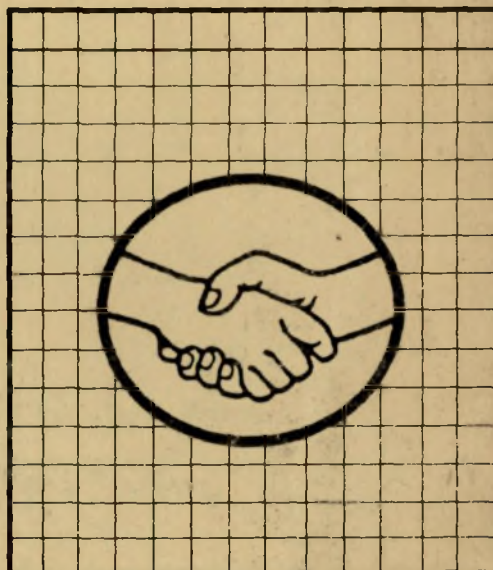
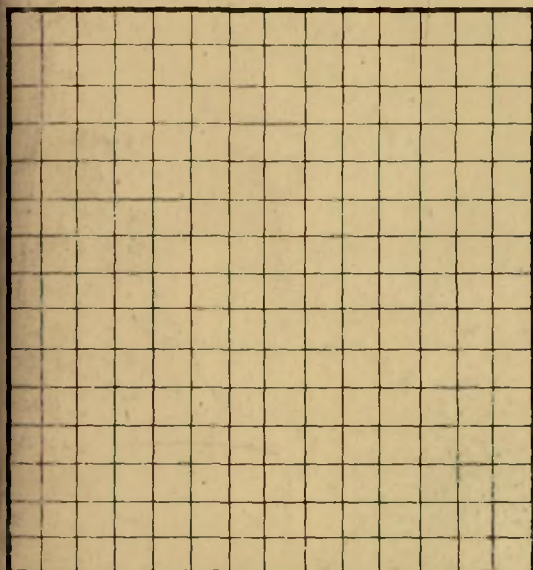


Philippines Cooperative Development Forum
**Cooperative-Government Collaborative
Strategies for the Development of Cooperatives**
THE PHILIPPINES



in association with

- Cooperative Union of the Philippines Inc.
- Cooperative Development Authority, Philippines
- Swedish Cooperative Centre

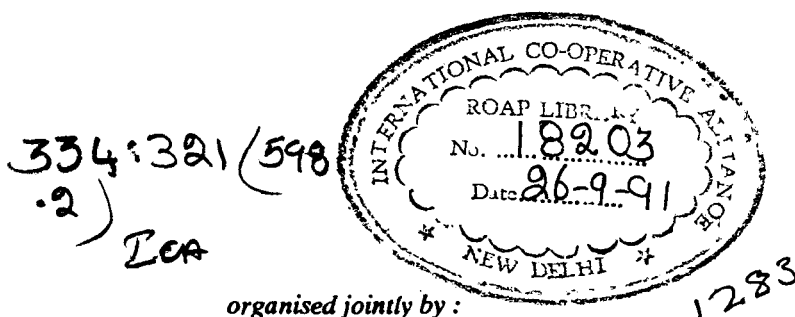
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**Cooperative-Government Collaborative
Strategies for the Development of
Cooperatives
THE PHILIPPINES**

**Report of the Philippines Cooperative
Development Forum, 4-7 June 1991**



organised jointly by :

Cooperative Union of the Philippines Inc.

Cooperative Development Authority

in association with

**International Cooperative Alliance
Regional Office for Asia and the Pacific**

Swedish Cooperative Centre



**International Cooperative Alliance
Regional Office for Asia and the Pacific
43 Friends Colony, New Delhi-110065. India.**

**Cooperative-Government Collaborative
Strategies for the Development of
Cooperatives - Philippines
(Report of the Philippines Cooperative
Development Forum. 4-7 June 1991)**

World Headquarters:

International Cooperative Alliance
15 Route des Morillons
CH-1218 Grand Saconnex
Geneva, Switzerland.

Telephone : (41)22-7984121
Telefax : (41)22-7984122
Telex : (45)415620 ICA CH

International Cooperative Alliance
Regional Office for Asia and the Pacific
"Bonow House", 43 Friends Colony (East)
New Delhi-110065, India.

Telephone : (91)11-6835123
Telefax : (91)11-6835568
Telex : (81)31-75025 DICA IN

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FOREWORD

The Regional Conference of Cooperative Ministers held in Australia in February 1990 had issued a Declaration and comprehensive recommendations with the objective to accelerate and develop a genuine cooperative movement in the region. The recommendations were sent by the ICA ROAP to all national cooperative organisations and governments in the region for follow-up and implementation. The Conference had also advised the ICA to provide the needed motivation and encouragement to cooperatives and governments in the process of implementation and follow-up. In the Action Plan for the '90s, the Conference had made the following recommendation:

"The ICA should organise workshops and other relevant activities to take up follow-up actions on the above declaration and recommendations in collaboration with the national cooperative organisations and national governments".

The ICA in collaboration with the movements and governments, in the light of the above recommendations, planned a number of national level follow-up workshops. The Philippines, Indonesia, Fiji, India, Thailand and Bangladesh responded favourably to organise these follow-up workshops. The Canadian Cooperative Association (CCA) agreed to provide the needed financial support to carry out the follow-up work.

The present document contains the report of the national follow-up workshop that was held in the Philippines. The Cooperative Development Forum which reviewed the Sydney Conference recommendations and developed a follow-up action plan was organised by the national level cooperative organisations of the Philippines in association with the Cooperative Development Authority, the ICA ROAP and the Swedish Cooperative Centre. The workshop was held in Manila, 4-7 June 1991. The report of the national workshops will provide important input to the Consultation to be held in Manila in November 1991 and Cooperative Ministers' Conference in February 1992 in Indonesia.

In the organisation of this workshop valuable support was extended by the ICA member-organisations in the Philippines, the Chairperson of the Cooperative Development Authority, the Swedish Cooperative Centre and the Canadian Cooperative Association, besides the technical support provided by my two colleagues M/s. Karl Fogelstrom and Daman Prakash to the Cooperative Movement of the Philippines. I am thankful to all of them for their cooperation and collaboration.

G.K. Sharma
Regional Director

Bonow House
New Delhi
20th August 1991

Philippines Cooperative Development Forum
"Cooperative-Government Collaborative Strategies
for the Development of Cooperatives-Philippines"
Report

Introduction

As a national level follow-up workshop on the recommendations of the 1988 Singapore Consultation and 1990 Sydney Cooperative Ministers Conference on the subject, "COOPERATION FOR THE '90s", the International Cooperative Alliance Regional Office for Asia and the Pacific (ICA ROAP), in cooperation with the Swedish Cooperative Centre, sponsored a Philippine Cooperative Development Forum at the Asian Institute of Tourism, Diliman, Quezon City, on June 4-7, 1991. This Forum was co-hosted by ICA member-organizations in the Philippines, namely: Cooperative Union of the Philippines (CUP), National Confederation of Cooperatives (NATCCO) and Sugar Cooperative Development Institute of the Philippines (SCDIP), together with the Cooperative Development Authority (CDA).

Objectives

The general objectives of the Forum were:

1. to take concrete local actions on the recommendations of the Sydney Ministerial Conference on Cooperatives; and
2. to familiarize international donors on existing situations and priority needs of the cooperative movement and thereby engender their support/assistance for the development and growth of cooperatives into self-reliant and self-propelling socio-economic institutions.

The specific objectives were:

1. to examine carefully the conclusions of the Sydney Conference;
2. to take stock of the existing local cooperative situation in the light of the Sydney Conference recommendations and to identify the priority areas which need to be worked on by the cooperative movement and the government;
3. to prepare national strategies and plans of actions for the 1990s to achieve the objectives and targets of the Sydney Conference and at the same time address the priority needs of the cooperative movement; and
4. to present the cooperative movement's needs to donor organizations/agencies and obtain their reactions/commitments for support.

Mr. Karl Fogelstrom, Senior Development Advisor and Mr. Daman Prakash, Regional Project Advisor on Development Planning and Coordination Project represented ICA ROAP in the Forum. Mr. Tryggve Nelke of the Swedish Cooperative Centre (SCC)

assigned to the Sri Lanka Cooperative Movement but detailed by the ICA ROAP for the Cooptech Project of the Cooperative Union of the Philippines (CUP) and Mr. William G.S. Teo, ICA/CIDB Regional Insurance Advisor were also present.

Methodology Adopted

The Forum was divided into two parts. The first part consisted of (1) a review of the Singapore Consultation Meeting recommendations by Arcadio S. Lozada; (2) review of the 1990 Sydney Ministers' Conference Conclusions and Recommendations/ Presentation of ICA Theme Paper by Mr. Daman Prakash; and (3) presentation of national situation papers by Dr. Mayette Demelino, SFCC and Dr. Vicente Quintana CDA Administrator. An open forum on the ICA Theme Paper by Mr. Daman Prakash and the national situation papers ensued. A briefing on group work and formation of working groups was given and facilitated by Messers Daman Prakash, Karl Fogelstrom, Tryggve Nelke and William Teo. The 2nd part of the Forum was exclusively devoted to developing an interaction with aid-giving agencies and the Cooperative Movement of the Philippines.

FORUM PART-I

On the second day of the first forum, a summary report on the first day's activities was presented.

The assembly was then divided into five working groups to discuss the priority needs of the cooperative movement and to suggest national strategies and plans of action to address those needs. Each working group was to elect a Chairman and a Rapporteur, one of which was to report the group's output in the Plenary session in the afternoon of June 5. The following persons served on the five Working Groups constituted by the Forum:

GROUP-I	:	PROMOTION, EDUCATION AND TRAINING
		Chairperson - Sister Mayette Demelino, SFCC
		Rapporteur - Nena Fernandez
		Members - Bien Nito
		Celia R. Pascual
		Romulo T. Martin
		Marlyn S. Siapno
GROUP-II	:	AGRICULTURAL COOPERATIVE DEVELOPMENT
		Chairman - Gregorio Gaité
		Rapporteur - Martha C. Unida
		Members - Raul Montemayor
		Pacito Nefulda
		Gualberto Gacad
		Vicente Quintana
GROUP-III	:	FINANCIAL SYSTEM DEVELOPMENT
		Chairman - Al Rosulo L. Bizcocho
		Rapporteur - Eulogio Tupa
		Members - Arcadio S. Lozada
		Romulo Villamin
		Myron Gazigawen
		Corazon Mabagos
		Vicente Quintana

GROUP-IV : DEVELOPMENT OF COOPERATIVE MARKETING AND COOPTRADE

Chairman - James Roberson
Rapporteur - Marietta Climaco
Members - Teresita de Leon
Nenita Encinas
Glicerio E. Lorejo, Sr.
Candelario Verzosa

GROUP-V : INSTITUTIONAL DEVELOPMENT, COOPERATIVE LINKAGES AND OTHER NEEDS

Chairman - Manuel Verzosa
Rapporteur - Felina Bravo
Members - Pat Tiamson
Rommel Manikan
Josie Gaerlan
Jun Tontelino

The reports of the Working Groups were received and consolidated by an Editorial Board consisting of the following persons. The Editorial Board gave final touches to the final report of the discussions that were held at the final plenary.

Chairperson - Felina A. Bravo
Members - Al' Rosulo L. Biscocha
Teresita M. de Leon
Gregorio T. Gaité
Marlyn S. Siapno

The groups were to tackle the following points on every perceived need:

1. the present situation in relation to each topic;
2. the problems faced;
3. the strategies and national plan of action to overcome the problems; and
4. the roles of government, the movement and the donors.

Topics for Discussion

The areas for discussion were:

1. Promotion, training and education;
2. Agricultural cooperative development;
3. Financial system development;
4. Development of cooperative marketing and cooptrade; and
5. Institutional development and cooperative linkages.

The Forum paper was preceded by an opening programme consisting of an invocation, national anthem, welcome and introductory remarks. After the introduction of participants, a reading of the ICA Statement was made by Mr. Karl Fogelstrom, Senior Development Advisor, ICA ROAP, New Delhi. The Keynote address was delivered by Ms Edna E. Aberilla, Chairperson of the (CDA) Cooperative Development Authority.

The group discussions reflected a diversity of views. Whereas some members were very vocal and dwelt lengthily on certain issues, involving interpersonal relationships others thought that such issues were not really that important; hence, they should not be given much consideration. A few others, however, viewed the development as being healthy and desirable, and an opportunity to foster improved relations among key leaders in the cooperative movement. Rather than be captive to impressions of certain quarters, the latter-mentioned participants took occasions to delve deeper into the facts of the problems facing the movement and seized the opportunity for reconciling the differing parties.

When the Forum reconvened the next day for the presentation of the proposed national report to the body during the plenary session, it then became uppermost in the mind of the Chairman of the Editorial Committee that overtures for such reconciliations should be made after the report. Spiritual reflections thus became integrated into the report in order to achieve the desired objective of smoothening interpersonal relations.

Interactions from the floor were sought and several participants proposed the setting up of a collegial body or a kind of national coordinating council within the movement to lead and monitor the implementation of the strategies and plan of actions which information they felt needed to be filtered down to the cooperative network especially at the primary levels. Suggestions ranged from such a sticky issue as the term of office of the general manager of cooperatives to as stringent and sweeping an issue as making the promotional training programmes uniform in the movement.

A highlight of this part of the Forum was the adoption by the body of the first draft of the proposed national report, subject to the refinements by the Editorial Committee.

FORUM PART-II

The second part of the Forum began with the presentation of views from the various sectors of the cooperative movement regarding the technical, financial assistance and support from donor organizations. It was suggested that donor agencies look into giving assistance to the really poor and deserving sectors of the movement who may not even have the track record of implementing projects because of their poverty and lack of experience, especially those in the far-flung barrios of the country. The need to exercise prudence on the part of the donors was underscored in the light of the emergence of so-called "pseudo-cooperatives". A veteran cooperator who has been helping the really depressed cooperative communities suggested that donors should more carefully check on the credentials of project proponents.

The afternoon session of the third day, June 6, focused on the UN agencies, other international organizations and foreign embassies. The panel discussants were:

1. Mr. Karl Fogelstrom - ICA ROAP
2. Dr. Charles Kick, III - ILO
3. Mr. Tenku Ubaidilla - FAO-UNDP
4. Mr. Paul Shaeffer - Hanns Siedel Foundation
5. Mr. Bien Nito - Communications Research Center (CRC)
6. Mrs. Peachie Forbes - CIDA
7. Mr. Michael Casey - Canadian Coop Association

8. Mr. Roger Ricafort - HELVETAS (Swiss Cooperation for Development)
9. Ms. Nena Fernandez - Bishop-Businessmen's Conference Livelihood Foundation.

All these agencies/organizations centered on possible technical assistance and support to the different areas of needs of the cooperative sectors. The interaction that ensued during the open forum brought to light some apprehensions of the donor agencies. However, it clarified a lot of doubts that clouded the minds of the cooperative sectors as to how financial assistance should be administered.

On the last day of the Forum, further deliberations were made on the national report prior to finalization. A major revision was made on the proposal to create a national coordinating council. The plenary opted for the existing conveners group of the Forum to oversee the implementation of the strategies and plan of actions through consensual decision-making. After all amendments were taken into consideration, the national report was finally adopted.

The Forum ended with a note of hope and optimism as expressed by the representatives from international donor agencies and their target beneficiaries.

I. Promotion, Training and Education

Promotion

A. Present Situation

There is at present a proliferation of groups doing promotional activities and developing materials for cooperatives. Included in these groups are non-government organizations (NGOs), government organizations (GOs), religious organizations (ROs), people's organizations (POs), people's volunteer organizations (PVOs), civic organizations (COs) and other organizations.

B. Problem Faced

As a result of such proliferation, there is a need to coordinate and enhance the effectiveness of promotional activities.

C. Strategies and Plan of Action

Strategies/Activities	Organisations Involved	Time Frame
1. Provide directions for promotional activities.	National Coordinating Council (NCC) to be created.	Continuing
a Clarify promotional objectives and strategies.	All organizations involved in cooperative promotion.	3 months
b. Identify promotional needs of various sectors within the Movement.	National Cooperative organization with funding support from donors.	

c. Encourage adherence to identified objectives and strategies.	NCC	Continuing
2. Collaborate on the conduct of promotional activities.	NCC GOs NGOs	
a. Conduct trainers training for promoters or organisers.	Movement Accredited training institutions to conduct. Donors to provide partial funding assistance.	Continuing
b. Integrate cooperativism as a way of life into the curriculum at all levels	Movement CDA DECS	2-3 years
c. Conduct media promotions in collaboration with GOs, NGOs and donors as identified by the Movement.	Movement GOs, NGOs, and Donors to provide partial funding.	Continuing
3. Institutionalize promotional activities.		
a. Initiate pertinent policies in support of the Movements' promotional activities.	Movement CDA GOs	Continuing
b. Allocate budget for training promotional activities.	Movement	Continuing

Training

A. Present Situation

There is also at present a proliferation of groups conducting training programmes and developing training materials. Unlike promotional activities, however, a ladderized training scheme called the National Education and Training Plan does exist but is not generally accepted by all sectors within the movement. In terms of knowledge and skills needed to support the cooperatives, it was noted that there is a need to improve both functional and leadership skills. Finally, it is felt that unions need to pay more attention to the training component of their functions.

B. Problems Faced

The following problems in training were identified:

1. uncoordinated training programmes;
2. differing objectives and varying content of the training programmes; and
3. lack of follow-up training programmes.

