultural co-operative development (particularly in a situation where the commodity hardly brings worthwhile economic gains to the farmer) has not provided the necessary base for farm planning in its totality at the grassroots. Therefore in a small farming system as ours, which necessitates crop and stock integration, it may be a worthwhile exercise to broad base the business activities of the existing structure to cover areas of crop farming as well. Therefore, a change in the outlook of the organisation could be the correct approach to promote farm planning which is a basic pre-requisite to active member participation in relation to the Sri Lankan situation.

Objectives

The proposal is to be implemented as a pilot project to achieve the following objectives:

- to broad base the current activities,
- to promote farm planning,
- to relate the member's farming plan to the primary co-operative's plan.

Strategies

The following factors will be recognized in determining the strategies:

- i. Despite the availability of farm wastes such as paddy straw and agricultural by-products like rice bran, these have rarely found a gainful place in our farming systems.

- ii. Farmers are, more often than not, at the mercy of the middleman operator who tie up farm produce as security against borrowing, thereby precluding the farmer from receiving a good price for his produce.
- iii. Inability to obtain farm inputs at the appropriate time and in the correct quality leading to low productivity and poor returns.
- iv. Poor marketing facilities for farm produce other than milk.

The strategies will be as follows:

- a. Offer of credit in the form of *material inputs* to increase productivity of the key commodity-rice.
- b. To add value to farm produce by affording improved rural market conditions and processing and consumer marketing of finished products in urban areas.
- c. To afford the members of the opportunity to utilize farm workers and quality by-product at reasonable cost for milk production.
- d. By a combination of the above strategies to build confidence of the members in the co-operative movement.

Activities

The project activities will necessarily be:

- Educating the members on the need for such a project,
- Training of existing farm guidance staff,
- Farm surveys,
- Impart technical know-how to the members,
- Supply of inputs for the key commodities,
- Coordinate farming practices,
- Crop insurance,
- Marketing/processing,
- Monitoring and evaluation.

Implementation and management

As the plan was conceived long before my participation at the ongoing IDACA seminar on agricultural co-operatives, the objectives and strategies are already known to the board of directors of the Coconut Triangle Milk Producers Co-operative Union and related officials of the Department of Co-operative Development. Nevertheless, my exposure to the agricultural co-operative movement in Japan has given me added strength to forge ahead with confidence to consolidate on the new thinking by adopting the Japanese experience, with ofcourse necessary modifications, to relate to the Sri Lanka situation.

The plan will be implemented as a pilot project within the framework of the existing co-operative structure. Starting with only one primary co-operative society in year one (1990), the strategies will relate to a total of three societies by the end of the project period.

The interaction of the following organisations will be a prelude to the successful implementation of the strategies outlined above:

- The Department of Co-operative Development,
- The National Livestock Development Board,
- The Department of Agriculture,
- The Department of Agrarian Services,
- The MARKFED Apex Co-operative body.

The Coconut Triangle Livestock Training Centre of the National Livestock Development Board is currently responsible for the training of members and staff of the Milk Producers Co-operative Union. The same resources will be drawn to train the members of the project co-operative and connected staff who will be assigned to the special project.

The Sri Lanka Co-operative Marketing Federation, which is the apex body, will collaborate in the marketing of produce and will also provide the working capital.

The Milk Producers Co-operative Union will shortly undertake the operational management of a Rice Milling/provender mix complex. This facility will take care of the milling and processing of rice which will be the key commodity.

The management will be undertaken by a special committee made up as follows:

1. General Manager, CTMU Ltd, Project Leader
2. President, Primary Co-operative Society
3. Secretary, Primary Co-operative Society
4. Marketing Manager, CTMU Ltd
5. Trained Farm Guidance Officer, CTMU Ltd
6. Training and Extension Advisor, CTLDC/NLDB
7. Book Keeper, CTMU Ltd.

Indicative Budget

(Rs. Millions)

Activity		Year 1	Year 2	Year 3
Education & Training	*	-	-	-
Farm surveys	)	0.025	0.050	0.075
Extension Services	) #	0.060	0.120	0.180
Miscellaneous	)	0.050	0.100	0.150
Working capital	+	0.50	0.100	0.150
Total		0.635	1.270	1.905

* Expenditure will be met by the NCDB by re-orienting its current training facilities to suit the project members,

To be met by commissions and profits

+ To be advanced by MARKFED

Time Plan

The Time plan of activities to be undertaken in the re-orientation of the first society is given for 3 years prepared on the basis of one cultivation season during year one of the project and two seasons each during years two and three. The same time plan will be replicated in the cast of the other two societies:

Activity	Year one	Year two	Year three
	one season	two seasons	two seasons
Education & Training	•••••	•••••	•••••
Basic Farm data & surveys	•••••	•••••	•••••
Organise farm inputs	•••••	•••••	•••••
Farming operations	•••••	•••••	•••••
Marketing/processing	•••••	•••••	•••••

Evaluation

The evaluation will be done by the joint committee of NLDB and CTMU Ltd., staff already appointed to evaluate the training and extension activities in relation to dairy farming activities. Markfed will also be co-opted to this committee.