C. Strategies and Plan of Action

Strategies/Activities	Organisations Involved	Time Frame
1. Establish minimum training standards	Movement	1 month
a. Clarify objectives in relation to training for cooperatives.		
b. Develop frame-work/scheme for training.		
c. Develop consistent training programmes.		
d. Specify minimum requirements for each course.		
2. Accredite training institutions.	Movement CDA	6 months
a. Create a collegial body in the CDA to accredit training institutions.		
b. Develop sound criteria for accreditation in consultation with the Movement.		
c. Install a system for monitoring & evaluating the development of cooperatives trained by accredited institution.		
3. Coordinate and collaborate on the conduct of training.	Movement CDA and other GOs	
a. Conduct training needs assessment for target beneficiaries.	Accredited trg. institutions. Donors to provide partial support to direct training cost & the development and reproduction of training materials.	6 months
b. Develop modular training designs using varying media of instruction.		2 months
c. Develop course guides in accordance with minimum requirements specified by the Movement.		2 months

- d. Develop training materials subject to the recommendations of the Movement. 3 months
 - e. Translate training materials into various dialects and adapt to needs of target beneficiaries. 3 months
 - f. Conduct trainers training. 2 months
 - g. Ensure the availability of training facilities at lower costs.
-

Education

A. Present Situation

At present, the integration of the cooperative consciousness, spirit, principles or practices in the formal educational system is at a low level. The cooperative spirit inherent in the Filipino has been eroded by colonialism. Our present educational system has not adequately responded to this problem. And neither has the Movement.

B. Problems Faced

There is a lack of appreciation of the spirit values and principles of cooperativism.

C. Strategies and Plan of Action

Strategies/Activities	Organisations Involved	Time Frame
1. Use of inductive method in education.	Movement CDA Media	Continuing
a. Conduct of massive information drives to drum up the awareness of values of cooperativism starting with Filipino values such as : Pakikisama (coopn.), bayanihan (helping one another), pagtitipid (thrift), pakikibalikat,(shouldering burdens together), katapatan (honesty), Hiya (sense of propriety), etc.	Donors NGOs and GOs	
2. Promote cooperativism as a way of life.	Movement CDA DES	2-3 years
a. Integrate cooperativism into teacher education.		

b. Integrate cooperativism at all other levels.

c. Reorient teachers

3. Networking	Movement CDA	Continuing
a. Establish linkages or networks to foster change in values/ attitudes towards cooperativism.	GOs and NGOs Donors	
b. Secure scholarships or exposure programmes to visit or study model cooperatives locally or internationally as additional input to trainers and teachers.		
4. Monitoring and Evaluation.	Movement	5 years
a. Conduct research to assess and monitor the integration and information campaign.	Donors to provide funding.	

II. Agricultural Cooperative Development

A. Present Situation

The development of agricultural cooperatives in the country can be characterized as generally slow. Out of 18,000 organized Samahang Nayons (SNs), only 2,000 are active and have been converted into multi-purpose cooperatives. There are 32 out of about 60 registered area marketing cooperatives (AMCs) and 29 Cooperative Rural Banks operating.

It should be noted, however, that in some areas of the country, there is now a proliferation of small farmers cooperatives. This proliferation is due to the small capitalization requirement of only P2,000 and a minimum of 15 members for registration.

B. Problems Faced by Agricultural Cooperatives

1. Lack of book-keeping, accounting, auditing, management capability and fund management skills;
2. Need for further education on value formation and cooperative orientation;
3. Lack of credit and high interest rate for loans;
4. Proliferation of pseudo-cooperatives. Some cooperatives are organised just for the purpose of getting financial assistance whereas others are formed for political reasons;
5. Lack of marketing support specially in terms of post-harvest facilities like warehouse, transport, cold storage and other fishing equipments; and

6. Oppressive socio-economic policies to farmers cooperatives such as rice, corn, meat, and fruits importation policies which have detrimental effects on prices of local produce. Some government regulations are not adequately enforced, e.g. trawl fishing are rampant even in municipal waters.

C. Strategies and Plan of Action

Strategies/Activities	Organisations Involved	Time Frame
1. Provide pre-membership education with emphasis on value formation.	Cooperative federations, unions & other cooperative organizations.	Initial meeting of the members upto registration of the cooperative.
2. Provide skills training on financial management, book-keeping, accounting & auditing.	Cooperative federations, unions & other cooperative organisations.	On a continuing basis.
3. Organize federations to handle the marketing of agricultural produce of primary coops and to provide the inputs needed by the members. Linkages be made among agricultural & consumers coops and, if necessary, establish a national supply & distribution system.	Cooperative federations, unions & other cooperative organisations.	When there is sufficient supply in an area. When the volume of business could already sustain the liability of federation.
4. Promote the development in organization of coop banks to provide the credit needs of the agri. coops. Government funds intended to assist farmers should be channeled to the coop banks.	CDA, national cooperative organization, cooperative federations, unions and other cooperative organisations.	For two years starting now.
5. Encourage the promotion and development by the coop of alternative sources of income like livelihood projects for members of the family during intervening period between planting and harvesting.	Cooperative federations, unions & other cooperative organizations.	Continuing programme.
6. Encourage and promote the advocacy role of cooperatives.	National cooperative organizations.	Continuing programme.
7. Provide support services like audit, advisory services, research, representation with government & funding sources here and abroad.	National coop organisation, coop federations, unions and other coop organisations.	Continuing programme.

8. Provide support infrastructures like post-harvest facilities, warehouses, cold storages, farm-to-market roads and marketing network.	PFI and SFI, DPWH and local government units.	When and where it is needed.
9. Establish monitoring mechanism through a nation-wide radio network to provide an upto date information on target markets and providing prices of agricultural produce and of commodities needed by the farmers.	National coop organisations, coop federations, unions and other coop organisations.	To start now upto when sufficient network has been established.
10. Request funding assistance through grants for training of coop leaders and for research and advisory services.	Donor organizations.	Continuing program for 5 years.
11. Provide technical & financial assistance to the most needy agri-aqua sectors.	GFI, donor organisations and other appropriate private government agencies.	Continuing.
12. Enable agri-aqua sector to have control over their production, marketing and financing.	CDA, national cooperative organizations, legislative body.	Continuing.

III. Financial System Development

A. Present Situation

Both cooperative and government sectors are extending credit to cooperatives. Five federations of cooperatives have their own lending programmes. These cooperative and government lending programmes, however, can only serve a limited number of registered cooperatives. Total credit demand by the cooperatives has been conservatively estimated at about Pesos 22 billion. Members of cooperatives turn to informal money lenders paying very high interest rates.

1. Cooperative Lending Programmes

The relevant details are given in the table on next page.

Details of Cooperative Lending Programme

Name of Federation	Membership	Start of Programme	Source of Funds	Funds Available	Types of Loans	Total Loans Granted(90)	Tiers of Lending
1) BANGKOOP	29 CRBs	1985	Borrowings Earnings.	P 23 M	Agricultural Production Liquidity.	P 23 M CRBs-P300 M	BK-CRB-COOP BK-CRB-BOR BK-CRB
2) NATCCO	5 RDOs 908 primaries 450 borrowing	NATCCO-1986 RDCs - 1979	Share capital of members Deposits Borrowings.	NATCCO-P18 M RDCs - P43 M	Agricultural Small Business Liquidity.	NATCCO-P13 M RDCs - P40 M	N-RDC-COOP N-COOP
3) NAMVESCO	70 Market Vendors Coops 30 Borrowing	1983	Share Capital of Members.	P1.8 M	Commercial laons.	P3.6 M MVCs-P700 M	NAM-MARKET VENDORS' COOPS.
4) FFFCI	40 Coops 20 Borrowing	1980	Share capital of members. Grants.	P 20 M	Agricultural laons.	P 7 M	FFFCI-PRIM. COOPS.
5) PFCCI	475 primaries	1982	Share capital of members.	P 9 M	Agricultural loans.	P 6 M	PFCCI-REGL- PRIMARIES.
6) CCFDI	Organised	1988	but is not operational to date.				

2. Government Lending Programmes

A number of government agencies/institutions also cater to the credit needs of cooperatives. Among them are:

- a. Land Bank : lends to agricultural and agrarian reform coops.
- b. DA-ACPC : lends to coops not serviced by the banking system
- c. DA-LEAD : caters to agricultural coops
- d. DTI-TST-SELA : for small livelihood projects
- e. DOTC : lending program for transport cooperatives
- f. NEA : lends to electric coops
- g. CDA-CDLF/CMP : lends to other types of coops.

Many cooperatives invest their excess funds in commercial banks.

There is currently a joint government-cooperative sector programme to organize more cooperative banks and strengthen the existing cooperative rural banks.

The marketing system plays an important role in agricultural credit since a good part of agricultural loans are paid in kind.

B. Problems Faced

Cooperatives are encountering a number of problems, viz:

1. difficulty to get sufficient credit;
2. financial market distortions due to subsidized interest rates;
3. absence of centralized mechanism for coop finance;
4. absence of a Deposit Insurance System;
5. lack of financial discipline in member-borrowers;
6. lack of standardized accounting and reporting system;
7. absence of a Cooperative Credit Bureau;
8. imbalance of available funds between production and marketing in favour of the former; and
9. some objectives of donors are diametrically opposed to the objectives of cooperatives to the extent that some coop values such as self-reliance and self-management are compromised.

C. Strategies and Plan of Action

In response to the problems in cooperative finance, the following strategies and plan of action need to be implemented:

Strategies/Activities	Organisations Involved	Time Frame
1. Establish a National Coop Bank which shall serve as the centralized mechanism for coop finance and mobilising internal and external funds.	Coop federations, unions and concerned government agencies with donor agencies providing funding support for relevant studies & institutional development.	1-3 years.
a. Organize more coop banks.	Cooperative federations/ unions and concerned government agencies.	1-3 years.
b. Convince govt. to channel its financial support to farmers and CARP beneficiaries through the coop banking network.	Movement, CDA.	now
c. Convince govt. to utilise coop banks as depository banks of government.	Movement, CDA.	now
d. Convince coops to become stockholders and depositors of coop banks.	Movement and concerned government agencies.	now
2. Establish cooperative financial system to assist in the promotion and establishment of a National Marketing and Supply System.	Coop banks & other agencies engaged in financing, marketing and supply consumers and market vendors coops.	1-3 years.
3. Establish a Cooperative Credit Bureau.	Movement	1-3 years.
a. Conduct feasibility study.	Movement with donor agencies to provide funding support.	
4. Strengthen and expand the existing Cooperative Insurance System to include deposit insurance among others.		1-3 years
a. Conduct a feasibility study.	Movement with donor agencies to provide funding support.	

The implementation of these strategies and plan of action should be guided by the principle that cooperatives are primarily responsible for the development of the cooperative sector. In line with this, government and donor agencies should recognize and promote the cooperatives' objectives of self-reliance and self-management. All support from government and donor agencies should be in consonance with these objectives.

IV. Development of Coop Marketing and Cooptrade

A. Present Situation

Existing marketing operations of cooperatives at the secondary and tertiary levels are generally very limited. Their operations are characterized by low capitalization, low profitability and low level of service to primary cooperatives. Among the existing marketing efforts are the following:

Marketing Project	Activities	Area of Operation
Metro Manila Federation of Consumers Coops.	<ul style="list-style-type: none"> - Bulk buying of basic commodities, oil, sugar for affiliate cooperatives. - Inter-coop rice trading between farmers and consumers cooperatives. - Maintenance of a warehouse for centralized distribution of commodities to affiliate coops. - With P70,000 capitalisation and trading volume of 250 sacks of rice per month. 	Metro Manila
NAMVESCO	<ul style="list-style-type: none"> - Bulk buying of sugar, rice and other commodities for affiliate market vendors. - Negotiations with manufacturers/suppliers towards supply/distribution arrangements. - Extension of credit facility to market vendors coops. 	Mostly NCR; other provinces in the Philippines.
Marketing Grid Project of FFFCI, NAMVESCO and NATCCO.	<ul style="list-style-type: none"> - Pre-marketing operations: consultations with primary coops (multi-purpose, farmers, market vendors); survey of marketing potentials; finalization of feasibility study; Pilot rice trading among coop participants in marketing grid. 	Northern Luzon & Metro Manila coops - Grid 1. Mindanso particularly Davao prov - Grid 2.

Inter-cooptrading activities of VICTO, MASS-SPEDC and NORLU Agri-Business Marketing Cooperative.	- Rice and corn trading - Fertilizer trading, palay, trading, rice milling and distribution-NORLU-Agri.	Visayas and Mindanao. Region I.
International Coop Trade Philippines, Inc.	- Domestic trading activities in rice, corn, vegetables, chemicals. - With P30,000 capitalization.	Nationwide

B. Problems Faced

The following problems impede the growth of marketing initiatives:

1. inadequate working capital;
2. inadequate post-harvest facilities like warehouses and transport vehicles;
3. insufficient technical knowhow/management skills particularly in warehousing, price monitoring, quality control, operations of post-harvest and other processing facilities and marketing;
4. inadequate marketing linkages/outlets;
5. poor quality control particularly from the suppliers;
6. lack of up-to-date marketing information;
7. stiff competition posed by more cost efficient traders/middlemen;
8. difficulty of engaging the active participation of primaries in marketing efforts due to failures in the past; and
9. half-hearted adherence to solidarity in the face of inadequacies of newly-formed marketing organizations.

C. Strategies and Plan of Action

Strategies/Activities	Organisations Involved	Time Frame
1. Strengthen of technical know-how and management skills particularly on marketing operations on a continuing basis.		
a. Linkage with organisations that provide trainings on operations of post-harvest and other processing facilities, quality control, marketing, management skills.	TLRC ILO (Entrepreneurship Programme) DOST DTI, DA NAPHIRE CDA Coop Federations/Unions.	Continuing

b. Conduct technical exchange among different cooperative federations/unions, government and international agencies.	BBC-LFI Coop Federations/Unions. NAPHIRE, DOST, DTI, DA International development agencies.	Continuing
2. Integrate value formation in all training and seminars.	Coop federations/ CDA	Continuing
3. Identify and establish new market outlets.		
a. Network with all possible marketing outlets.	Coops	Continuing
4. Tap credit lines of GFIs, other funding institutions on terms mutually agreed upon by coops and funding source.	GFIs Donors Coops	Continuing
5. Establish a National Marketing and Input Supply System.		
a. Continue with existing programmes but collaborate functionally with other organizations with similar programs.	Cooperative Federations/ Unions, GOs.	ASAP
b. Evolve the structure and mechanism of a National Market Input Supply System.	Cooperative Federations/ Unions/GOs Donors.	By 1995

V. Institutional Development, Cooperative Linkages and Other Needs

A. Present Situation

Cooperative development has been greatly forged by the passage of the Republic Acts 6938 and 6939 which created the appropriate atmosphere conducive to its expansion and growth. Provisions on tax-exemptions, government assistance, private foreign and local sources of assistance and democratization of the movement itself attest to this claim. At the primary level, standardized articles and by-laws are now adopted by all cooperatives, and developments are in the following areas:

1. human resources development - training on knowledge and skills, work attitudinal re-orientation and value-formation;

The term institutional development is defined as the development of cooperatives as an organization for the purpose of achieving efficiency in meeting the needs of members.

2. financial development - generation of savings and other legal sources of capital;
3. development of material resources - acquisition of land, building, equipment, and other facilities; and
4. development of organizational system of cooperatives - various structures, management systems, controls and procedures.

Linkages with other cooperatives

1. Horizontal : Intra and inter-cooperative membership in committees, alliances and councils;
2. Vertical : Membership in federations, and unions according to services, types and specializations.

B. Problems Faced

1. Insufficient coordination in inter-cooperative relationships resulted in an overlapping of functions, services, specializations and even competition and rivalry which has been seen as unhealthy for the cooperative movement. With no mechanism for the coordination of activities, no formal forum for ventilating grievances and conflicts, there is a disunity in the movement;
2. Lack of a nationwide information Exchange Center to be manned by competent personnel to which all cooperatives can give and share information on markets, pricing, products, and services.
3. Lack of initiators to hold conciliatory dialogues; and
4. Lack of statistical information on the cooperative movement's performance.

C. Strategies and Plan of Action

Strategies/Activities	Organisations Involved	Time Frame
1. Communications strategy	CDA & other govt. agencies, federations, unions, primaries, PVOs, donors.	Immediate and Continuing.
2. Education strategy - especially of values.	DECS, CDA, federations, unions, coops, donors, church groups.	Immediate and Continuing.
3. Establish nationwide information exchange center.	CDA, DECS, federations, unions, primaries.	One year
4. Promote cooperativism in general, and of housing coops in particular.	CDA, DECS, federations, unions, primaries, SSS, GSIS, NHA, Pagibig Fund.	Continuing
5. Initiate joint projects such as inter-trade, insurance, sharing of facilities & management expertise.	Cooperative federations/ unions, BBCLFI.	6 months

6. Source of funds	GFI, BBCLFI	Immediate and Continuing
7. Funding for special projects and needs like education for unemployed women & youth.	Donors, GFIs	As needed

VI. General Recommendations

The Forum came up with the following general recommendations:

1. That the values of cooperativism be promoted as a way of life;
2. That existing infrastructures and support services be strengthened to enhance the development and growth of agricultural cooperatives;
3. That the financial system be rejuvenated and revitalized through the introduction of appropriate structures and adequate services;
4. That management skills and technical know-how of cooperators be honed through training to meet the present demands of enterprises;
5. That new marketing structures be set up to meet the various needs of target beneficiaries;
6. That vertical and horizontal linkages be forged to optimize benefits through the economies of scale;
7. That a single cooperative matrix for development be formulated, adopted and implemented by the movement with the support of government;
8. That a cooperative code of ethics be formulated and adopted;
9. That assistance from donor agencies be rationalized to ensure that deserving sectors are reached;
10. That an awareness campaign on environmental issues be made in the movement so that they can be properly addressed;
11. That the existing conveners' group of the Forum oversee the implementation of the strategies and plan of actions through consensual decision-making.