THAILAND

Action Plan by Mrs.Sunun Kamnerdpan

01. Current situation of member participation in agricultural co-operatives in Thailand and problems

a) Situation

Agricultural co-operatives in Thailand number to 1,157 with a total membership of 883,694.

b) Specific problems

- i. General economic condition of the co-operatives are bad,
- ii. Government policy on co-operative development not very helpful,
- iii. Insufficient knowledge,
- iv. Inefficient marketing system.

02. My reflections on the experience gained in Japan

- i. Can improve the marketing knowledge of staff by education.
- ii. Improve farm guidance - training on agricultural promotion techniques for members will increase production.

03. Ways of adapting the Japanese experience to solve the problems of member participation in Thailand

Education and training and occupational promotion:

Education through:

- plan for educational activities for members.
- plan for educational activities for officials.

Training through:

- group discussions,
- lectures,
- study meetings every month.

Occupational Promotion:

- Farm guidance and use of agricultural technologies in order to increase production, such as use of good seeds, insecticides, machinery, etc.

04. Title of the project

Education and training of member farmers of Konburi Agricultural Co-operative.

05. Objectives/targets

Objectives

- To enable the members to understand their rights, duties and responsibilities as co-operative members
- To increase the promotional and service activities for members in the co-operatives.

Targets

- There are 13 Committee members. They are the target for education and training.
- Number of members are 1758, who will be divided into 49 groups for ease of operation and they would work for the increase in the volume of their business through proper planning. To increase business as follows:
 - Credit business to 98% of planned business income,
 - Input supply business to 85% of planned business income,
 - Marketing Business to 75% of planned business income,
 - Deposit business to 95% of planned business income.

06. Details of activities involved in the Project

Train about 30 members every month. The total of 1738 members including 13 committee members are to be trained in 3 years.

07. Strategy for implementation of the Project

- Education Programme: Plan for education activities for members
Plan for educational activities for officials
- Lecture meetings
- Sports and games-
- Discussions and planning.
- Evaluation and reporting about the progress and success of the agricultural co-operative project on the implementation of the Japanese experience.

08. Monitoring and evaluation procedure:

Reports every 3 months by all the 49 groups.

10. indicative Budget

Activity	1 Year	2 Year	3 Year
Education Fund	30,000	50,000	70,000
Divided:			
- Board and lodging expenses	9,000	15,000	22,000
- Daily Allowance	13,000	10,000	26,000
- Conveyance expenses	2,000	5,000	7,000
- Social Expense	2,000	5,000	7,000
- Non-business expense	4,000	6,000	8,000
Total	30,000	50,000	70,000
Grand Total			150,000

10. Time Plan

Activity	1 Year	2 Year	3 Year
No. of member (groups of 30) trained	12	12	12
No. of groups every 3 months	4	4	4

14. EVALUATION AND CLOSING SESSION

EVALUATION

The evaluation seminar started at 10.00 hrs on 4th August 1989. The participants were given forum for evaluating the seminar. The summary of their evaluation is as follows:

**ICA/CUAC/IDACA Regional Seminar on Member Participation in Agricultural Co-operatives
and its methods with special reference to Japanese Experience
July 17 to August 04, 1989**

EVALUATION

(You do not need to write your name on this form)

I. PRE-COURSE INFORMATION

1. How was the introducing information you received in your country about: (Please mark in the suitable column)

- Aim of the seminar
- Content of the seminar
- Level of the seminar

	<i>Not Sufficient</i>	<i>Missing</i>
(18)		
(17)	(1)	
(15)	(3)	

Comment:

No response from one participant on any of the 3 points

2. How many weeks before the beginning of the seminar did you receive the following information:

- Announcement of the seminar

(Responses: 14 weeks=1, 20 weeks=5, 3 weeks=4,
7 weeks = 1, 10 weeks=2, 15 weeks=3, 5 weeks=3,
1 week=1)

- Letter of acceptance and general seminar information

(Responses: 22 weeks=1, 4 weeks=5, 8 weeks=2, 12 weeks=3,
16 weeks=1, 2 weeks=3, 6 weeks=3)

II. CONTENT OF THE SEMINAR

3. What is your opinion of the duration of the seminar?

- Much too long (1)
- Too long (2)
- Just right (14)
- Too short (2)
- Much too short

If not "just right" which do you think would be an adequate duration?

(Responses: 2 Weeks=2, 25 weeks=1, 3 months=1)

Comments:

4. State your opinion about the daily schedule of sessions:

- Too heavy (3)
- Just right (6)
- Too light

Comments:

5. Would you suggest any changes in the general nature of the seminar?

(Responses: No=7, No opinion=4)

6. Do you feel that the theoretical input corresponded for your needs in the member participation activities?

- To a very large extent (4)
- To a large extent (5)
- To a sufficient extent (10)
- To a small extent
- To a very small extent

Please Comment:

7. Please give your opinion about the study visits:

Please suggest other study visits that might have been valuable.

8. What did you think of the general level of the seminar?

- Much too high
- Too high (3)
- Adequate (16)
- Too low
- Much too low

Comments:

9. Give whatever comments you may have on the composition of the group of participants: (e.g. number, distribution of countries represented, educational background, language problems, size of the group, number of participants from each country and Japan)

10. Which subjects of the seminar did you find most valuable? (Please state reason: e.g. new subject, good lecturer, my speciality, relevant to my work, new information etc.)

<i>Subject</i>	<i>Reason</i>
1) Presentation of country reports	(10)
2) Present situation on Japanese Agriculture	(12)
3) Organisation and business operation of agricultural co-operatives in Japan	(10)
4) Tsukui-gun primary agricultural co-operative` society-role of farm guidance.	(9)
5) Japanese culture and society.	(9)
6) Drafting and presentation of farm management plan and business plan of Agricultural co-operatives	(13)
7) Better living activities of agricultural co-operatives in Japan -Various member supporting organisations.	(11)
8) Visits to Fukushima Prefecture	(12)
9) Action Planning	(10)

11. Which subjects of the seminar did you find *most valuable*? (Please state reason: e.g. new subject, good lecturer, my speciality, relevant to my work, new information, etc.)

<i>Subject</i>	<i>Reason</i>
i. Presentation of country reports	(1)
ii. Present situation on Japanese Agriculture	(12)
iii. Organization and business operation of agricultural co-operatives in Japan	(10)
iv. Tsukui-gun primary agricultural co-operative society	(9)
Role of farm guidance	(9)
v. Japanese culture and society	(9)
vi. Drafting and presentation of farm management plan and business plan of agricultural co-operatives	(13)
vii. Better living activities of agricultural co-operatives, in Japan	(11)
Various members supporting organizations	(12)
viii. Visits to Fukushima prefecture	(10)
ix. Action planning	(10)

(9 participants had no opinion and 7 said all are valuable)

12. Were there in your opinion any relevancy subjects that were not adequately covered in the course?

Yes/No (4 Yes and 14 No)

If yes what did you miss?

13. Which changes would you have preferred in the methods of instructions?

<i>No changes</i>	<i>More</i>	<i>Less</i>	
Lectures	11	5	1
Group works	12	3	2
Case Studies	11	5	
Business Planning Exercise	15	3	
Individual work (action commitment)	16	1	
Study tours	9	8	1

(One had no opinion)

Comments

14. Did you benefit from the exchange of views with?

	<i>Lecturers</i>	<i>Observers</i>	<i>Society officials</i>	<i>Fellow Participants</i>
A great deal	11	2	4	5
Much	3	7	9	7
Somewhat	2	3	5	
Little	2	1		
Total all	1	2	3	2

III. RELEVANCE AND APPLICABILITY

15. Did you find the content of the seminar relevant to conditions in your country?

- To a very great extent	4
- To a greater extent	9
- To a sufficient extent	4
- To a small extent	2
- To a very small extent	

Please state why

16. Did you feel that your participation in this seminar has benefitted you professionally?

- To a very great extent 8
- To a greater extent 6
- To a sufficient extent 5
- To a small extent
- To a very small extent

Please state why

17. Do you think you will have an opportunity to apply your aquired knowledge and experience in your home country?

- To a very great extent 3
- To a greater extent 7
- To a sufficient extent 6
- To a small extent 3
- To a very small extent

What difficulties if any would you expect to meet?

18. Will you be able to transfer your aquired knowledge to other peoples in your home country?

- To a very great extent 3
- To a greater extent 8
- To a sufficient extent 7
- To a small extent 1
- To a very small extent

What difficulties if any would you expect to meet?

19. What activities would you suggest to follow up the course?

(b) By participants

20. As a whole how do you assess the seminar in terms of achievement of objectives?

- Completely attained 9
- Satisfactory attained 9
- Somewhat attained
- Not attained
- No opinion 1

CLOSING SESSION

Mr. Y. Nakaoka, Manager, International Department of the Central Union of Agricultural Cooperation was the chief guest for the closing seminar.

He in his speech said that Japan has experienced some political turbulances recently from which the people learn to preserve democracy. Japan still preserve the ideals of democracy as shown from stepping down by the leaders when they are found they are not acceptable to the people.

He further said that the ICA President has elaborated the issues of basic values at the last Congress. This type of seminar would share the ideas and experiences in that direction too. Mr. Nakaoka said that Japan would hold next ICA Congress in Tokyo and he wished to see the delegates from other countries again at the congress.

Mr. Fukagami said that he could see the seminar as a successful activities as shown through the

presentation of action plans. Japanese agricultural movement is facing problems at present. He thanked the ICA ROAP for their excellent collaboration and hoped that this would continue in the future. He wished that participants would be able to improve their cooperation further through the experience gained during the seminar.

Mr. Herath thanked Mr. Nakaoka for his presence at the closing and thanked CUAC and IDACA for their excellent collaboration at the seminar. He said that the seminar members should consider the seminar as a beginning of development process through member participation. The action plans are meant to be implemented. The program would be reviewed at the IDACA re-union meetings in respective countries. He wished them success in their areas.