VII. Conclusions

This modest report gives us a genuine picture of the present state of affairs of the Philippine Cooperative Movement. It portrays the multi-dimensional problems that have been affecting the growth of the cooperative movement.

The strategies and plans of actions were matched with the perceived and felt problems within specific time frames. Further, the respective roles of the government agencies, the cooperative and the donor community were identified and delineated.

The delineation of roles will lead to a unified thrust in the implementation of the strategies and plan of action. This concerted effort will provide the cooperative movement the required impetus and direction to become a prime mover in the socio-economic development of the Philippines.

ACRONYMS

BANGKOOP	:	Cooperative Rural Banks' Federation of the Philippines.
BBCLFI	:	Bishops Business Conference Livelihood Foundation, Inc.
CCA	:	Canadian Cooperative Association
CCFDI	:	Central Cooperative Finance Development Intermediary.
CDA	:	Cooperative Development Authority.
CDLF	:	Cooperative Development Loan Fund.
CMP	:	Cooperative Marketing Project.
CRB	:	Cooperative Rural Bank
CUP	:	Cooperative Union of the Philippines
DA-ACPC	:	Department of Agriculture-Agricultural Credit Policy Council
DA-LEAD	:	Department of Agriculture-Livelihood Enhancement for Agricultural Development.
DECS	:	Department of Education, Culture and Sports.
DOST	:	Department of Science and Technology.
DOST	:	Department of Transportation and Communication.
DPWH	:	Department of Public Works and Highways.
DTI-TST-SELA	:	Department of Trade and Industry Tulong sa Tao Self-Employment Loan Assistance.
FFFCI	:	Federation of Free Farmers Cooperatives, Inc.
GFI	:	Government Financial Institutions.
GO	:	Government Organizations.
GSIS	:	Government Service Insurance System.
ICA ROAP	:	International Cooperative Alliance, Regional Office for Asia and the Pacific.
ILO	:	International Labour Organization.
LGUs	:	Local Government Units.
MASS-SPECC	:	Mindanao Alliance of Self-help Societies/Southern Philippines Education Cooperative Center.
MVCs	:	Market Vendors Cooperatives
NAMVESCO	:	National Market Vendors Cooperative Service Federation.
NAPHIRE	:	National Post Harvest Institute for Research and Extension.
NATCCO	:	National Confederation of Cooperatives.
NEA	:	National Electrification Administration.
NFA	:	National Food Authority.
NHA	:	National Housing Authority
NORLU	:	Northern Luzon Development Cooperative
PFCCI	:	Philippine Federation of Credit Cooperatives, Inc.
PFI	:	Private Financial Institutions
RDC	:	Regional Development Center
SCC	:	Swedish Cooperative Centre
SCDIP	:	Sugar Cooperative Development Institute of the Philippines.
SSS	:	Social Security Sayatem.
TLRC	:	Technology and Livelihood Research Center.
VICTO	:	Visayas Cooperative Development Center.

Forum-2 : Summary of Panel Discussion on Inter-Action with UN and Other Donor Agencies*

Introduction

To put us in the right mind-set on this final day of the Cooperative Development Forum, we are starting off with a brief recall of what transpired during yesterday's (6th June 1991) with the representatives of UN Agencies and other International Organisations that are supporting and assisting cooperatives in the Philippines.

Summary

In the light of the working groups and plenary group discussions on the national situation of the Cooperative Movement and the movement's priority needs, views on the nature of assistance and support needed to address the identified priority needs/concerns were presented to donor agencies/organisations during yesterday's morning session. Among these views were :

1. From SANDUGUAN - a confederation of 16 national organisations of small farmers and agrarian reform beneficiaries, including farmer cooperatives and organisations of rural women and rural youths - that is principally tasked with advocacy of the interests, aspirations and concerns of the small farmers/peasantry. The SANDUGUAN gave the observation that foreign donors support for farmers and agrarian reform beneficiaries are being misplaced. The SANDUGUAN attributes this to the channelling of support/assistance principally through non-farmer NGOs that do not link-up or work with long existing organisations of farmers; that prefer to establish new organisations of small farmers that they later on use for their own selfish ends; and that have often withheld from donor organisations the information regarding the presence of eligible farmer organisations in their area of operation in order that financial/technical support/assistance of these donors may be channeled through them.

2. From the **Philippine Federation of Women for Cooperatives** : Its President made an impassioned appeal to concerned donor organisations for their support and assistance for the PFWCI's women projects and livelihood programmes. Also gave the information that funds/assistance for women projects from international donors are channeled not through the national coop federation for women but to other types of coop federations that are not directly involved in said area of concern and which have been reported as rechanneling said funds to other activities like education and training for other coop sectors.

* As reported by Ma. Teresita P. Jamias, HRDO, CUP on 7th June 1991, 4th day of the Philippine Cooperative Development Forum held at the Asian Institute of Tourism, Quezon City.

3. From the **BANGKOOP, Federation of Cooperative Rural Banks Inc.** : The request for concerned funding agencies to facilitate and enhance the implementation of the Cooperative Banking Programme being implemented for the welfare and benefit of the small farmers.

4. From the **Cooperative Union of the Philippines (CUP)** : Brought to the attention of the representatives of international donor organisations the following kinds of support from them that are envisaged by the Cooperative Movement :

- i. Provision of technical experts/consultants and funding for :
 - Project ID and technology transfer;
 - Development of Coop Marketing and Supply System;
 - Development of an efficient cooperative finance system;
 - Development of a national cooperative education and training system; and
 - Development of a National Cooperative Data Bank and Information System, among other areas of need.
 - ii. Consideration for the funding of its COOPTECH Project, the SPROUT of which was presented by the CUP Consultant provided by the ICA.
5. From the **Regional Cooperative Union of Region-II**, on behalf of the **Roxas (Isabela) Integrated Coop Inc.** : Submitted the coops' proposal for a Carabao Breeding Enhancement Project and the Acquisition of a much-needed post-harvest facility.

In the afternoon, a panel of international donors discussed their respective agency's/organisation's policies/guidelines and programmes of support and assistance to cooperatives. They likewise gave their reactions to the views of the movement that were raised in the morning and the earlier part of the afternoon.

The following is the gist of the panel discussion :

From the **ICA ROAP** : Mr. Karl Fogelstrom, Senior Development Advisor, ICA ROAP, New Delhi, in giving the statement on behalf of the ICA, first cited the objectives of the ICA ROAP's development work and its guiding principle regarding development assistance, namely, the achievement of self-reliance through help to self-help.

He likewise explained the ICA's guiding philosophy - as a catalyst, facilitator and coordinator of cooperative development at the regional level; as one who views support and assistance as having the biggest positive effect when supplementing the efforts and resources of the recipient organisation. In his discussion, he underscored the point that any amount of assistance aiming at sustainable development should be marginal and not the prime-mover of development.

He also gave the view of the ICA that external/foreign assistance can be extremely valuable and crucial when applied selectively and as a supplement to internal/domestic efforts and resources. But, when applied in too massive doses, the external/foreign assistance is of little or no value leading to over-dependence in relation to the donor, creating unsustainable activities and structures which collapse once the support is withdrawn.

Finally, he briefly discussed the ICA's programme of support to its member-organisations which involves the process whereby these member-organisations learn from each other and where the advanced cooperative organisations are sharing their experiences with less-advanced cooperative organisations.

From the FAO UN : Mr. Ubaidilla, the FAO Representative in the Philippines, in introducing his agency underscored the nature of FAO as a technical development agency of the UN - not as a funding one. Its funds come from the UNDP which has a 5-year funding cycle. So the programmes/projects that the FAO will submit for funding to the UNDP by this time will be included in the IPF cycle that starts 1993. That is, if the projects are in accordance with the wish of the Philippine Government. This implies that the projects should coincide with the funding cycle's medium-term economic development plan of the country and shall have to be favorably endorsed by the National Economic Development Authority (NEDA).

Mr. Ubaidilla, while speaking on behalf of FAO also expressed his strong personal belief in the potent role of cooperatives as vehicles for rural development and, therefore, stressed his earlier given views on the importance of bringing down development assistance to the disadvantaged groups like the down-trodden small farmers and fishermen and women and youth through their active participation in every phase of the development process.

From the ILO : Dr. Charles Kick III, Chief Technical Advisor of the ILO/DANIDA Cooperative Entrepreneurship for Rural Development Project, represented ILO. In his statement on behalf of the ILO, he informed the participants how ILO started to provide assistance first only for projects that are directly related to its mission and then later on extended them to cooperatives starting from its first Moroccan programme for cooperative development. Since then, he explained, ILO has already included coops in its development agenda.

After Dr. Kick's introduction of the ILO as an agency, he described to the participants the current project for cooperatives of the ILO and DANIDA - the Coop Entrepreneurship Project for Rural Development, now being implemented by a project development team consisting of representatives from the ILO, the Government and the Cooperative Movement.

From the Hans-Seidel Foundation : Mr. Paul Shaeffer, the Hans Siedel Foundation representative in the Philippines with his counterpart from the Center for Research and Communication, Mr. Bien Nito, discussed their programme of support and assistance to cooperatives which are mainly in the field of education and training, particularly values education for cooperatives; research on economic and business that include, for the particular interest of cooperatives, researches on entrepreneurship aimed at making available, tools for the development of management capabilities of cooperatives; and researches useful for strategic planning of cooperatives.

From the Canada Fund and the Canadian Cooperative Association (CCA) : Mrs. Peachy Forbes, Canada Fund Coordinator and Mr. Michael Casey, CCA representative, discussed their respective organisation's purpose; objectives; the categories of applicants eligible under their assistance programme; the eligible costs and limits of their assistance and their priority sectors.

From the **Helvetas Philippines - the Swiss Cooperation Development** : Its acting Programme Officer, Mr. Roger Ricafort, inspite of the existing 2 years moratorium in the Helvetas programme for providing support and assistance to coops, still encouraged the participants to await his organisation's resumption of the assistance programme. He did this after discussing the nature of Helvetas, its aims, the principles of self-help/self-reliance and partnership which it adheres to in providing support and assistance to groups like cooperatives. He likewise discussed the types of work that it does in the country.

The Donors' Forum culminated with a spirited open forum where the participants expressed to the donors their thoughts and sentiments regarding their programmes of support and assistance to cooperatives.

ICA Background Paper to National Level Follow-up Workshops on Recommendations of the Sydney Conference held in February 1990

The Regional Conference of Cooperative Ministers held at Sydney in February 1990 had issued a Declaration and comprehensive Recommendations with the objective to accelerate and develop a genuine Cooperative Movement in the region. The declaration and recommendations were sent by the ICA ROAP to national cooperative organisations and governments for follow-up and implementation.

The *raison d'être* for organising the national workshops is follow-up of the following recommendation of the Ministers' Conference.

“The ICA should organise workshops and other relevant activities to take up follow-up actions on the above declaration and recommendations in collaboration with national cooperative organisations and national governments”. (Action Plan for 1990s Para 4).

The above recommendation commands to ensure the implementation of the Sydney Conclusions. It also direct the ICA ROAP to review and evaluate periodically the progress made in various countries in giving practical effect to them.

As a follow-up of the above direction, ICA ROAP has planned to organise five/six workshops in the current year accordingly and suggested to the cooperatives and the governments to organise national workshops. The following countries, viz., Bangladesh, Fiji, India, Indonesia, Philippines and Thailand gave positive response and agreed to hold workshops as under.

- | | | |
|----------------|---|--------------------------|
| 1. Philippines | : | 4-7 June 1991 |
| 2. Indonesia | : | 10-12 July 1991 |
| 3. Fiji | : | 17-19 July 1991 |
| 4. India | : | Aug/Sept. 1991 |
| 5. Thailand | : | last week of August 1991 |
| 6. Bangladesh | : | last week of August 1991 |

In the meanwhile information has been collected at the level of ICA ROAP about the follow-up action already taken by various countries. It is briefly given below :-

Australia

- i. A new cooperative societies law is being enacted; and
- ii. Greater emphasis is being given on cooperative education, management training and research.

Bangladesh

- i. Comprehensive amendments have been enacted in the cooperative laws which are in conformity with the spirit behind the Sydney recommendations;
- ii. Elections have been held at all levels in cooperatives to provide democracy;
- iii. A national level Cooperative Council has been constituted consisting of representatives of governments and cooperatives;
- iv. Cooperatives have been recognised as the third sector of economy, the others being public and private sectors;
- v. A National Cooperative Policy has been formulated; and
- vi. Action is being contemplated on other recommendations.

India

- i. The National Planning Commission has set up a Committee to review the existing status of Cooperative Movement, suggest measures for its further development and to draft a model Cooperative Societies Bill. The Committee has completed its work and the report along with draft bill will be submitted by the middle of May 1991;
- ii. Exercise is being done jointly at the level of government and cooperatives on how to strengthen the primary cooperatives at the village level;
- iii. Innovative approaches are under consideration to ensure services to the weaker sections of community; and
- iv. Cooperation is a decentralized subject under the charge of States. Some States have done commendable work in extending support to cooperatives.

In order to give a concrete shape to the recommendations of the Conference, the National Cooperative Union of India in collaboration with the Government of India plans to convene a Registrars' Conference followed by a Cooperative Ministers' Conference during the period August-September 1991.

Philippines

- i. A new cooperative law has been enacted completely democratizing management and restricting government interference in cooperatives;
- ii. A code of conduct has been formulated for self-discipline;
- iii. A Cooperative Development Authority has been created with autonomous character for incorporation and promotion cooperatives. The CDA operates within the office of the President of the Republic; and
- iv. Education and training is being strengthened.

More information may be available during workshop discussions.

The Sydney declaration and recommendations are very vital as for the first time certain common directives were set jointly by the governments and the cooperatives at the regional level. The manifestation of sincerity of purpose in the recommendations makes the task of their implementation easier. The role and actions to be taken by

government and cooperatives severally and jointly have been distinctly spelt out. The recommendations are practicable, leading towards ideal growth of cooperatives with harmonious relationship between government and cooperatives.

Action by ICA ROAP

As a follow-up of the Sydney recommendations, the ICA ROAP has taken the following measures :-

- ICA ROAP is persuading, through correspondence and personal contacts during visits to various member countries, to process the recommendations for necessary action and also to organise national workshops;
- Information in regard to follow-up action in various countries is disseminated through the columns of Asia-Pacific Coop News (ASPACON);
- As and when sought by the Member-Organisations, advice is given on cooperative laws and other policy matters;
- As a follow-up of specific recommendations of Ministers' Conference, guidelines to evolve a practical system of combining values, socio-economic objects and competitive strength as cooperative-government strategy is being formulated for consideration of national cooperatives and governments; and
- Network with secretariat in FAO Regional Office for Asia and the Pacific, Bangkok, has been set up.

The national workshops may discuss the following aspects in regard to implementation of Sydney Declaration and recommendations :-

1. Applicability of Conference Recommendations. General comments.
 - 1.1 Which of the recommendations are already in operation, and to what extent? Give details.
 - 1.2 Which are the recommendations planned to be implemented in the near future? Please give details.
 - 1.3 Recommendations which can not to be implemented. Give reasons.
 - 1.4 Identify the recommendations which need priority in implementation.
2. Action taken on various recommendations.
 - 2.1 Discussed/proposed to discuss at a national workshop/conference. Give briefly the conclusions of national workshop/conference in case workshop/conference already held.
 - 2.2 Circulated among cooperatives, training institutions and other organisations involved in cooperative development activities.
 - 2.3 Recommendations have been discussed formally at the management level.
 - 2.4 Recommendations have been discussed jointly by the representatives of the national cooperative organisations and the government. Please give briefly the main conclusions.
 - 2.5 Recommendations have been published by publication in cooperative journals and/or sent through a circular letter.

2.6 A committee has been constituted to formulate an action programme. Give a brief description of the committee and its plan of work and the strategies developed to implement the action programme.

2.7 Any other action taken/contemplated to be taken.

3. International Support.

3.1 Identify the recommendations for which international assistance is required.

3.2 What kind of international support is envisaged?

- Technical experts,
- Advice/Council,
- International study visits and the purpose,
- Exchange of information and the type of information sought,
- Any other support.

4. How the implementation of the Sydney declarations and recommendations will effect the cause of cooperatives in the country.

COUNTRY PAPER

Philippine Cooperative Movement*

Rationale

In the past, cooperatives were viewed by the government and the private sector as voluntary organisations and self-help organisations with the main objective of providing limited resources to farmers and individuals. Moreover, cooperatives were also considered as organisations that secure employment, improve income distribution and establish market value by promoting private sector competition. The perception reinforced the idea that cooperatives were used primarily as a vehicle in improving the economic, social and cultural situations of people belonging to the lower echelon of Philippine society like the rural folks specifically the farmers.

The 70's marked a breakthrough, so to speak, of the cooperatives when the government made it as the centerpiece of economic development in the rural areas. Presidential Decree No.175 confirmed that the State adopted the basic policy of "fostering the growth and development of cooperatives as a means of increasing the income and purchasing power of the low-income sector of the population in order to attain a more equitable distribution of income and wealth".

The last decade of the 20th century brought blessing at the same time more challenges to the Cooperative Movement in the Philippines. So substantial was its success in bringing about one of its main visions to reality - that cooperatives be given equal recognition and importance by the State. For the first time in Philippine cooperative history, the Philippine Constitution recognizes cooperatives as juridical entities separate and distinct from and on equal footing with corporations, partnership, and single proprietorship. By such juridical entities, the blessing consequently becomes challenge to the movement especially that they may now venture into the same arena of economics, social and cultural struggle as the others.