Mr. Ranjit Samarasinghe from Sri Lanka and Mr. A. Markam from Indonesia spoke on behalf of the participants and thanked the sponsoring agencies.

The participants were awarded with a certificate. There was a get together after formal closing.

PART III
ANNEXURES

MEMORANDUM

February 02, 1990

**ICA/CUAC/IDACA Regional Seminar on Member Participation in Agricultural Co-operatives
and its Methods - with special reference to Japanese Experience
Tokyo : 23 July to 10 Aug. 1990**

1. Organiser
International Co-operative Alliance
Regional Office for Asia and the Pacific, "Bonow House",
43 Friends Colony (East)
New Delhi-110065.
2. Collaborating Organisation
Central Union of Agricultural Co-operatives
8-3, 1-chome, Otemachi
Chiyoda-ku, Tokyo, Japan.

The Institute for the Development of
Agricultural Co-operation in Asia (IDACA)
4771, Aihara-cho, Machida-shi, Tokyo.
3. Objectives
 - (a) To learn about business planning and management of agricultural co-operatives based on the needs of member farmers and about strategies and methods of member participation programmes of agricultural co-operatives of Japan;
 - (b) to discuss applicability of the Japanese experience on member participation to agricultural co-operatives of the participants' countries;
 - (c) to identify strategies and methods which would be most effective in member participation in participants' countries on the basis of study of (a) and (b);
 - (d) to formulate action proposals for the organisations/ movements of the participants, keeping in view the experience gained at the seminar.
4. Venue
IDACA, 4771 Aihara-cho
Machida-shi, Tokyo.
Cable : IDACAINASIA, Tokyo.
Telephone : 0427-82-4331
Telex : 2872205 IDACA J.
5. Contact Persons
From IDACA
Mr Shiro Futagami
Managing Director, IDACA

Mr Yukio Abe,
Programme Coordinator, IDACA

6. Contact persons	<p><i>From ICA</i></p> <p>The following person from the ICA RO will be responsible for conduct of the seminar along with IDACA personnel:</p> <p>Mr.W.U.Herath</p>
7. Dates	<p>17 July to 05 August 1990.</p> <p>Study Visits for about 4-5 days will be arranged in Japan during the seminar.</p> <p>The participants should arrive in Tokyo on 23 July 1990. Similarly participants should ensure that their departure is fixed for 11 August 1990. IDACA will not be able to provide accommodation after 6th August 1989.</p>
8.Countries Invited	<p>Afghanisatan, Bangladesh, China, Fiji, India, Indonesia, Iran, Republic of Korea, Democratic Republic of Korea, Malaysia, Pakistan, Philippines, Sri Lanka, Thailand and Vietnam.</p>
9.Qualifications of	<p>Nominated participants should:</p> <ul style="list-style-type: none"> a) not be above 50 years of age; b) be proficient in the English language, c) possess a minimum of five years experience in co-operative work, d) be actively involved in: <ul style="list-style-type: none"> i) business planning and anagement of agricultural cooperatives, and ii)member education work,at primary, secondary or national level organisations. <p>Candidates who are responsible for business planning based on needs of members would be given preference.</p> <p>The nominated participant should specify in the Personal History Proforma as to how he fulfils the above qualifications.</p>
10. Method of Nomination	<p>Full background information of participants nominated for the seminar should be furnished in the enclosed proforma (2).</p>
11. Late date of Nomination	<p>15th May 1990.</p> <p>If no nominations are received by this date, the offer should be considered withdrawn.</p>
12. Medical Certificate	<p>Nominations should be accompanied by a Certificate of medical fitness from a recognised medical practitioner or institution.</p>
13. Travel	<p>The ICA Regional Office will pay half the return airfare, economy class, by the shortest route, from the international airport nearest to the participants' place of work to Tokyo. Detailed instructions regarding travel arrangements will be sent to the selected participants.</p> <p>No reimbursement will be made in the event of non-utilization of the PTA sent.</p>
14.Board & Lodging	<p>The CUAC/IDACA will take care of the board and lodging expenses of the participants during the seminar period. The participants will be accommodated in IDACA Hostel. Please note that no accommodation facilities can be provided for</p>

anybody other than the participants (viz. spouses, etc.) in IDACA.

i. The selected Participants from each country should prepare a joint comprehensive paper on Member Education in Agricultural Co-operative Movement in their respective countries.

ii. Participants are also requested to bring with them additional relevant material on member education in their respective countries.

These papers will form important basic documentation for the seminar. The participants are requested to send three copies of the papers to the ICA Regional Office, New Delhi by 30th June 1990. The length of each paper should not exceed 4000 words.

The participants should bring with them 30 copies of the papers to the seminar.

The papers should be typed in double space on quarter size paper.

15. Passport and Health Regulations

Participants are requested to ensure that they hold valid passports and visas for Japan as well as for other countries they may have to pass through during their journey (especially Hong Kong).

Participants are expected to ascertain health regulations of Japan, Hong Kong and other countries through which they will be passing, and should secure such vaccinations as may be necessary in good time prior to their departure from their home countries.

16. Accident/ill health

It is suggested that participants take adequate insurance or other cover on their own to meet any eventualities arising out of accidents or ill health during the period covered by this activity.

The ICA RO regrets that it will not be possible for it or the collaborating organisations in Japan to incur any costs in respect of accidents or illness.

17. Luggage

In order to avoid paying excess charges on luggage, participants are advised to start their journey with less than the minimum weight of luggage permitted for economy class travel (20 kgs) so as to allow for additional items they may acquire during their stay abroad. The ICA RO will not pay any amount for excess baggage.

18. Climate & Clothing

The temperature in Tokyo during the month of July is between 24 to 30 Deg Centigrade. Humidity is around 75 per cent.

19. Other matters

The ICA RO and the collaborating organisations will not be responsible for any financial or other liability excepting those set out in this Memorandum.

PROGRAMME

July 16,1989 (Sunday)

Forenoon

Arrival of participants

July 17,1989 (Monday)

Forenoon

IDACA Orientation/Opening Ceremony/ ICA Orientation

Afternoon

Presentation of country reports.

July 18,1989 (Tuesday)

Forenoon

Presentation of country reports

Afternoon

Briefing on Japanese culture & society by Mr.Ykio Abe, IDACA

July 19,1989 (Wednesday)

Forenoon

Present situation of Japanese Agriculture by Mr.Hiroshi Terunama, IDACA

Afternoon

July 20,1989 (Thursday)

Forenoon

Organization and business operation of Agricultural Co-operatives of Japan
by Mr.Shiro Futagami, IDACA

Afternoon

July 21,1989 (Friday)

Forenoon

Roles of Farm Guidance by Agricultural Co-operatives to Link Management Plan of Member farm
households with various co-operative business activities by Mr.Kajin Kondo, Tsukuigun Agricultural
Co-operative)

Afternoon

July 22,1989 (Saturday)

Forenoon

Various members' supporting organizations: Producers' groups, Women's Associations, Youth
Associations of Agricultural Co-operatives by Mr.Isamu Sugioka, IDACA

Afternoon

Free

July 23,1989 (Sunday)

Forenoon

Leave IDACA for Fukushima Prefecture for Study Visit

July 24,1989 (Monday)

Visit to the Fukushima Prefecture Union of Agricultural Co-operatives.

July 25,1989 (Tuesday)

Forenoon

Visit to the Fukushima City Iizaka Agricultural Co-operative

Afternoon

Observation of its facilities

July 26,1989 (Wednesday)

Forenoon

Visit to the Inawashiro-cho Agricultural Co-operative

Afternoon

Observation of its facilities

July 27, 1989 (Thursday)

Whole day

Sight seeing of the famous castle, Sumarais' house and lakes with a scenic beauty

July 28, 1989 (Friday)

Forenoon

Free

Afternoon

Leave Fukushima for Tokyo

July 29, 1989 (Saturday)

Forenoon

Review of Study visit

Afternoon

Free

July 30, 1989 (Sunday)

Free

July 31, 1989 (Monday)

Wholeday

Drafting and presentation of farm management plan and business plan of Agricultural Co-operative by Mr.Seiichi Miyagawa

August 1, 1989 (Tuesday)

Same as 31st July, 1989

August 2, 1989 (Wednesday)

Same as 31st July, 1989

August 3, 1989 (Thursday)

Forenoon

Presentation of National Action Commitment plan

Afternoon

Presentation of Final group reports by participants.

August 4, 1989 (Friday)

Forenoon

Evaluation meeting and closing ceremony

Afternoon

Preparation for departure of participants for home countries.

August 5, 1989 (Saturday)

Departure of participants for home countries.

ITINERARY FOR STUDY VISIT TO FUKUSHIMA PREFECTURE July 23 (Sunday) to 28 (Friday), 1989
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July 23, 1989 (Sunday)

09.00-11.00	Leave IDACA for Ueno Station by Train
11.20-12.55	Leave Ueno for Fukushima by Bullet Train Yamabiko No.107
13.00-13.05	Walk to the Fukushima View Hotel from the station.
13.10	Free after checking in hotel

July 24, 1989 (Monday)

09.30	Leave Hotel for the Fukushima Prefectural Union of Agricultural Co-operatives by bus.
10.00-12.00	Briefing on the outline of agriculture and agricultural co-operatives.
12.00-13.00	Lunch and recess.
13.00-14.00	Observation of facilities, computer centre, training institute directly run by the Prefectural Union.
15.00-16.00	Observation of the Prefectural orchard experimental station.
16.30	Arrive at the Hotel

July 25, 1989 (Tuesday)

08.30-09.15	Leave the hotel for Fukushima City Iizaka Primary Agricultural Co-operative by bus.
09.15-12.00	Briefing on the General outline of the society with special reference to the Members' Participation in the co-operative through promoting the production of orchards.
12.00-13.00	Lunch and recess.
13.00-14.00	Observation of the co-operative's facilities (grading centre of peach, cold storage and a co-operative store).
14.30-15.30	Visit to a farmhouse.
15.30-18.30	Leave Fukushima for Aizuwakamatsu City
18.30	Arrive at the Aizu Washington Hotel.