Section 15 of Article XII of the Philippine Constitution provides that "Congress shall create an agency to promote the viability and growth of cooperatives as instrument for social justice and economic development". The law giving substance to the Constitutional mandate, RA-6938 (1990) otherwise known as the Cooperative Code of the Philippines amended various cooperative laws like PD-175 (for all types of cooperatives in 1973); PD-269 (for electric cooperatives in 1974); PD-775 (for sugar cooperatives in 1975); EO-898 (for transport cooperatives in 1980) and other related laws. The consolidation of these laws is very important to the movement since it enables to : (a) achieve unity of purpose, (b) unity of action, (c) unity of direction

* Background paper produced by Dr. Marietta P. Demelino

towards the wholesome development of cooperatives that would operate in accordance with Filipino culture and experience, and universally accepted Principles of Cooperation.

RA-6939 (1990) otherwise known as an Act creating the Cooperative Development Authority (CDA) is a twin law of the Cooperative Code of the Philippines. Its functions include registration, regulatory, developmental and quasi-judicial among others. Under RA 6939, the state shall foster the creation and growth of cooperatives as a practical vehicle for promoting self-reliance and people empowerment towards the attainment of economic development and social justice and shall encourage the private sector to undertake the active formation and organisation of cooperatives and creates an atmosphere that is conducive to the growth of the cooperatives.

The above mentioned trends and development of cooperatives in the Philippines call for a more serious scrutiny in terms of its relationship to the regional and international cooperative community perspectives.

It is the intention of the paper to look into the applicability of the Recommendations of the ICA Regional Consultation in Singapore in 1988 and of the Cooperative Ministers' Conference held in Australia in 1990.

For purposes of convenience and clarity, these recommendations are delved as follows:

1. Regional Consultation : Singapore Recommendations
2. Cooperative Ministers' Conference : Sydney Declaration

The discussions focussed on : (1) What recommendations have been implemented?, (2) What are not implemented?, and (3) Why are they not implemented?.

Methodology

Per advice and suggestion of the ICA ROAP, the methodology to be used in the country paper is mainly : (a) secondary source analysis, and (b) interview of cooperative leaders.

The voluminous materials about the Cooperative Movement in the country and the personal views of the cooperative leaders contributed to the contents of this country paper. Furthermore, Guidelines for preparing country paper (see Annexe-1) served as the blue print to follow.

Recommendations Being Implemented

(A) To evolve continuing dialogue between cooperatives and the government

Cooperative sector and government have maintained a harmonious and productive dialogue for long. Table-1 (Annexe-2) reflects the historical and structural role of both and their efforts to uphold the Cooperative Movement in the country. Structure like the Cooperative Consultative and Coordinating Committee (CCCC) was created by the Movement to facilitate a continuing dialogue. The CCCC existed in the mid-70s. This was composed of the national leadership of the cooperatives that served as a

liaison agency between the cooperatives and the government. Concrete result of the CCCC and the government effort was the move to unify the Movement. PD-175 as amended, through circular No.78-19 was propelled by their joint efforts. This Presidential mandate set forth the regulations for the organisation, registration and supervision of all agricultural and non-agricultural types of cooperatives and of federations and unions. Thereafter, the CCCC and the government encouraged the organisation of cooperative unions at the city, provincial and regional levels. Significant contribution of CCCC was the creation of a National Cooperative Union - the Cooperative Union of the Philippines (CUP). The CCCC self-destructed at the start of the '80s after attaining its mission.

The 80s through the 90s pushed the Cooperative Movement into an in-depth dialogue with the government by means of conferences, fora and symposia. Meaningful end-result of the continuing dialogue is the enshrinement of cooperatives in the 1986 Constitution which enables a strong and solid ground for sustainable development of cooperatives. Furthermore, the strong representation of the Movement for the enactment of appropriate laws to implement the Constitutional mandate of cooperatives was rewarded. Republic Act Nos.6938 and 6939 ordain the Cooperative Code of the Philippines and the creation of Cooperative Development Authority, respectively.

(B) To strengthen training and education of employees, members and leaders

National Education and Training Plan for the Philippine Cooperative Movement : Towards the middle of 1988, a concerted action on education and training was advanced by the Cooperative Union of the Philippines in cooperation with the Bureau of Agricultural Cooperative Development and the Agricultural Credit and Cooperatives Institute (ACCI) of the University of the Philippines at Los Banos conducted a workshop and adopted the National Education and Training Plan for the Philippine Cooperative Movement. The said plan encompasses the training and education needs of cooperatives. Training courses are classified into three major categories, namely, (i) basic course, (ii) advance course, and (iii) specialised course. The basic course is offered to any member or staff of cooperatives that did not undergo any previous training on cooperatives except the Pre-Membership Education Seminar (PMES). An advanced course provides a wider and deeper coverage of subjects. Specialised course, zero-in on special subject which is not dependent to the previous two courses.

The general conceptual framework of the plan is the "ladderised approach" where participants are trained on a specific subject or discipline on a graduated manner. All cooperatives are encouraged to establish their respective training programme utilizing the plan with modification to suit local conditions and training needs. The target clientele of the Education and Training Plan are: (i) members/prospective members, (ii) directors and officers, (iii) supervising committee, (iv) credit committees and loan officers, (v) managers and (vi) accountants/bookkeepers/ accounting clerks.

Implementation of the plan demands for the corps of cooperative trainers to actualize the training scheme, holding of regular training courses by institution selected for the purpose. Training funds are expected to be drawn from traditional sources. However, new sources are being considered.

Another gigantic education and training programme is the unique services of the National Confederation of Cooperatives (NATCCO). By its nature and identity, NATCCO adheres to its mission of being a cooperative education and training center

Cooperative staff development is the priority area of the Confederation specifically through its staff and leadership development programmes which is directed mainly to NATCCO's leadership and staff and its affiliates. Particular to NATCCO's education programme is the Distance Education (DE) Courses. It specializes on two courses: Cooperative Auditing-1 - for auditors and supervisory committee, and Credit Management-1 - for credit committees. The DE programme is being operationalised through a network of DE tutors who support and supervise the students by means of correspondence scheme.

The **Extension Work Programme** is a version of a personalized service given to the members inclusive to the cooperative education and training. Extension workers serve as linkmen between the widely dispersed primaries and the regional centers. Moreover, linkpersons provide a substantial structure in filtering various education needs of the affiliates in the field.

Polytechnic University of the Philippines Institute of Cooperatives (PUP-IC). The PUP-IC is an academic institution which offers four-year courses leading to the degrees of Bachelor of Cooperatives and Bachelor on Cooperative Education. The Institute dispenses at the same time Certificate on Cooperative Education for those individuals who have been with cooperative work for a period of time. It also provides substantial input and training for directors, officers, employees and members of cooperatives.

University of the Philippines - Institute of Small-Scale Industry (ISSI) Consultancy Courses for Cooperatives Development and Management (CCCDM). The CCCDM is designed to provide professional training to incoming consultants to the cooperatives. The target clientele are government cooperative technicians, cooperative extension officers, cooperative organizers, managers and staff of cooperatives or organizers and development officers.

Agricultural Credit and Cooperatives Institute - University of the Philippines at Los Banos (ACCI-UPLB). The ACCI is originally conceived as a national research and training center in agricultural credit and cooperatives in South-East Asia. In 1987, ACCI expanded its role from merely a research and training center into an academic institution offering degree programmes. For 1991, ACCI shall expand its curricular activities by implementing the following :-

- Undergraduate course offering in cooperatives and agricultural finance;
- Masters in Management - major in cooperative management; and
- Extension Programme. The extension programme focussed on the conduct of training programme, extension of technical services and institutional development. Short-term training programmes like cooperative trainers training, cooperative organisation and management, cooperative financial management, and rural credit and cooperative banking.

(C) To undertake supervision and auditing and provide guidance to the members

Experience in the Movement have proven that the most effective strategy to undertake supervision and auditing of cooperatives is to institutionalize the services of Certified Public Accountants. In so doing, promotion and encouragement of regular audit of cooperatives' account, preserves and maintains the integrity of their financial statements and reports.

The Integrated National Cooperative Audit System (INCAS) is an autonomous organisation unit under the general policy direction of CUP whose main objectives and functions include audit services, monitor and evaluate auditing system among cooperatives, provide education and training to cooperative auditors and strengthen the regional and provincial auditing services. Since its inception to the Movement in 1984 INCAS provides an invaluable assistance to the cooperatives.

The Audit Management Group (AMG) is a pool of chief auditors of the NATCCO centers whose aim is to professionalize the auditing programme of the affiliate-members and the organisation as a whole. Through the Audit Management Group a standard chart of accounts for cooperatives was set and formalised.

PFCCI/INCAS is an association of specialised credit cooperative auditors that provide auditing services to the cooperative members of the Philippine Federation of Credit Cooperatives, Inc. Membership to PFCCI/INCAS are nation-wide comprising of independent CPAS being monitored by the national and regional coordinators.

(D) To develop innovative approaches to face new socio-economic challenges

The Movement is always energized in promoting various innovative approaches to caution socio-economic challenges in the cooperatives. A good number of these approaches stand the test of difficult times and also surmount the pain of growing within the Movement.

Proto-type innovative approaches initiated by the National Confederation of Cooperatives (NATCCO); the Philippine Federation of Credit Cooperatives, Inc. (PFCCI); and the Cooperative Union of the Philippines (CUP) are as follows :-

- Central Fund - It is conceptually based on the pooling of surplus funds of most stable cooperatives in order to help the small and struggling cooperatives;
- Agricultural-based Small-Scale Industry (ASSI) - A cooperative financing system that promotes and provides assistance to small-scale industries which are owned and managed by cooperatives;
- Extension Work - enhances closer ties between the grassroots cooperative members and those belonging to the urban or center;
- Development of strong consumers cooperatives through Metro Manila Federation of Consumers Cooperatives, Inc. (MMAFECCO);
- Establishment of the Central Cooperative Finance Development Intermediary (CCFDI);
- Cooptrade International Philippines to promote local and international cooptrade for various export products;

- Cooperative Marketing Secretariat tasked to conduct research surveys, disseminate market intelligence reports and facilitate interactions of cooperative producers and perspective buyers of commodities;
- Promotion of agricultural cooperatives. Activities undertaken are in line with the 15-Year Perspective Plan for the Development of Agricultural Cooperatives adopted in 1988 as a result of the ICA-FAO Study Mission in March 1987;
- Establishment of housing cooperatives. A Memorandum of Agreement has been signed last December 1988 between the National Housing Authority (NHA), Cooperative Union of the Philippines (CUP), Cooperative Foundation of Philippines, Inc. (CFPI) and the Bureau of Agricultural Cooperative Development (BACOD) for the Social Housing Programme for the poor.

(E) To promote inter-cooperative trade within the country and at international level

Promotion of inter-cooperative trade within the Movement has its beginning as early as 1981 and operationalised in the regional level. For example, Region VI specifically Iloilo is considered as the rice producer region. Cebu, on the other hand, relied its supplies of rice somewhere else, but through inter-cooperative scheme, access of supply from Iloilo to Cebu and other parts of the region was made easier. The same process is being done in other regions of Luzon and Mindanao. This type of inter-cooperative model is under the NATCCO programme.

A collaborative effort of the Philippine Federation of Credit Cooperatives, Inc. (PFCCI); National Market Vendors Service Cooperative, Inc. (NAMVESCO); and the Confederation of Cooperatives, Inc. (NATCCO) brought a new force in the field of financing and inter-cooperative trading. The collaborative scheme is known as the marketing-grid, which aims to link the market vendors groups and consumers cooperatives in major cities like Metro Manila, Davao, Cagayan de Oro and Cebu.

The Philippine Cooptrade Center was established at CUP as a result of the ICA Cooptrade - CUP National Conference on International Cooptrade on 4-5 February 1989. According to the scheme, Philippine Cooptrade Center will serve as the central market information center for cooperatives. Contacts with foreign cooperatives for cooptrading of products like tobacco, fibers, fruits, coffee, etc. have been made. This Cooptrade Center complements another.

CUP and the ICA ROAP Cooptrade Project, the Cooptrade International Philippines was organised on April 30 to May 1, 1990 as a result of ICA-CUP Conference. The Cooptrade International Philippines was registered by the Cooperative Development Authority on 14th February 1991. It has a modest beginning with 15 incorporators developing exportable products.

(F) To develop strong links, unity and integration among the cooperatives both vertically and horizontally for building an effective performance-oriented cooperative system

Experience has shown that the capability of cooperatives for horizontal/vertical linkages between cooperatives constitute the main strength of the Movement. This, in

a sense, gives local meaning to the ICA Principles of Cooperation among cooperatives. The case with which cooperatives link horizontally with each other stems from the fact that they approach common problems on an equal footing i.e. none of the cooperative participating in the common undertaking enjoy any kind of ascendancy over the others.

An experiment of the CUP and the ICA with the Metro Manila Federation of Consumers Cooperative, Inc. (MMAFECCO) conducted in 1985 demonstrate the foregoing point. This was a joint venture among consumers cooperatives on the procurement, at cost, of a number of basic food items on a bulk purchase system from identified suppliers.

The horizontal linkages between cooperatives have been a developing trend between credit unions and consumers' cooperatives in Philippine urban centers. One example of this is the Philippine Long Distance Telephone (PLDT) Employees' Credit Cooperative, Inc. (PECCE) and the PLDT Employees' Service Cooperative, Inc. (PECCI) and the PLDT Employees' Service Cooperative Inc. (PESCI) who have common membership. The credit purchase of members of the PESCI are paid for by the PECCI which pay in cash the members' purchase from the proceeds on a loan granted to said member. The PECCI then collects on the paid loan from the member.

Recommendations Not Fully Implemented

(A) To formulate and adopt a code of conduct for the office bearers/board of directors to prevent the misuse of coops

The absence of a code of conduct for the office-bearers/board of directors within the Cooperative Movement is a fact. A feeling of adequacy, however, prevails since the Cooperative Code provides a clear mechanism for resolution of conflicts within the Cooperative Movement.

Article 121 of the Cooperative Code sets a guideline on the Settlement of Disputes which states as follows :

“Settlement of disputes - Disputes among members, officers, directors and committee members, and intra-cooperative disputes shall, as far as possible, be settled amicably in accordance with the conciliation or mediation mechanisms embodied in the bylaws of the cooperative, and in applicable laws”.

Article 124 share light on Penal Provisions stated as :

“Penal Provisions - The following acts or omissions affecting cooperatives are hereby prohibited :

- i. The use of the word Cooperatives by any person or of persons or organisations, domestic or foreign, unless duly registered as a cooperative under this Code. In case of violation hereof, the individual or individuals concerned, or in the case of an organisation, its officers and directors, shall, upon conviction, each suffer the penalty of imprisonment for one year and a fine not exceeding 1,000 pesos or both at the discretion of the court;
- ii. Direct or indirect interference or intervention by any public official or employee into the internal affairs of a cooperative of which he is not a member, such as, but not limited to, the following :

- (a) Influencing the election or appointment of officers directors, committee members and employees through public or private endorsement or campaign for or against any person or group of persons;
- (b) Requiring prior clearance for any policy or decision within the cooperative;
- (c) Requesting or demanding for the creation of positions or organisational units, or recommending any person for appointment, transfer, or removal from his position; or
- (d) Any other acts inimical or adverse to autonomy and independence of cooperatives.

In case of violation of any provision of this sub-section, the individual or individuals, and in the case of organisations, its officers and directors shall, upon conviction by a court, each suffer a penalty of not less than one year but not more than five years imprisonment or a fine in the amount of not less than 5,000 pesos or both at the discretion of the court.

- iii. A director, officer or committee member who violated the provisions of Article 47 (Liability of directors, officers and committee members), Article 50 (disloyalty of a director) and Article 51 (illegal use of confidential information) shall upon conviction suffer a fine of not less than 5,000 pesos but not more than 500,000 pesos or imprisonment of not less than five years but not more than ten years or both at the court's discretion.
- iv. Any violation of any provision of this Code for which no penalty is imposed shall be punished by imprisonment of not less than 6 months not more than one year and a fine of 1,000 Pesos, or both, at the discretion of the Court.

(B) To enhance and monitor from time to time the share of cooperatives in various sectors of the national economy

At the moment, there is no adequate structure within the Movement to guarantee a monitoring scheme on the performance of cooperatives except for individual efforts like establishing data banks and research components where monitoring is done in a limited scope.

A plan to tie-up with the National Economic Development Authority (NEDA) on the inclusion of cooperatives in their Development Programme is on the process.

Actions Taken on the Regional Action Plan for the 1990s

The Conference Recommendation that is applicable to the Philippine cooperatives is focussed mainly on **Strengthening of Cooperative Values by building up self-reliant Cooperative Movement should be given priority during the 90s.**

The unique feature of a cooperative is it is for people, with people, and of the people base-line philosophy that emanates its services. Because of this framework, cooperatives make their priority to institutionalize value formation in all the training components. Through the strengthening of values in the cooperative education programme, members have a hands-on experience of responsibility, integrity, brotherhood, honesty, industriousness, thriftiness, respect and other value-laden practices like *bayanihan* (community collaboration), *pakikipagkapwa* (harmony with fellowmen),

pagtutulungan (mutual help), *pagsasarili* (self-reliance), to name the few. These practices find expression in the following attributes of Filipino cooperatives.