July 26, 1989 (Wednesday)

08.00-09.00	Leave the hotel for the Inawashiro-cho Primary Agricultural Co-operative by bus.
09.00-12.00	Briefing on the outline of the society with special emphasis on the Members' Participation in the co-operative through Farm Guidance and Better Living activities.
12.00-13.00	Lunch and recess
13.00-17.00	Observation of the facilities owned by the society: <ul style="list-style-type: none"> i. A co-operative store, ii. Farm machinery centre, iii. Tomato grading centre. Observation of land consolidation project Visit to Two farm houses (Tomato growers' and beef cattle raising farmers)
17.00-18.00	Leave the society for the hotel.

July 27, 1989 (Thursday)

09.00-11.30	Leave the hotel on a sight seeing tour of the city (The Taurugajo castle, samurai warrior's house, etc.) by bus.
11.50-12.40	Lunch at the Aizu Washington Hotel
13.00-14.00	Visit to the Aizu Village
15.00-16.00	Visit to the Lake Hibara
16.10	Arrive at the Urbandai Royal Hotel

July 28, 1989 (Friday)

Free in the morning
(You may take a walk around the Goshiki Numa Swamp)

11.40-12.30 Lunch in the hotel

12.30-13.00 Visit to the Noguchi Memorial Hall

13.30-15.00 Leave the Hall for Koriyama Station

15.22-16.40 Leave Koriyama for Ueno - Train Yamabiko No. 188

16.50-18.30 Leave Ueno for IDACA by bus.

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LIST OF PARTICIPANTS AND THEIR DETAILS

Sl.No.	Name	Country	Position , organisation and address
1.	Mr.Iqbal Hossain Porkan	Bangladesh	Chairman,Barisal Central Co-operative Bank, Barisal, Bangladesh
2.	Mr.Aminul Haque	"	Chairman, Naogaon Central Co-operative Bank Naugaon, Bangladesh
3.	Mr.Yu-Qing Zhang)	China	All China Fedn of Supply and Marketing
4.	Mr.Chang Sheng Gao)	"	Co-operatives, 45 FuXing Men Nei Street, Beijing Peoples Republic of China
5.	Mr.R.L.Nagpal,	India	Director (Co-operation), Department of Agriculture & Co-operatives, Government of India, Krishi Bhawan, New Delhi 110 001
6.	Mr.Harish Chandra	"	Managing Director, U.P.State Land Development Bank, 10, Mall Avenue, Lucknow India.
7.	Mr.A.K.Chaudhary	"	Registrar of Co-operative Societies, Vikas Bhavan, Patna, Bihar.
8.	Mr.Achmad Markam	Indonesia	Director, Dewan Koperasi Indonesia, Jln. Let.Jen.S.Parman Kav.80, Jakarta 11420 (Indonesia)
9.	Mr.Hyung Sung Hwang	S.Korea	Junior Officer, Research Department, National Livestock Co-operative Federation, 17-9, Yoido-Dong, Young Deung PO-Ku, Seoul, Republic of Korea
10.	Mr.Chong Hwan Kim	"	Associate Professor, National Agricultural Co-operative Federation, 11-202, Si-Young Apartment, 670, Ko-Duck Dong, Gang Dong-ku, Seoul, Rep.of Korea.
11.	Mr.Suhaimi Saleh	Malaysia	Agricultural Officer at RISDA, Pejabat Risda, Wilayah Terengganu Utara, 22000 Jertech, Terengganu, Malaysia.
12.	Mr.Jahare Abu Bakar	Malaysia	Assistant Director, FELCRA, Bukit Bukit Bintang Road, L.T.A.T.Building, P O Box 12254, P.O.Box No.12254, 50778, Kuala Lumpur, Malaysia.
13.	Mr.Surya Ratna Sakya	Nepal	Principal, Centre for Co-operative Development Training, Arniko Highweasy, Baneswar, Kathmandu, Nepal.
14.	Mr.Pacito Nefulda	Philippines	Executive Officer, Region III Co-operative Union, 245, Astoria Street, Marislol Vil, Angeles City, Philippines.
15.	Mr.Gil Melgerito	"	Programme Officer, Co-operative Foundation of Philippines, 95 Waling-Waling Street, Roxas District, Quezon City, Philippines.
16.	Mr.R.G.Samarasinghe	Sri Lanka	Chairman, Sri Lanka Co-operative Marketing Federation Ltd., 127 Grandpass Road, Colombo-154 (Sri Lanka)