Attributes of Filipino Cooperative that strengthen self-reliance

(A) Persuasiveness and Organising Power

Filipino cooperatives exude and possess awesome powers of mobilising human and materials (money and in-kind) resources for economic or social purposes. Given leadership credibility and organisational integrity and stability, cooperative can marshal large number of people and raise the funds necessary to put any projects designed for their benefit.

(B) Identify with the People's Interest and Welfare

Cooperatives come into existence by reason of the peoples' need to acquire credit, goods, and services at reasonable costs through economies of scale, cost sharing, and risk-sharing. The cooperatives draw their strength from their continuing ability to satisfy the needs of the people and meet their reasonable expectations.

The Philippines experience with agricultural cooperative development demonstrate this point. In all the agricultural cooperative development programmes, the initial success of agricultural cooperative was due to their strength (arising from their identity with the people's interest and welfare).

However, when said agricultural cooperatives started failing to satisfy their members' needs nor meet their expectations, such cooperatives began to fail as membership support waned into nothing.

(C) Technology Transfer

By reason of their identity with the people's interest and welfare (such as increase of productivity, incomes, and employment; increase in purchasing power; and promotion of social justice), cooperatives act as effective agents in the transfer of technology to the people.

The Philippine experience on agricultural cooperatives show that acceptance of technology by the farmers in areas wherein cooperatives operated was faster and broader in scale than in other areas.

(D) Extreme Sensitivity to Public Opinion

Cooperatives are highly sensitive to public opinion. The general attitudes of the community plays a big role in the economic viability of the cooperative for it will mean that either it makes good in its business or finally goes bankrupt due to lack of business patronage. This weakness can be overcome through a deliberate programme of membership and community relations.

Training and Education to Strengthen Cooperative Values

In an attempt to institutionalize cooperative values and Filipino values in general that reinforced the growth and the benefit of the Movement, a national workshop on

Leadership and Revitalization of Cooperatives was organised by the Management and Training Assistance Programme (MTAP) of the Department of Agriculture, the Bureau of Agricultural Cooperative Development and the Cooperative Union of the Philippines in 1988. The workshop aimed at strengthening the leadership capabilities of cooperative leaders and the internationalisation of relevant values inherent to the Movement.

An ambulatory training team composed of the visiting group from MTAP Board and the Directorial and training staff as well as secretariat from CUP and BACOD has been organised to handle the conduct of the workshop. Resource persons from successful cooperatives and the College of Education of the University of the Philippines are among the working team.

30 participants in every region have been selected by the cooperative leadership in coordination with the Department of Agriculture/Supervising Cooperative Development Officer (SCODO).

Perspective Plan for the Movement

The recognition given to cooperatives as an efficient vehicle for economic and social development remain a big challenge to the Movement. To date, despite the existence of thousands of cooperatives spread over the country, their impact on the lives of their main beneficiaries, the poor and the marginalised is minimal. The socio-economic needs of these poor farmers and fishermen have been minimally catered or responded.

Taking the cudgel of responsibility, the Movement set up priority programmes for the development of cooperatives toward the end of the century (2000) onward. Foremost of which are :

1. Technology

In response to the development of modernization of other sector of the society, there is a great need for cooperatives to utilise technology. Considering however the financial capabilities of ordinary cooperative in the Philippines, technology acquisition has been done on modest way. Decisive move is taken by the movement in line with technologization of the cooperatives through :

- (a) Survey of needs of cooperatives and members and corresponding available technology to meet these needs;
- (b) Survey of inventors and scientists whose inventions and discoveries may be contracted by the cooperatives through patent or copyright agreements; franchise agreements; and similar arrangements;
- (c) Commercialization of technologies acquired under the foregoing arrangements; and
- (d) Utilization of technology, as a vital component of cooperative development work.

On the other hand, cooperatives in urban centres and Metro Manila are currently using high technology in varying degrees. However, a conscious and deliberate programme to develop, acquire, hold and dispose technology as a tool for Philippine cooperative development remains to be established and operationalised, particularly in rural areas.

2. Perspective Plan for Agricultural Cooperative Development : 1988-2003

Serious efforts have been made by the Cooperative Movement to envision the priority areas for further development. Agricultural Cooperative Perspective Plan is one of the visions evolved by the Movement itself. The plan is made possible by the technical assistance from the ICA ROAP and the FAO of the United Nations.

- (a) A well coordinated and integrated Cooperative Promotion and Development System that is capable of seizing opportunities for the benefit of the members at grassroots levels and promote their cause both in terms of Human Resource Development and Organisational Structural Strengths;
- (b) An efficient and effective Cooperative Finance System that is organised by the movement, owned by the Movement and controlled by affiliated cooperatives/members for their own benefits; and
- (c) A strong Agricultural Cooperative Marketing and Supply System built up from grassroots levels through provincial, regional and national federations and organisations, specialised in meeting members' needs of production, processing, marketing and trade, including export.

The Perspective Plan further emphasizes that activities within the above three major systems need the support from a reinforced Organisational Cooperative Structure at all levels; some limited to a small geographical area such as the primary cooperatives; others covering a larger area like a province or region or even the whole nation, like for example certain specialised organisations within the marketing and financial fields or the apex organisation. The institutional development is, therefore, considered to be another important subject for specific efforts. Efforts within these three areas are expected to result into the following :

- (a) increased coverage of farmer activities with new cooperatives;
- (b) increased and qualitatively improved member participation in the management of cooperatives;
- (c) better management of cooperatives in economic sense through the use of modern management techniques;
- (d) identification of more income generating activities for the rural population;
- (e) better economic performance of cooperative operations; and
- (f) enhanced compliance with generally accepted standard rules for business activities including enhanced product quality. Self-reliance and economic independence are among these values.

3. Technology Transfer Programme for Cooperatives

The Cooperative Movement recognised its limitations and capabilities and in so doing, has taken the initiative in tapping resources of both government and private agencies to pursue its development vision. A monumental step taken by the cooperatives through the CUP is the technology transfer programme for cooperatives, a collaborative and collective undertaking of the : (i) Department of Education, Culture and Sports; (ii) Department of Trade and Industry; (iii) Department of Agriculture; (iv) Department of Science and Technology; (v) Filipino Inventors Society; (vi) Cooperative Development Authority; and (vi) Cooperative Union of the Philippines.

Objectives : The Technology Transfer Programme for Cooperatives (TTPC) is a collective and collaborative undertaking of government and non-government agencies in institutionalizing the transfer of technology to cooperatives for the purpose of promoting their viability as responsive economic enterprises.

The CUP in cooperation with the Cooperative Development Authority, Department of Agriculture, Department of Trade and Industry, Department of Science and Technology, Department of Education, Culture and Sports - Bureau of Trade, Vocational Education established a Technology Transfer base for cooperatives nation-wide for the purpose of :

- (a) providing a facility for farmers, fishermen and small producers in cooperatives for technical training, product development and productive technology;
- (b) maximizing the transfer of technology and expertise from private and government agencies to the cooperative;
- (c) providing entrepreneurial training and a facility for research and development studies;
- (d) providing laboratories, demonstration farms, and workshops for technical training of cooperators; and
- (e) institutionalizing technology transfer through the CUP network.

Programme Implementation : Selected vocational-technical schools and farmers' training centres will be conducting training programmes for livelihood projects of cooperatives based on needs and capabilities identified by the beneficiary cooperatives. Technologies, new and tested methods of production and processes developed by the partners to the agreement shall be passed on to the cooperative groups through the technology transfer base schools and training centres.

The expertise and resources of the agencies involved shall be utilised to ensure that the cooperative business developed attain the desired degree of viability and stability.

A Programme Management Committee composed of representatives of the partners to the agreement in the national, regional and provincial levels shall be established to administer and implement the programme. For its part, the CUP, through its affiliate unions and federations in all levels shall provide the institutional structure required by the programme.

Nature of the Programme and Projects : The use of appropriate and adaptive technology in agriculture, fishery, trade and industrial enterprises put up and run by cooperatives shall be the main focus of the programme. The skills training of farmers, fisherfolks and industrial workers shall receive the full support and commitment of the TTPC.

4. Cooperative Entrepreneurship for Rural Development

Cooperative Entrepreneurship for Rural development is conceived through the concerted effort of the CDA, CUP, in joint participation of the ILO and DANIDA.

The project aims to enhance management and entrepreneurship development capacity with the movement and government at the national, regional and local levels. Target groups are the low income rural families with potential and will to improve their lot

through joint self-help programmes. Net-working of programmes is through the cooperatives in the primary, secondary and tertiary levels.

5. Involvement of Women and Youth in Cooperatives

One of the main thrusts of the Philippine Cooperative Movement is the promotion of the active involvement of women and youth. The establishment of the Philippine Federation of Women for Cooperatives, Inc. in 1971 was a monumental action.

Interest of women cooperators in the country to unite and fully harness the potential of women for development is in conjunction with the priority of the UN on women's welfare and the ICA. Moreover, it is the objective of women cooperators to achieve maximum participation in order to : (i) inculcate in Filipino women the values and benefits of cooperativism in the economy of the home and the country; (ii) implement a continuing programme of education for women; (iii) increase the extent of women's participation in the cooperative development programme of the government and in international cooperative organisations' activities; (iv) relate other women's organisations in cooperative development, particularly that of consumers; and (v) determine the nature and extent of the participation of women in the various cooperatives so as to plan the future involvement in the movement.

While the general objective of the Philippine Federation of Women for Cooperatives, Inc. is the maximum involvement of women in cooperatives as institution for national development, the foremost concern of each member is the upliftment of her family, for better life, better future and the better world.

Hand in hand with the national cooperative structure on women is the "Enhancement of Women's Involvement in Cooperatives" with special focussed in Bicol and Mindanao. Some 14 cooperatives in the specified areas are involved in the project.

Along with the programme on women cooperatives, the movement prioritised also the participation of the youth. Junior cooperative members are encouraged among the primaries. School children are at the same time members of credit cooperatives wherein they start in an early age the cooperative values of saving and thrift. Activities like cooperative month celebration is being anchored as part of school activities. Yearly highlights of cooperative celebration deepen the consciousness of cooperativism among the youth.

6. Financing System

The absence of formalised and centralized cooperative finance system has long been felt in the country. The government has initiated the establishment of the Philippine National Cooperative Bank (PNCB) in 1958 under RA-2023 with several provincial branches but it experienced financial problem with heavy government intervention, hence, it was ordered dissolved and liquidated at the advent of martial law. In 1973, the government under PD-175 embarked on the organisation of Cooperative Rural Banks (CRBs). To date 29 CRBs have been established in 29 provinces under the joint supervision of the CB and the BACOD, now CDA. The CRB members are mostly Samahang Nayons and Area Marketing Cooperatives and a few other types of

cooperatives. The CRBs have organised their national federation known as the BANGKOOP.

Prior to the establishment of the PNCB (1958) and the CRBs (1973), the credit unions now called credit cooperatives have flourished. In 1960, the Philippine Credit Union League (Philcul) now PFCCI was organised. To date it has 382 credit cooperative members with regional leagues and provincial federations and chapters. The PFCCI has interlending programme which is successful. Another federation whose members are 65% credit cooperatives is the NATCCO, originally the Federation of Cooperatives Training Centres organised in 1977. It has an equally successful interlending programme among its 400 or more members. The third federation whose members are 100% credit cooperatives like the PFCCI is the NAMVESCO which has a successful interlending programme for its 60 members which have been operating as development cooperatives. There is something in common among the CRBs, credit cooperatives and their federations and that they are engaged in credit and lending programmes for their members. There are 6,751 registered cooperatives of different types including their federations and unions as of 31st December 1989 according to the report of the BACOD under PD-175. The biggest numbers of primaries are : credit coops (2,328); consumers coops (1,119); marketing coops (573); multipurpose coops (1,845); producers coops (343); and service coops (270). Among the secondary and tertiary coops are : AMCs (66); CRBs (29); federations (105); and unions (67). It can easily be summarized that out of these statistics on cooperatives not more than 1% of the total number of registered cooperatives under PD-175 are being served by the interlending programmes of the three federations mentioned earlier. There is a need for a national cooperative financing system to serve the rest of 88% of the other types of cooperatives.

On 10th December 1988, the Central Cooperative Finance Development Intermediary (CCFDI) among different cooperatives was organised which is a prelude to eventually organising a central cooperative bank during the 5-year period. Three study mission reports and the BACOD/DA policy are the bases of the formation of the CCFDI, namely,

1. In 1984, USAID contracted the Technical Board for Agricultural Credit (TBAC) to conduct a research study on the framework of the Philippine Cooperative Financing System (CFS). This study pointed out to a number of conclusions including the following :
 - (a) The need for consolidating of existing lending programmes serving cooperatives under a singular institutional management;
 - (b) The fact that continued expansion of viable cooperative enterprise is highly dependent upon the establishment of a responsive and self-sustaining cooperative system; and
 - (c) That such a financing system should necessarily serve a broad range of financial needs of cooperatives of various types.
2. In March 1987, the ICA/FAO upon request of the CUP, sent to the Philippines a Study Mission on Perspective Planning for the Development of Agricultural

Cooperatives composed of 4 foreign and 2 Filipino experts. The Study Mission came out with a comprehensive report which was considered by a National Cooperative Conference held in Quezon City on 13-15 February 1988. This conference which was attended by a cross-section of cooperative leaders and senior personnel from the cooperative sectors, the government and international agencies formulated a 15-year Perspective Plan for Agricultural Cooperative Development for the period 1988-2003. One of the major recommendations/components of this Perspective Plan is the establishment of a sound cooperative financing system as a powerful tool for cooperative development to provide farmers and cooperatives with credit, to mobilise savings and establish links with private financial markets and government.

3. In June-August 1987, a feasibility study on the establishment of an apex Cooperative Financial Intermediary was conducted by 8 American specialists from the US Cooperative Movement and 14 Filipino cooperative leaders who are experts in their lines. The Study Mission which submitted a voluminous report in August 1987 stressed the following conclusions/recommendations :

“There is unequivocal need for an apex CFI. There is a very adequate effective loan demand among the existing viable cooperatives, together with an almost insatiable long-term demand..... There is strongly felt need for an apex CFI among various cooperative sectors. It would not compete significantly in the other financial intermediaries since to a very large degree the cooperative market is now being served”.

4. The BACOD, stressing the importance of an apex cooperative financial system came out with organisational and developmental policies and approaches on the grass-roots level, secondary level cooperatives and apex structures. On the apex financial system, BACOD pointed out that the desired goal is the establishment of a National Cooperative Bank whose membership shall be open to all types of cooperatives and in the meantime that it is not possible to organise a National Cooperative Bank, an interim system can be established. This is the organisation of a Cooperative Financing Intermediary, the basis of BACOD in registering the CCFDI on 20th February 1990. CDA Administrator Florencio Corral who was the CCFDI Corporate Secretary prior to his appointment in the CDA worked hard for the CCFDI registration.

The CCFDI has encountered problems in its transitional and institutional development stages among which are the following :

- i. The registration of CCFDI was delayed due to slow capital subscription;
- ii. The 1 million US\$ grant for the operationalisation of the CCFDI was not realized due to technical and procedural problem; and
- iii. Misconception and apprehension of some sectors on the efficacy, urgency and objectives of the CCFDI which may affect the existing interlending systems of some cooperative federations. It is envisioned that CCFDI is for wholesaling and not for retailing credits and would not conflict with the interlending system.

What Kind of International Support is Envisaged?

In order to give substance to the recommendations of the Sydney Conference in the context of the Cooperative Movement of the Philippines, the Movement would be in need of collaboration and support from foreign cooperative institutions. Technical Experts/Consultants/Funding requirements in :

- Project identification and technology transfer;
- Development of cooperative marketing and supply systems;
- Development of an efficient cooperative finance system;
- Development of training programmes and organisation of fishing cooperatives;
- Development of agricultural diversification and agro-industries;
- Development of strong cooperative insurance system;
- Development of a national cooperative education and training system;
- Institutional development of cooperatives and appropriate linkages; and
- Development of the national cooperative data bank and information system.

Exchange Programme in the various areas of need as listed above is also strongly foreseen.

Conclusions

The recommendations of the ICA Regional Consultation in Singapore in 1988 and the Cooperative Ministers' Conference in Australia in February 1990 set an analytical trend in the Cooperative Movement. The Philippine cooperatives are forced to analyse its existence in terms of functions, services, programmes and priorities in the light of these two major events in the international cooperative scenario. The two events of the ICA have set the forces of development of genuine and self-reliant Cooperative Movement in motion.

It is encouraging to note that the Movement in general adheres to the belief that a strong, dynamic and responsive cooperative movement will have to be built on a solid foundation. The universally-accepted Cooperative Principles which have been tried and tested in the crucible of time undoubtedly constitute the strong pillars upon which the cooperatives and the movement anchor its existence. Furthermore, the Cooperative Movement in the Philippines despite their glaring fragmentation were still able to collegially draw up practical plans, programmes and legislation which are pursued and implemented with vigour and strong resolute commitment.

Fragmentation in the Movement is seemingly triggered off by the two most basic issues, namely, (i) Cooperative Education Training Fund (CETF), and (ii) Apex Organisation. These two basic issues must be resolved mutually by the Movement otherwise the rift becomes a poison that will eventually kill everybody's dreams and vision of what a Philippine Cooperative should be.

Recommendations

From the foregoing discussion on the status of the Cooperative Movement in the country, the following recommendations are proposed :

- i. That more viable agricultural and non-agricultural cooperatives be fully developed and work toward a self-reliant cooperatives;
- ii. That cooperative trade, both local and international be fully established so that more exportable products will be produced by the cooperatives which can help boost the country's economy;
- iii. That the participation of women and youth in cooperative development be broadened and intensified;
- iv. That innovative approaches to cooperative management finance, trade and training should be technology-based with the use of advance computer electronics and other related soft and hard wares; and
- v. That Cooperative Movement should professionalize all its personnel both rank and file so that cooperative work be recognised as a profession.
- vi. That the basic values of Cooperation like honesty, self-discipline and trustworthiness will triumph over materialism, egoism, nepotism and double moralism.