- | | | | |
|-----|-----------------------|-----------|---|
| 17. | Mr.R.G.Wijetunga | Sri Lanka | Chairman, Coconut Triangle Milk Producers Union, Ltd., Weeragama, Kuliyaipitiya, Sri Lanka. |
| 18. | Ms.Maroum Sutanun | Thailand | Manager, Rong Kwang Agricultural Co-operative Ltd., 308, Yantaragi Gogong, Rongk Wang Province, Thailand. |
| 19. | Mrs. Sunun Kamnerdpan | " | Manager, Kornburi Nakornrajsima Agricultural Co-operative Ltd, 577-588, Mu 4, Tumbel Sha, Kornburi District, Nakornrajasima 30250, Thailand |
| 20. | Mr.W.U.Herath | ICA ROA | Advisor, Human Resource Development Project, International Co-operative Alliance, Regional Office for Asia and the Pacific, 43 Friends Colony (East), New Delhi 110 065, India. |
| 21. | Mr.Yong-Kang Guo | ICA ROA | Advisor, Agri-cultural Co-opertive Development Project |

HOST OF THE DAY

	<i>Country</i>	<i>Name</i>	<i>Date</i>
1.	Bangladesh	Mr.Iqbal Hossain Forkan Mr.Mohd.Aminul Haque	July 19
2.	China	Mr.Yu-Qing Zhang Mr.Chang Sheng Gao	July 21
3.	India	Mr.R.L.Nagpal Mr.Harish Chandra Mr.A.K.Chowdhuri	July 20
4.	Indonesia	Mr.Achmad Markam	July 25
5.	South Korea	Mr.Hyung Sung Hwang Mr.Chong Hwan Kim	July 22
6.	Malaysia	Mr.Suhaimi Saleh Mr.Jahare Abu Baker	Aug.03
7.	Nepal	Mr.Surya Ratna Shakya	July 18
8.	Philippines	Mr.Pacito Nefulda Mr.Gil Melegrito	July 26
9.	Sri Lanka	Mr.R.K.Samarasinghe Mr.R.G.Wijetunga	July 24
10.	Thailand	Ms.Maroum Sutanun Mrs.Sunun Kamnerdpan	July 29

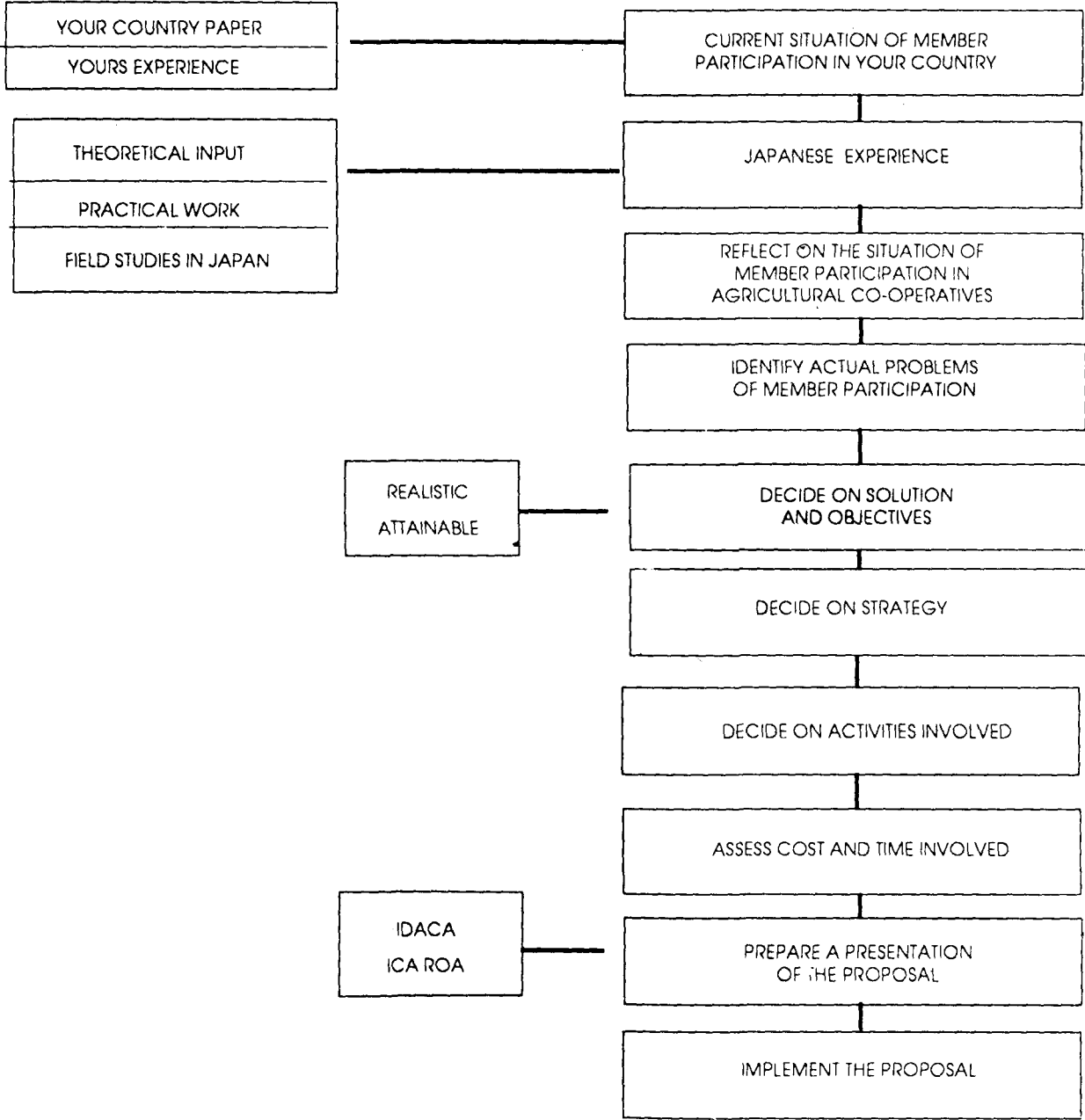
GUIDANCE FORMAT FOR ACTION COMMITMENT
Prepared by W U Herath