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Acronyms

ACCI-UPLB	:	Agricultural Credit and Cooperative Institute - University of the Philippines at Los Banos
ASSI	:	Agricultural-based Small Scale Industry
BACOD	:	Bureau of Agricultural Cooperative Development
CCCC	:	Cooperative Consultative and Coordinating Committee
CCCMD	:	Consultancy Sources for Cooperatives Management and Development
CDA	:	Cooperative Development Authority
CFPI	:	Cooperative Foundation of Philippines, Inc.
CCFDI	:	Central Cooperative Finance Development Intermediary
CUP	:	Cooperative Union of the Philippines
DA/SCODO	:	Department of Agriculture/Supervising Cooperative Development Officer
DECD	:	Department of Education, Culture and Sports
DOST	:	Department of Science and Technology
DTI	:	Department of Trade and Industry
EO	:	Executive Order
FIS	:	Filipino Inventors Society
ICA	:	International Cooperative Alliance
MMAFECCO	:	Metro Manila Federation of Consumers Cooperatives, Inc.
MTAP	:	Management & Training Assistance Programme
NAMVESCO	:	National Market Vendors Cooperatives Service Federation
NATCCO	:	National Confederation of Cooperatives
PECCI	:	PLDT Employees Credit Cooperative, Inc.
PESCI	:	PLDT Employees Service Cooperative, Inc.
PFCCI	:	Philippines Federation of Credit Cooperatives
PNCB	:	Philippine National Cooperative Bank
PD	:	Presidential Decree
PUP-IC	:	Polytechnic University of the Philippines - Institute of Cooperatives
RA	:	Republic Act
SCC	:	Swedish Cooperative Centre
TBCA	:	Technical Board for Agricultural Credit
UP-ISS	:	University of the Philippines - Institute of Small Scale Industry.

Broad Guidelines for Preparing Situation Paper Concerning the follow-up of Recommendations of the Cooperative Ministers' Conference held in Australia, February 1990.

For the use of authors of country situation papers.

1. Applicability of Conference Recommendations.
 - 1.1 Which of the recommendations are already in operation, and to what extent?
 - 1.2 Which are the recommendations not to be implemented immediately? Please give reasons e.g.,
 - Need legal support,
 - Structural gaps,
 - State policy formulation,
 - Other reasons.
 - 1.3 Recommendations which need not to be implemented. Please give reasons.
 - 1.4 Identify the recommendations which need priority in implementation.
2. Action taken on various recommendations.
 - 2.1 Discussed/proposed to discuss at a national workshop/conference. Give briefly the conclusions of national workshop/conference in case workshop/conference already held.
 - 2.2 Circulated among cooperatives, training institutions and other organisations involved in cooperative development activities.
 - 2.3 Recommendations have been discussed formally at the management level.
 - 2.4 Recommendations have been discussed jointly by the representatives of the national cooperative organisations and the government. Please give briefly the main conclusions.
 - 2.5 Recommendations have been published by publication in cooperative journals and/or sent through a circular letter.
 - 2.6 A committee has been constituted to formulate an action programme. Give a brief description of the committee and its plan of work and the strategies developed to implement the action programme.
 - 2.7 Any other action taken/contemplated to be taken.
3. International Support.
 - 3.1 Identify the recommendations for which international assistance is required.
 - 3.2 What kind of international support is envisaged?
 - Technical experts,
 - Advice/Council,
 - International study visits and the purpose,
 - Exchange of information and the type of information sought,
 - Any other support.

Table 1 : Structural Role of the Cooperative Movement

Date	Country Situation	What the Coop Did	Government Response	Remarks
1974-78	No national spokesman/organisation several amorphous group.	CCCC formed (Coop Consultative Coordinating Comm) by coop leaders from NCR, PFCCI, NATCCO, CISP, BCOD.	Recognition as nations spokesman for the coop movement.	Awareness.
1978	No change	Proposed circular on coop union and federation.	Issurance of MLGCD circular No.18-19 S. 1978.	1st national collaborative effort.
1979	13 RCUs, PCUs, CCUs organised.	Proposed organisation of CUP composed of RCUs and national federations.	CCCC-BCOD sponsored the National Workshop Conference on 18-19 Dec. 1979 culminating the organisation of CUP.	Continuing collaborative actions.
1982	CETF government administered.	Proposed the transfer of CETF administration to CUP.	Issuance of DA Circular No.1.S. 1982.	CUP as administrator rather than government.
1983	Auditing of coops by government.	Organised the Integrated National Coop Audit System (INCAS).	Issuance of DA Circular No.4 S. 1983.	Auditing of coops by the INCAS.
1985-86	Tax exemption to coops were withdrawn under PD-1955.	Agitated for coop legislation to restore tax exemptions.	Issuance of PD-2008 on 8th January 1986 restoring tax exemptions.	

1986	<p>a) Withdrawal of tax exemption under EO No.93 S. 1986 (17th December 1986).</p> <p>b) Nonconstitutional mandate for cooperatives.</p> <p>c) Fragmented coop laws and government agencies tasked with coop development.</p>	<p>Workout plans to make representation with the President and the Finance Internal Revenue Board (FIRB) to restore tax exemptions.</p>	<p>Issuance of Memo No.65 extending PD-2008 upto June 1987 when Congress is established.</p>	<p>Realisation of the coops strength to achieve what is needed to achieve.</p>
1987-90	<p>No change, the same as the previous year.</p>	<p>Worked with Constitutional Commission through : Special Task Force on coop policies last March 1986 and the national coop congress in June 1986.</p>	<p>Enshrinment of coops in Sec.15 Art.XII of the Constitution.</p> <p>Cooperative by the Government Constitutional Commission.</p>	<p>Congress enacted both measures with improvements and modifications. President signed RAs 6938 and 6939 on 10th March 1990.</p>
	<p>Organised Multi-Sectoral Committee on Cooperative Legislations where CUP originally proposed the Coop Code and Agency Law.</p> <p>Responded by helping organised the NPCD (National Partnership on Cooperative Development).</p>	<p>Memo of Agreement signed on 5th Feb.1990 to put into proper delienation - the functions of the three agencies: GO, NGOs and Coops and working together through consensus.</p>		

COUNTRY PAPER

The Role of Government in Promoting Cooperative Development in the Philippines*

Introduction

In a flashback, cooperatives in the Philippines had been inundated with problems since these were first introduced into the country centuries ago. The lack of financial and efficient management resources and the need for more and effective education and training of officials and members were just two of the reasons. Another was people's interest in cooperatives was not drummed up enough to make the majority aware of the relevance of cooperatives in our lives.

But the biggest deterrents to the development of cooperatives, the cooperative sector says, were the government restrictions imposed on cooperatives through several sets of laws in a virtual "Don't do this, don't do that, or you will suffer the consequences" mandate, so that the cooperative leaders were scared stiff to make their own moves. Further, the promotion, organisation, development and registration of cooperatives had changed hands from one office to another, thus impeding the growth of cooperatives in a truly expanded dimension.

To name a few of the government agencies taking charge of cooperatives then: the Bureau of Commerce and Industry, the National Trading Corporation, the National Cooperative Administration, the Philippine Relief and Trade Rehabilitation, the Cooperative Administration Office, the Department of Local Government and Community Development, the Department of Agriculture, National Electrification Administration, Sugar Regulatory Administration and the Department of Transportation and Communication.

A thorough study of the Cooperative Movement for a much needed reversal of policies that can steer its development to the best direction ever taken and the government agency to oversee all types of cooperatives in the registration, including sugar, transport, electric and other special types of cooperatives was deliberated upon by the House of Representatives and the Philippine Senate in 1989 and the early part of 1990.

The Birth of the New Laws on Cooperatives

Article XII, Section 15 of the 1987 Constitution of the Philippines, mandates the "State to create an agency to promote the viability and growth of cooperatives as instruments of equity, social justice and economic development".

* Dr. Vicente U. Quintana, Administrator, Cooperative Development Authority, Philippines.

Thus on 10th March 1990 Republic Act 6938 which is the Cooperative Code of the Philippines and Republic Act 6939 creating the Cooperative Development Authority (CDA) were enacted with their signing by President Corazon Aquino.

Advantages of Cooperatives

Republic Act 6938 or the Cooperative Code of the Philippines covers a wide spectrum of advantages for the cooperative society:

- i. The cooperative is given a free hand in its promotional and developmental expansion within its province, using its own or outside resources. The Cooperative Development Authority's role is only subsidiary. But the cooperative organisation can request the assistance of the CDA for management and skills training activities and/or possible arrangement of loans from both local and foreign sources but in no case shall the Authority interfere with the affairs of the cooperative, except in cases of mediation between members and other court cases and violation of administrative issuances and cooperative laws;
- ii. The cooperative now enjoys certain tax exemptions that can spell out a decisive enhancement of its financial position. The Bureau of Internal Revenue and the CDA signed a *Memorandum of Agreement to this effect last March 10, 1991*;
- iii. The cooperative can make use of the services of a judge in his capacity as notary public, ex-officio, to administer oath to members or to acknowledge applicants in articles of cooperation, free of charge;
- iv. Any register of deeds shall accept, free of charge, relative to a loan which does not exceed 50,000 pesos or the deeds of title or any property acquired by the cooperative or any court judgement rendered in favour of the cooperative or any instrument relative to a bond of any accountable officer of a cooperative for the faithful performance of its duties;
- v. The cooperative shall be exempt from payment of all court and sheriff's fees payable to the Philippine Government in connection with the enforcement of the payment of obligations contracted in favour of the cooperative, before a court of law; and
- vi. All cooperatives shall be exempt from putting up a bond for bringing up an appeal against the decision of a lower court or for setting aside any third party claim, provided that the certification of the authority showing the net assets of the cooperative are in excess of the bond required by the court.

Privileges of Cooperatives

- i. The cooperative can deposit its sealed cash boxes and documents/valuable papers in the safes of municipal or city treasurers and other government offices, free of charge, and the custodian shall issue a receipt acknowledging the articles, witnessed by another person;
- ii. The cooperatives organised among government employees shall enjoy the free use of available space in the agency, whether owned or rented by the government;
- iii. Cooperatives rendering special types of services and facilities such as cold storage, ice plant, electricity, transportation and similar services shall secure a franchise and such cooperatives shall open their membership to all persons in their areas of operation and in case there are two or more applicants for the same public service franchise or certificate of public convenience and necessity, all things being equal, preference shall be given to a public service cooperative;

- iv. Where there are appropriate cooperatives in areas, preference/preferential rights to supply government institutions and other agencies rice, corn and other grains, fish and other marine products, meat, eggs, milk, vegetables, tobacco and other agricultural products produced by their members shall be granted these cooperatives;
- v. Allocation of fertilizers and rice distribution shall be granted preferably to cooperatives by appropriate government agencies;
- vi. Preferential treatment in the allocation or control of bottomries of commercial shipping vessels for the shipment of goods and products of cooperatives;
- vi. Cooperatives and their federations, like market vendors' cooperatives, shall have preferential rights in management of public markets or lease of public market facilities, stalls or spaces.
- viii Credit cooperatives and/or federations shall be entitled to loans, credit lines, rediscounting of their loans notes and other papers, with the Development Bank of the Philippines, the Philippine National Bank, the Land Bank of the Philippines and other financial institutions except the Central Bank of the Philippines;
- ix. Cooperatives transacting business with the Philippine Government or any of its instrumentalities including government-owned or controlled corporations, shall be exempt from pre-qualification bidding requirements; and
- x. Cooperatives enjoy the privileges of being represented by the provincial/city fiscal of the Office of the Solicitor General, free of charge, except when the adverse party is the Republic of the Philippines.

Republic Act 6939

This is an Act creating the Cooperative Development Authority (CDA) mandated to promote the viability and growth of cooperatives as instruments of equity, social justice and economic development.

CDA Mission

The CDA mission is to foster and promote the viability and growth of cooperatives among people of limited means for harnessing people power, assuring their self-reliance and nurturing their economic well-being towards the establishment of a just and equitable society.

Powers, Functions, Responsibilities

A. Developmental Functions

- i. To formulate, adopt and implement integrated and comprehensive plans and programmes on cooperative development consistent with the national policy on cooperatives;
- ii. To develop and conduct management training programmes upon request of cooperatives and provide professional and technical assistance when necessary, to ensure the viability and growth of cooperatives, with special concern for agrarian reform, fishing and the economically-depressed sector;
- iii. To support the voluntary organisations and consensual development of activities that promote the Cooperative Movement and provide assistance towards upgrading managerial and technical expertise upon request of cooperatives;

- iv. To coordinate the efforts of the local government units and the private sector in the promotion, organisation and development of cooperatives;
- v. To assist cooperatives in arranging financial and other forms of assistance;
- vi. To formulate and adopt continuing policy initiatives in consultation with cooperatives through public hearings; and
- vii. To administer all grants/donations coursed through government for cooperative development.

B. General Function

The general function of the CDA is the regulatory function - (i) Registration of all cooperatives/federations/unions including their division, merger, consolidation, dissolution or liquidation; and (ii) Cancellation of the Certificate of Registrations after due notice of hearing, for non-compliance with administrative requirements and in case of voluntary dissolution. The Cooperative Development Authority is the sole registering agency of all cooperatives.

C. Quasi-Judicial Function

This includes mediation, conciliation, and arbitration within a cooperative or between cooperatives.

CDA Thrusts

- i. Continue confirmation of registration of existing cooperatives, on the extended deadline of 30th September 1991;
- ii. Establish 15 cooperative banks in the country and assist in their organisation in 1992. A long range plan is to have one cooperative bank in each province, but for the next two years the target is 15;
- iii. Assist in the federation of agriculture-based cooperatives, the provincial federation and the national federation;
- iv. Assist in management and technical trainings;
- v. Establish a data banking system. The data bank will be an important tool to management in the formulation of policies, aside from a ready source of information for private researchers and individuals who need data; and
- vi. Formulate necessary rules and regulations governing the proper implementation of Republic Act 6938.

Accomplishments of the CDA

Since the signing of the two laws on 10th March 1990, during the transition period and until 24th May 1991, the CDA accomplished :

A. Statistics-Wise

- Registration of new cooperatives : 2,348
- Confirmation of registration of existing coops : 2,969
- Certification of registration of existing coops : 1,094

The six extension offices of Dagupan, Naga, Iloilo, Cebu, Cagayan de Oro and Davao which have just started their operations recently have not rendered yet their full reports.

B. Assistance in Management and Skills Trainings Through Counterpart Financing

As provided for in RA-6938, the CDA shall assist cooperatives in management and skills trainings through counterpart financing and other technical assistance, upon request, the Authority was able to accomplish the following :

- Given assistance to trainings of bookkeepers and the installation of books of accounts to 50 agricultural primaries and 2 federations. These were in Region III and V. These were co-sponsored by the Cooperative Union of the Philippines;
- 1 Management training with TAGCODEC;
- 3 management and skills trainings in Negros Occidental, co-sponsored by the Hope Foundation;
- 1 trainers' training in Negros Occidental;
- 1 training for book-keepers in Negros Occidental;
- 1 management training in Negros Occidental;
- 1 skills training for Cotabato Cooperative Rural Bank, with the Provincial Cooperative Union;
- 1 management training of the Misamis Occidental Cooperative Rural Bank for Samahang Nayan investors. This was held in Ozamis City;
- 2 regional cooperative trainings and revitalization programme for agricultural-based cooperatives in Regions IV and V;
- 1 cooperative planning workshop in Iloilo City;
- 1 basic book-keeping and accounting course in Davao;
- 1 management development course in Punta Villa, Iloilo City;
- 1 cooperative planning workshop in Aklan;
- 1 social development leaders conference with NORLUCEDDEC;
- 1 strategies seminar in Cagayan de Oro City; and
- 2 orientation seminars on Cooperative Audit for CPAs. One was held in Cebu and the other in Davao. These trainings were approved by PICPA as one of the accredited training programmes offered by the PICPA itself. Participants/those who finished the course were to be credited with 15 units for CPA.

C. Information Campaign

Massive information campaign has been conducted since the signing of RA-6938 and RA-6939.

Media Campaign : Newspaper dailies have carried printed materials on cooperatives by CDA, other government offices, with the help of non-government offices and the cooperatives themselves.

This is in line with a provision in RA-6939, Section 15, for the CDA to conduct 6 months information campaign after 3 months of affectivity of the law.

Radio and television announcement and coverages have been made in regard to the privileges and benefits of cooperatives and how the lives of people can change by participating in these organisations through membership.

These last two media used in the information campaign have been made possible largely with the assistance of the Office of the President, the Land Bank of the Philippines, two prominent co-authors of the Acts are two senators, Senator Agapito Aquino and Senator Heherson Alvarez, Congressmen Pedro Romualdo in the House as well as the cooperative sector.

Senator Aquino has been very kind and resourceful enough to sponsor the printing of a Premier on RA-6938 and RA-6939, which he distributed to the CDA, the offices of both government and non-government institutions and the cooperative sector.

The good senator further distributed KOCP Comics to emphasise cooperatives as a way to betterment of social and economic lives.

Senator Alvarez, on the other hand, had his "Go Coops Go" campaign through advertisement with an attractive pin and other materials.

The Cooperative Development Authority, as principal information campaigners, has printed and reproduced several thousands of copies of the Cooperative Code and the Act creating the Cooperative Development Authority. These have been distributed to cooperatives and to those who ask for the materials, free of charge.

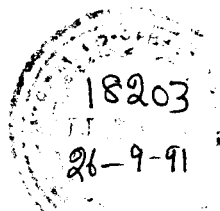
Pre-Membership Seminars : Upon request, personnel of the Authority approached by cooperative proponents for pre-membership education seminars, go to the venues of the proposed cooperatives, bringing with the guidelines for confirmation of existing cooperatives (registered under PD-175) and guidelines for the registration of new primary cooperatives, together with Economic Survey guidelines, the economic survey being an important component for registration. In addition, articles of cooperation and the by-laws of the types of cooperative to be organised, are distributed.

On-the-Spot Information Giving : Some of the CDA personnel give out information and clarification as to the organisation of cooperatives, how to register them and other basic information right in the CDA office. The Cooperative Research, Information and Training Division (CRITD) takes care of this.

Listings of cooperatives registered in the past and in the present are made available to both government and non-government offices and to all cooperatives needing data.

As Guest Speakers in General Assembly Meetings : Our board of administrators are often-times invited to grace cooperative anniversaries or general assembly meetings to talk about the new laws and clarify certain issues. Some are guests in conferences and other cooperative gatherings where they take the opportunity to discuss salient points and answer various queries. These information-giving activities give the CDA administrators a wide vista of the countryside situations which, no doubt, will enable them to formulate appropriate policies and programmes best suited to the greater sector of society.

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D. Memorandum of Agreement with other Government Agencies

A Memorandum of Agreement was signed with the Department of Finance for the exemptions from customs duties on the importation of machineries, equipment and spare parts for cooperatives.

A Memorandum of Agreement was also signed with the Department of Agrarian Reform on the procedures of the registration of Agrarian Reform Cooperatives.

A Memorandum of Agreement for Technical or Technological Transfer was linked with : Department of Education, Culture and Sports; Department of Science and Technology; Polytechnic University of the Philippines; Inventors Society; and Office of the President.

We also had an agreement with the Department of Agriculture, to help facilitate the registration of new primary cooperatives and the confirmation of the existing cooperatives before the operationalisation of the seven extension offices. However, the DA did not register the cooperatives, it facilitated only.

A Memorandum of Agreement with the Bureau of Internal Revenue on the guidelines for tax exemption was also signed last March 10, 1991.

First Anniversary of RA-6938 and RA-6939

Last March 10, 1991 was the first anniversary of the signing of the two laws. The Cooperative Development Authority, which was only a few months old at the time since its operation, was not in a position financially to celebrate its birthday with a bang.

In an unprecedented move, the two co-authors of the bill Senators Alvarez and Aquino, took it upon themselves to sponsor two activities to commemorate the event - one on March 2, with the theme "Go Coops Go" featuring a unique come-on for cooperatives, its "One-Stop Registration, Non-Stop Cooperation". This was sponsored by Senator Alvarez. One of the activities main events was a whole day seminar on cooperatives, with anybody caring to attend, as participants. Several guests addressed the big crowd, after which was some kind of an open forum.

The second event was the "One-Stop Registration, Non-Stop Cooperation". The CDA registration personnel turned out in full force to receive, process and register documents. It was a register-while-you-wait activity wherein the proponent watched while his papers were processed.

The state of action on March 10 sponsored by no less than Senator Butz Aquino, featured a Cooperative Education and Exhibition Fair. Three seminars were simultaneously conducted, too, which were aptly titled : Seminar 1 - Membership Growth and Savings Promotion; Seminar 2 - Fund Sources; and Seminar 3 - Cooperative Budget Management.

Furthermore, there was an exhibits fair featuring gadgets and products of participating agencies/organisations/cooperatives. Highlight of the affair was an open forum with Senator Aquino, Administrators Gawi-Gawen, Dr. Quintana, BIR Commissioner Ong and other important persons as panelists.

But the most outstanding highlight of this activity however, was the signing of the joint circular between the BIR and the CDA, the subject of which is Procedural Guidelines in the Availment of Tax Exemption Privileges Executed under Art 62(2)(b) of RA-6938.

There is reportedly an amendment to this circular in which, after the kinks are ironed out, we hope to disseminate to cooperatives and concerned government and non-government agencies. Undoubtedly, with these guidelines, cooperatives can enjoy extensive freedom from oppressive taxes.

In addition, a Memorandum Circular on the Recognition of the Establishment of the Koops Forum was signed by Dr. Vicente Quintana, CDA Administrator.

Another important document issued on that day is Proclamation No.698 declaring March 10 of every year as National Cooperative Day, signed by President Aquino on 5th March 1991.

ICA Regional Consultation Meeting 1988

Background

In this meeting certain issues were discussed in regard to relationships between the governments and cooperatives. The ICA Regional Office for Asia and the Pacific (ICA ROAP), the prime mover of this meeting, has been fit to involve all countries of the region to band together in order to improve over-all relationships of governments and their cooperatives.

Actually, there is still a lot to go before we can honestly say that our objectives have been reached. But with the governments' changed attitudes towards cooperative organisations, bending a little on excessive restrictions and giving them more breathing spaces in the organisation and development, there is more leeway now for cooperatives to uplift the economies of their countries.

In that Consultation Meeting in Singapore in June 1988, the Role of Government in Promoting Cooperative Development has to be delineated by going over the series of issues discussed, as follows :

- (a) Review the present cooperative-government relationship in various countries.

Explanation : In the Philippines the two legislative bodies have come up with bills enacted into laws that can decidedly change the course of cooperatives for the betterment of people, not only in the national level but international, as well.

- (b) Consider the need of changes in governments' role in the Asian region, if any.

Explanation : With the Philippine Government's role as only subsidiary in point of organisation and development, these cooperative organisations are expected to make initiatives in seeking additional capitalisation, if there is need from local and foreign sources, through the recommendation of government, so that they can establish linkages, via their federations and unions, with other Asian and Pacific countries.

- (c) Formulate principles for developing mutual understanding and developing harmonious relationships between government and cooperatives.

Explanation : Formulation of these principles is in progress. The CDA, the sole agency entrusted with registration of cooperatives, is a new agency. Hence, it cannot take all these things at the same time. It has to study the issues, the whys and the wherefore of effective and ineffective relationships with cooperatives.

This is why it is appropriate to have the monthly Koops Forum, formed by a Cooperative Advisory Group wherein cooperative leaders, including those in federations and unions, non-government organisations leaders meet together to ventilate issues and concerns, to discuss the need for a continuing partnership between the government agency tasked with the promotion and development of the cooperative sector and fulfil the need for regular and substantive consultation and exchange of information between CDA and the cooperatives.

The CDA then undertakes the study for possible adoption of recommendations presented and agreed upon during such Koops Forum. The CDA shall, likewise, lend technical support and assistance in the conduct of regular meetings of said Koops Forum. The Koops Forum directive is found in a Memorandum Circular signed by Dr. Vicente U. Quintana.

(d) Action to be taken for adoption of the principles for understanding.

Explanation : When sufficient discussions on the various pros and cons of each issue to be presented in the regular Koops Forum and problems threshed out with the consensus of all present, a draft will be produced and presented to the cooperative sector in a public hearing, to get its reaction. Whatever comes out will be consolidated and finalised. These will come out as the principles for understanding which my country can present to the ICA ROAP for possible inclusion in next Asia-Pacific consultative meetings.

To my mind, there will be a better forging of ties and our neighbors' principles of understanding may be suitable to our country's environment.

(e) Suggest mechanism and forum at different levels to resolve distortions as and when they arise.

Explanation : This is very relevant to the needs and conditions of the different levels. For example, for the leadership of primary cooperatives, especially the agricultural cooperatives who usually belong to the farmers' groups, the forum has to be in plain, simple language, or in the vernacular. It is most difficult especially in the Philippines where there is a regionalisation of dialects. It is not easy to carry on a conversation or a dialogue when the panelists speak a different language from the municipal, provincial or regional farmers.

For the leadership of secondary or tertiary cooperatives, who are on the upper bracket, like President/Chairman of federations or unions who may be professionals, the forums can be most lively with variations of presentation in whatever form or dialect, most preferably in English where they are most adept at.

They can even think of mechanisms that we may not even know existed but which have always been around for the tapping.

Some Consultation Recommendations

1. The Consultation reviewed the role of cooperative legislation in the organization and working of cooperatives and expressed a need for making it development-oriented; and suggested that a broad framework of cooperative legislation which could serve as guidelines to the movements and governments be prepared by ICA ROAP.

Comment : In this recommendation, the Philippines has included this in RA-6938, Article 2, Declaration of Policy. It is the declared policy of the state to foster the creation and growth of cooperatives as a practical vehicle for promoting self-reliance and harnessing people power towards the attainment of economic development and social justice.

2. The Consultation suggested that the ICA ROAP should undertake a study of cooperative laws in the region in order to recommend deletion of restrictive provisions and addition of new provisions needed for facilitating cooperative development.

Comment : Since the new laws on cooperatives have just been signed in March 1990, we would want to give copies to the ICA ROAP for study and whatever might be gleaned from the two laws by the Asian and Pacific group.

3. The Consultation suggested that cooperative legislation be simple and written in such language as would be understandable to ordinary persons; and that cooperative legislation, which is at present generally more regulatory in character, be so revised as to make it an effective instrument for cooperative development. It should not include matters which properly come under regulations, by-laws and the development plans and programmes.

Comment : The Cooperative Code of the Philippines is written in English. While other portions are concise and readily understandable by members of cooperatives with high school education, there are parts, especially, the ones with legal terms, that cannot be comprehended by a layman's simple mental capability. With reference to the broad terms used in the Code, these really need to be broken into the simplest terms.

In this connection, it might be a good idea to have translations of the salient features of the law in each region's local dialect. This will give cooperative members some trust and confidence in the government for giving their respective areas the importance they need in the treatment of their some dialects.

4. Definition of the term Cooperative.

Comment : The term "cooperative" in the new law is found in Article 3, in General Concepts. A cooperative is duly registered association of persons, with a common bond of interest, who have voluntarily joined together to achieve a lawful common social or economic end, making equitable contributions to the capital required and accepting a fair share of the risks and benefits of the undertaking in accordance with universally-accepted Cooperative Principles.

5. The Consultation also suggested that the Principles of Cooperatives as adopted by the ICA be incorporated.

Comment : The Principles of Cooperation are found in Article 4 of RA-6938 and other portions of the law. Likewise in the Article 3 of the code, the universally-accepted Cooperative Principles has been mentioned which is defined further under Article 5 (9) as the body of Cooperative Principles adhered to worldwide on cooperatives in other jurisdiction.

6. On the suggestion of the Philippine Movement for a legal definition, it is as in the above definition.

7. That the Principles of Cooperation be reflected in various provisions of the cooperative law and the cooperative laws facilitate operationalisation of Cooperative Principles.

Comment : These are incorporated in the different provisions of Republic Act 6938 : Open and voluntary membership - Article 4, Article 5 and Article 26; Democratic control - Article 4, Article 37(1)(2)(3); Limited interest on capital - Article 4 and Article 76; Division of net surplus - Article 4, Article 86 and Article 87; Cooperative education - Article 4(5), Article 24(b)(iii), Article 25(c)(d), Section II, RA 6939; and Cooperation among cooperatives - Article 4(6), Article 24(v) and Article 25(g).

8. Application of Cooperative Principles - That cooperatives are not only economic institutions but they have a strong philosophical base and social purpose. The cooperatives' objective is to promote progress and welfare of the community.

Comment : This is true to the Philippine setting also, where cooperative members interact with each other, learn the value of work, placing the interests of the cooperatives above those of their own. They give of themselves by their voluntary service to the cooperative, learn the values of honesty, integrity, decision-making and others. They do not mind if they receive no compensation from services rendered as long as they are happy with the operations of their cooperative.

9. That cooperative organisations should be strong, effective organisations, professionally managed so as to render efficient service to members.

Comment : Members should be watchful of the going-on of their cooperative so that their efforts and resources will not go to waste. We admit that maintaining the success of a cooperative is quite difficult to attain. What looks good on paper may not be the actual situation in a cooperative. Instant "doctors" may suddenly appear. This can be avoided if the members always have the time to attend in meetings and examine records.

10. Cooperative Policy and Government's Promotional Technical Support - That governments and cooperative movements have common objectives of improving the socio-economic conditions and national development. They should support each other to achieve common objectives based on mutual trust, confidence, respect and social justice.

Comments : The cooperative is mass-based. As such, the main concern of the government are the masses because these are the majority of the population. Hence, it is the duty of government to lift the plight of the poor and improve their economic conditions.

On the other hand, without the government to support the cooperative, this will die down easily because of the big competition around controlling the poor and the rich alike. In support to the Cooperative Movement, the government is providing financial management and technical assistance to cooperative.

11. Cooperatives by their nature are autonomous institutions. The government should play the role of facilitator through policy initiative and should nurse and nurture them to play their role as people's organisations.

Comment : Although the CDA is still in the process of formulation of certain policies, yet it has recognised cooperatives as autonomous, as embodied in Article 2, Section 1, RA-6939.

1. Applicability to Sydney Conference Recommendations

1.1 Recommendations already in operation and to what extent are : (Based on Role of Governments, Cooperative Ministers' Conference, February 1990).

(a) Keeping the principles in view, government should provide the support :

- incorporation of the role and importance of cooperatives in the Constitution (*Article XII, Section 15 of RA-6938*);
- enactment of progressive cooperative law in conformity with Cooperative Principles (*Article 4, RA 6938*);
- assisting cooperatives to generate and build their resources. (*Government recommends them to lending banking institutions and CDA has limited funds for lending. Land Bank is providing the bulk of credit funds*);
- assisting cooperatives to build their professional management personnel. (*Management trainings are counter funded by CDA*);
- transfer of audit, inspection, supervision and responsibility. (*This is being carried out by INCAS*);
- promotion of cooperative values/spirit. (*Personnel development trainings are conducted*);
- promotion of democratic participation of members in decision-making. (*This is evidenced in general assemblies where members take part by voting on the decisions*);
- supporting cooperative education and training. (*This is mandated in RA-6939, Section 11*);
- supporting the involvement of cooperatives in community development. (*In the process of organisation of cooperatives the community gets to be developed*);
- providing and arranging financial assistance to cooperatives in the form of soft loans/guarantees, grants and subsidies, tax exemptions, etc. in a manner as would not infringe upon the autonomy of cooperatives. (*The CDA recommends cooperatives for loans with the Philippine National Bank, the Land Bank of the Philippines, the Development Bank of the Philippines, which administer certain loans*);
- involving cooperatives in planning from village upwards. (*General assemblies and special meetings are proper venues for village people or barangay rural cooperative members to speak their minds, present ideas that can be used in the planning. Farmer-based cooperatives implement their own programme of activities. In some areas, the cooperative have participated in the preparation of the Regional Development Plan in the area*);
- encouraging and assisting cooperatives to develop their own key/top management personnel instead of secondary government officers. (*The CDA is assisting in management and skills trainings with the aim of developing the cooperative key personnel through counterpart fundings*); and
- introducing curricular on cooperation in general education courses in schools, colleges and universities. (*In some colleges and universities, cooperatives are incorporated in their curricula. The University of the Philippines and the Polytechnic University of the Philippines, for example, are two higher schools of learning that are very much involved in teaching cooperatives to their students. In some schools, the cooperative is integrated in some subjects like social sciences, etc.*).

- (b) The Conference is of the opinion that the main strength of the cooperative movement lies in the membership who have the right and the duty to elect competent people to the board of directors. In view of this the Conference suggested that it is essential that a massive programme of education of members and their elected leaders should be carried out by cooperative movements and governments should render needed assistance. *(Cooperative members should be watchful enough to vote out incompetent leaders and vote in those they know are competent. Governments supports these massive programme of member education in collaboration with the cooperative when requests).*
- (c) The Conference feels it necessary to continue to develop positive attitudes and skills in government personnel. It is essential, therefore, that adequate programmes of training of government personnel in cooperative concepts, principles, implementation of cooperative law and cooperative operations be established. *(The CDA has a programme for self-development for its personnel wherein values and attitudes will be emphasised. There will also be trainers' and other trainings to equip its personnel with sufficient knowledge on the different areas of cooperative development. Implementation is held in abeyance due to the ban in training for government personnel).*
- (d) The Conference is of the view that there is need for orientation programmes for top level policy makers to keep them aware of the changing environment and the needs of the cooperative movement. *(Our opinion is - there should be continuing orientation for top level policy-makers. In the Philippines, local conferences/ meetings are conducted often. Foreign organisations also invite our cooperative leaders in government and the cooperative sector in which we always manage to send representatives. Delegations of Congressman visited Israel Cooperative Movement).*

1.2 Which are the recommendations not to be implemented immediately?

- Formulation of national policy in consultation with cooperatives. *(In the Philippines setting formulation of policies is on-going and the end result is expected in June);*
- Creation/building of environment for cooperatives to play their full role. *(The reasons for this are policy formulation and structural gaps);*
- Taking steps for de-officialisation and de-politicisation of cooperatives. *(Needs legal support);*
- Regarding cooperatives as community institution and consulting them on matters involving them, e.g. fixing the prices of agricultural commodities, manufacture of consumer goods and measures for consumer protection. *(Reason is state policy formulation and structural gap);*
- Discontinuation of the practice of ex-officio holding of elective officers by government officers. *(CDA is prohibited. Land Bank and Department of Agriculture have official observers in institutions wherein they have equity investment).*

1.3 Recommendations which need not be implemented. (*The setting up of Cooperative Development Corporations*).

2. Action Taken on Various Recommendations

2.1 Proposed to discuss at a national conference all the points incorporated in the policy formulation.

2.3 Recommendations have been discussed formally at the management level in regular meetings of the board of administrators.