Objectives

To enable you to:

- * Apply the experience gained during the seminar in your own country.
- * Prepare an Action Programme to be implemented in your own country/organisation.

Work Procedure



GUIDELINE FOR ACTION PLANNING

01. Objectives of Action Planning

To enable participants to:

- a) Match the experience gained during the seminar to their own country situations.
- b) Identify member participation strategies and related activities in Japanese agricultural co-operative societies relevant to be adapted in their own countries.
- c) Prepare an action plan to be implemented in their own countries.

02. Assignment of Preparation to be undertaken by

Individual participants.

03. Duration for the preparation and presentation of Plan

The participants will start thinking process by the time they attend to study visits and prepare the plan using their off hours which could be finalised on 03 August. Presentation has to be on 03 August.

04. Working method

- Reflect on the situation of member participation in agricultural co-operatives of the participants' country and identify the actual problems that hinder active member participation.
- Match the members participation activities of Japan with their own country and see whether anything could be adopted to solve problems.
- Select a problem to be tackled by using Japanese experience and give the proposal a Project title.
- Decide on the objectives/targets to be achieved from the Project and list them. These should be realistic and attainable, e.g. to enable at least 25% of membership involve in business planning of the society within next 3 years.
- Decide on the activities involved in the implementing the Project and explain it.
- Determine a strategy for implementing the Project and explain it.
- Also explain how you are going to sell the Project to the persons and institutions involved and the role you are going to play in implementing the proposal.
- Prepare a presentation of your proposal in form of a document (A specimen is annexed which can be modified and used.)
- Participants are required to present the proposal before the participants for further use.
- Participants are also required to report on the progress of the Project to ICA ROA and IDACA.

A SPECIMEN PROFORMA FOR THE ACTION PLAN

01. Current situation of member participation in agricultural co-operatives in (country) and problems:

- a) *Situation*
- b) *Specific problems*

02. My reflections on the experience gained in Japan

03. Ways of adapting the Japanese experience to solve the problems of member participation in (country)

04. Title of the Project

05. Objectives/targets

06. Details of activities involved in the Project

07. Strategy for implementation of the Project

08. Monitoring and evaluation procedure

09. Indicative Budget

Activity	1 Year	2 Year	3 Year
Total			
Grand Total			

10. Time Plan

Activity	1 Year	2 Year	3 Year

LIST OF REFERENCE MATERIAL USED

1. Japanese Culture, Society and Economy with stress upon Socio-Economic Conditions in Japan Yukio Abe.
2. Statistical handbook of Japan 1989.
4. Introduction to Agriculture in Japan- H.Terunama.
5. Past Development and Present state of Japanese Agriculture-H.Terunama.
6. Annual Report on Agriculture - Financial Year 1988 by the Ministry of Agriculture, Forestry and Fisheries.
7. Facts on Organization and Agriculture of Agricultural Co-operatives in Japan-Shiro Futagami.
8. The Agricultural Co-operative Society Law.
10. Agricultural Co-operative Movement in Japan
11. Basic Strategy of Agricultural Co-operatives Looking toward the 21st Century.
12. Tsukuigun Primary Agricultural Co-operative Society (Part I - Yellow, Part II-Green cover)
13. Better Living Activities pushed on by the Agricultural Co-operative Organizations-Z.Sugioka.
13. Drafting & Presentation of Farm management Plan and business plan of Agricultural Co-operatives.
14. Regional Agriculture Promotion Through Agricultural Co-operation (1986)
15. Prospects for Japanese Agriculture and Agricultural Co-operative measures for its Development by CUAC.
16. Agricultural Co-operatives in 1988.
17. History of Co-operative Development.
18. Long-term planning of the Co-operative movement.
19. Government Policy on Agricultural Rural Development by AARRO & IDACA
20. Zenchu (Central Union of Agricultural Co-operatives).
21. Central Co-operative College
22. Annual Report 1988 - Zenkyoren
23. An Outline of Credit Activities of Agricultural Co-operatives in 1984-T.Tashiro.
24. Educational activities of the Agricultural Co-operative Movement in Japan.
25. The Norinchukin Bank Annual Report 1988.
26. Zennoh (National Federation of Agricultural Co-operative Associations).