2.6 A Committee has been constituted to formulate an action programme. The board of administrators constitute this committee. Eventually the proposals will be presented to cooperative leaders for a public hearing. Hence, any policy to this effect, will be that as approved by the public.

2.7 Any other action contemplated to be taken. After the policies have been finalised, these will be circularized and distributed to all government agencies, non-government agencies, the private and cooperative sectors. These will be published in papers of national circulation and will be implemented as soon as circularized.

3. International Support

3.1 Identify the recommendations for which international assistance is required.

3.2 What kind of international support is envisaged? : International study visits; Exchange of information and the type of information sought; Grants/donations/subsidies/other funding; and Technical and financial assistance.

3.3 International and Regional Linkages : In 1991, CDA became a member of the FAO-sponsored Regional Network for Development of Agricultural Cooperatives in Asia and the Pacific (NEDAC). This network is aimed at promoting regional collaboration for the exchange of technical information, know-how and experiences which would be mutually beneficial to all member institutions.

Early in 1991, CDA has started implementing 3 year ILO-DANIDA multi-bilateral programme of technical cooperation on cooperative entrepreneurship for rural development project. the objective is to enhance management and entrepreneurship development capacity at the national, regional and local cooperatives.

With these, my friends, I wish to end this presentation with the hope that better and stronger cooperative ties are forged among the countries of Asia and the Pacific; that there be international understanding, peace and love throughout the world through cooperatives; and that cooperatives may change the rabbles into greeneries, the grimness into laughter and the dark clouds into a shining ray of hope for all the generations, now and the hereinafter.

Programme

4th June 1991, Tuesday

- 0800-1000 : Registration
- 1000-1100 : Opening Programme
- Invocation : Sister Marietta Demelino, Sister for Christian Community.
 - National Anthem
 - Welcome Remarks : B/General Arcadio S. Lozada (Retd.), Chairman, ICA Regional Council for Asia and the Pacific.
 - Introductory Remarks : Mr. Daman Prakash, ICA Regional Project Advisor.
 - Introduction of Participants : Mrs. Ma. Teresita P. Jamias, Secretary, PCDF.
 - ICA Statement : Mr. Karl Fogelstrom, ICA Senior Development Advisor.
 - Introduction of the Keynote Speaker : Mr. Candelaria Verzosa, Executive Director, CDA.
 - Keynote Address : Hon'ble Edna Aberilla, Chairman, Board of Administration, CDA.

Development Forum : I

- 1100-1200 : Review of the Singapore Consultation Meeting Recommendations : B/General A.S. Lozada.
- 1200-1330 : Lunch break
- 1330-1400 : Review of the 1990 Sydney Ministers' Conference Conclusions and Recommendations/Presentation of ICA Background Paper : Mr. Daman Prakash.
- 1400-1500 : Presentation of National Situation Papers :
- By the Cooperative Movement : Dr. Marietta Demelino, SFCC MTAP Fellow/Programme Director, Bishop Businessmen's Conference Livelihood Foundation, Inc.
 - By the Movement : Dr. Vicente U. Quintana, Member, Board of Administrators, CDA.

- 1500-1530 : Snack Break
- 1530-1730 : Open Forum on the ICA Background Paper and the National Situation Papers.
- 1730-1800 : Briefing on Group Work and Formation of Working Groups - By Daman Prakash, Karl Fogelstrom and Tryggve Nelke.
- 1830-1930 : Cocktail/Dinner
- Officer of the Day : Engr. Glicerio E. Lorejo, Sr. President, CUP.

5th June, Wednesday

- 0830-0845 : Summary Report on Day 1 Activities : Ms. Teresita de Leon, Assistant General Manager, NATCCO.
- 0845-1200 : Group Work on the Priority Needs of the Cooperative Movement and the Suggested National Strategies and Plan of Action to address them:
- i. Promotion, Education and Training;
 - ii. Agricultural Cooperative Development;
 - iii. Financial System Development;
 - iv. Development of Coop Marketing and Coop Trade.
 - v. Institutional Development and Coop Linkages.
- 1200-1330 : Lunch Break
- 1330-1600 : Group Reports and Plenary Discussions on Priority Needs and National Strategies and Plan of Action.
- 1600-1700 : Plenary Discussion on Other Concerns that may be included in the General Report.
- Officer of the Day : Mr. Romulo Villamin, General Manager, NATCCO.

6th June, Thursday

- 0830-0845 : Summary Report on Day 2 Activities : Mr. Felex A. Borjo, Corporate Secretary, CUP.
- 0845-0945 : Plenary Session to receive and adopt the proposed National Report.
- 0945-1000 : Snack Break

Development Forum : II

- 1000-1200 : Presentation of views from the various sectors of the Movement re Technical/Financial Assistance/ Support From Donor Organisations.

- 1200-1330 : Lunch Break
- 1330-1700 : Panel Discussion and Open Forum on possible technical assistance/support to the different areas of needs of the cooperative sectors : UN Agencies/International Organisations/ Foreign Embassies.
- 1830-1930 : Supper
- Officer of the Day : Col. Pacito N. Nefulda (Retd.), CUP
Vice President & Chairman, HRDC.

7th June, Friday

- 0830-0845 : Synthesis Report on the Panel Discussion : Mrs. Ma Teresita P. Jamias, HRDO, CUP.
- 0845-100 : Open Forum/Wrapping-up Session.
- 1000-1030 : Snack Break
- 1030-1130 : Closing Session
- Presiding Officer : B/General A.S. Lozada (Retd.).

Participants

Cooperative Sector

1. **Mr. Felix A. Borja**
Director-Corporate Secretary
Cooperative Union of the Philippines, Inc.
CUP Building, Roces Avenue Corner, Mother Ignacia Street,
Quezon City, Philippines.
2. **Prof. Josefina E. Gaerlan**
Director
Cooperative Union of the Philippines, Inc.
3. **Engr. Glicerio E. Lorejo, Sr.**
President & Chairman of the Board
Cooperative Union of the Philippines, Inc.
4. **Col. Pacito N. Nefulda (Retd.)**
Director-Vice President for Luzon
Cooperative Union of the Philippines, Inc.
5. **Mr. Gregorio Gaité**
Vice-Chairman
National Confederation of Cooperatives
Buaó, Camarines Sur, Quezon City.
6. **Mr. Eulogio S. Tupa**
Director
National Confederation of Cooperatives
J.P. Rizal Street, Project-4
Quezon City, Philippines.
7. **Mr. Romulo Villamin**
General Manager
National Confederation of Cooperatives.
8. **Ms. Teresita M. de Leon**
Assistant General Manager
National Confederation of Cooperatives.

9. **Atty. Paterno G. Tiamson**
Director
National Confederation of Cooperatives.
10. **Mr. James N. Roberson**
Executive Officer
National Market Vendors Service Coop Federation
Del Mundo Building, 2121 Taft Avenue
Malate Manila, Philippines.
11. **Ms. Luch G. Furo**
Assistant Chief Executive Officer
Philippine Federation of Credit Cooperatives, Inc.
Columbian Towers, Santol Street, Sta. Mesa Manila.
12. **Mr. Al'Rosulo Bischocho**
Assistant Chief Operations Officer
Cooperative Rural Banks Federation of the Philippines, Inc.
Delta Building, West Avenue, Quezon City.
13. **Mr. Gil Medina**
General Manager
Philippine Rural Electric Cooperatives Association
4th Floor, Casman Building, Quezon Avenue, Quezon City.
14. **Mr. Raul Montemayor**
Business Manager
Federation of Free Farmers Cooperatives, Inc.
41 Highland Drive, Blue Ridge, Quezon City.
15. **Ms. Corazon R. Mabagos (Alternate Participant, MMAFECCO),**
Vice President
Metro Manila Federation of Consumers Cooperatives
P.U.P.-NDC, Sta. Mesa, Metro Manila.
16. **Ms. Marietta Climago**
President
Metro Manila Federation of Consumers Cooperatives.
17. **Ms. Nenita D. Envinas (Alternate Participants, MMAFECCO)**
Operations Manager
Metro Manila Federation of Consumers Cooperatives.
18. **Mr. Romulo T. Martin**
Director, CUP/Chairman, NCRUCI
PUP KB for Consumers, PUP, Sta. Mesa, Manila.

19. Mr. Jaime de Guzman
General Manager
St. Martin of Tours KB for Credit
Bocaue, Bulacan.
20. Judge Manuel F. Verzosa
ICA/CUP Consultant
Cooperative Union of the Philippines.
21. Mr. Luis T. Paterino
Secretary General
SANDUGUAN
Room 300, Delta Building West Avenue, Quezon City.
22. Mr. Benny F. Caballero
Chief Operations Officer
BANGKOOP
Room 300, Delta Building
West Avenue, Quezon City.
23. Ms. Prescy A. Ordas
Director
Sugar Coop Development Institute of the Philippines &
Sugar Regulatory Administration
North Avenue, Diliman, Quezon City.
24. Mr. Jimmy P. Asuncion
Chairman, RCU II/Project Director
Roxas Integrated Cooperative Inc.
Roxas Isabela, RCU II Tugeugarao,
Cagayan, Roxas, Isabela.

Government Sector

25. Prof. Edna E. Aberilla
Chairman/Board of Administrator
Cooperative Development Authority
Benlor Building, 1184 Quezon Avenue, Quezon City.
26. Dr. Vicente U. Quintana
Member, Board of Administrator
Cooperative Development Authority.
27. Mr. Myron Gawigawen (Alternate Participant, CDA)
Member, Board of Administrator
Cooperative Development Authority.

28. Mr. Candelario L. Verzosa (Alternate Participant, CDA)
Executive Director
Cooperative Development Authority.
29. Ms. Iraida A. Banaira (Alternate Participant, CDA)
Director, Institutional Development Department
Cooperative Development Authority.
30. Atty. Moises Tolentino
Executive Director
Office of Transport Cooperatives
Halston Building, Emerald Avenue Pasig
Metro Manila.
31. Mr. Joseph Francia
Director
Department of Trade and Industry
Buendia Avenue, Makati.
32. Ms. Nanette M. Mendoza
Chief, Market Development Division
Department of Trade and Industry.
33. Mr. Augusto R. Nieves
Assistant Director
DECS-Bureau of Technical/Vocational Education
3rd Floor, Mabini Building, UL Complex, Pasig
34. Marlyn S. Siapno (Alternate Participant, DECS)
Education Programme Specialist
DECS-Bureau of Technical/Education.
35. Mr. Rommel Manikan
Deputy Administrator
National Electrification Administration
10th Floor, Triumph Building, Quezon Avenue, Quezon City.
36. Mr. Gualberto A. Gacad
Sr. Agrarian Reform Planning Officer
Department of Agrarian Reform
DAR Building, Diliman, Quezon City.
37. Ms. Celia R. Pascual
Administrative Officer
UP Institute of Small Scale Industries/
BBC Livelihood Foundation Inc., U.P. Campus, Diliman, Quezon City.

38. Ms. Martha Alegria C. Unida (Alternate Participant, NEDA)
EDS-I, NEDA Agriculture
Amber Avenue, Pasig, Metro Manila.

39. Mr. Doreen Erfe (Alternate Participant, NEDA)
NEDA Agriculture.

Donor Organisation

40. Dr. Charles Kick, III
Chief Technical Advisor
International Labour Organisation
NEDA sa Makati Building
Amorsolo Street, Makati, Metro Manila.

41. Mr. Michael Casey
Programme Manager
Canadian Cooperative Association
75 Roosevelt Street
North Greenhills.

42. Mr. Bienvenido P. Nito
Coordinator
Center for Research and Communication
Pearl Drive, Pasig Metro Manila.

43. Dr. Marietta Demelino
Programme Officer
BBC Livelihood Foundation
7th Floor, Boston Bank Building, Pasig Metro Manila

44. Ms. Milagros J. Macaranas
Supervision Audit Specialist
ILO Coop Entrepreneurship for Rural Development
Benlor Building, Quezon Avenue, Quezon City.

45. Mr. Roger Ricafort
Acting Programme Director
HELVETAS-Philippine Programme Office
2339 Espiritu Street,
Singalong Manila.

46. Mr. Paul G. Schaffer
Project Manager
Hanns Seidel Foundation
c/o. CRC, Pearl Drive, Pasig Metro Manila.

47. **Mr. Tryggve Nelke**
ICA Consultant
National Cooperative Council of Sri Lanka
455 Galle Road, Colombo-3, Sri Lanka.
48. **Dr. Daman Prakash**
Regional Project Advisor
International Cooperative Alliance
43 Friends Colony, New Delhi-110065, India.
49. **Mr. Karl Fogelstrom**
Senior Development Advisor
International Cooperative Alliance, New Delhi.
50. **Mr. William Teo**
ICA/CIDB Regional Insurance Advisor &
Senior Manager, NTUC-INCOME
75 Bras Basah Road, Singapore.
51. **Mr. Tengku Ubaidillah**
Representative
Philippines FAO Office Manila
NEDA sa Makati Building
Amorso Street, Makati, Metro Manila.
52. **Ms. Peachy Cuenca Forbes**
Canada Fund Coordinator
CIDA, Canadian Embassy
7th Floor, Allied Bank Center, Ayala Makati.
53. **Ms. Nena Fernandez**
Director
Bishop-Businessmen's Conference-Livelihood Foundation, Inc.
7th Floor, Boston Bank Building.
54. **Ms. Fel Bravo**
Secretary
Bishop-Businessmen's Conference-Livelihood Foundation, Inc.

Observers

55. **Mr. Ramon San Pascual**
Secretary General
NGO-CCD
130 Kalayaan Avenue, Diliman, Quezon City.

56. **Rey Inocencio**
President
SIKAP Foundation
8 Jasmin Street, JPA Subd. Muntinlupa,
Metro Manila.

Resource Persons/Facilitators

1. **B/General Arcadio S. Lozada (Retd.)**
Chairman
ICA Regional Council for Asia and the Pacific.
2. **Mr. Karl Fogelstrom**
Senior Development Advisor
ICA Regional Office for Asia and the Pacific.
3. **Mr. Daman Prakash**
Regional Project Advisor
ICA Regional Office for Asia the Pacific.
4. **Mr. Tryggve Nelke**
ICA Consultant
National Cooperative Council of Sri Lanka.
5. **Mr. William Teo**
Senior Manager, NTUC-INCOME
ICA/CIDB Regional Insurance Advisor.
6. **Dr. Charles Kick III**
Chief Technical Advisor
International Labour Organisation.

Directorial Staff

1. **B/General A.S. Lozada (Retd.)**
Chairman
ICA Regional Council for Asia and the Pacific.
2. **Engr. Glicerio E. Lorejo, Sr.**
President
Cooperative Union of the Philippines.
3. **Atty. Adolfo A. Ibañez**
Chairman
National Confederation of Cooperatives.

4. **Mr. Modesto Rubio**
Chairman
Sugar Coop Development Institute of the Philippines.
5. **Prof. Edna E. Aberilla**
Chairperson
Cooperative Development Authority.

Forum Secretary

1. **Mrs. Ma. Teresita P. Jamias**
Human Resource Development Officer
Cooperative Union of the Philippines.

Forum Management Staff

1. **Col. Pacito N. Nefulda (Retd.)**
Vice-President &
Chairman, Human Resource Development Committee
Cooperative Union of the Philippines.
2. **Mr. Romulo Villamin**
General Manager
National Confederation of Cooperatives.
3. **Mr. Candelario Verzosa**
Executive Director
Cooperative Development Authority.
4. **Mrs. Iraida I. Banaira**
Director, Institutional Development Department
Cooperative Development Authority.
5. **Ms. Presentavion Ordas**
Sugar Coop Development Institute/
Sugar Regulatory Administration.
6. **Ms. Teresita de Leon**
Assistant General Manager
National Confederation of Cooperatives.

Secretariat and Administrative Support

1. **Ms. Nancy F. Marquez**
Administrative and Finance Officer
Cooperative Union of the Philippines.

2. **Ms. Corazon P. Legaspi**
Programme and Operations Officer
Cooperative Union of the Philippines.
3. **Mrs. Rosalina S. Giron**
Cashier and Disbursement Officer
Cooperative Union of the Philippines.
4. **Ms. Emily D. Pinauin**
Staff, Cooperative Union of the Philippines.
5. **Mr. Rogel Lotayo**
Staff, Cooperative Union of the Philippines.
6. **Ms. Christina Ricablanca**
Volunteer
Polytechnic University of the Philippines Institute for Cooperatives.

The International Cooperative Alliance is one of the oldest non- governmental international organisations. It is a worldwide confederation of cooperative organisations of all types. Founded in London on 18th August 1895, the ICA has affiliates in 77 countries with 195 national and ten international level cooperative organisations as members serving over 648 million individual members at the primary level. The ICA is the only international organisation entirely and exclusively dedicated to the promotion of Cooperation in all parts of the world. The ICA holds Consultative Status of Category-I in the United Nations Economic and Social Council (UN/ECOSOC).

Besides the head office in Geneva, Switzerland, there are four regional offices viz. the Regional Office for Asia and the Pacific in New Delhi, India (established in 1960); the Regional Office for East, Central and Southern Africa at Moshi, Tanzania (established in 1968); the Regional Office for West Africa at Abidjan, Ivory Coast (established in 1979) and the Regional Office for Central America and the Caribbeans at San Jose, Costa Rica (established in 1989).

The ICA Regional Office for Asia and the Pacific (ICA ROAP) serves 54 national level organisations from 19 countries, representing nearly 440 million individual cooperators. These countries are : Afghanistan, Australia, Bangladesh, China, Fiji, India, Indonesia, Iran, Japan, Democratic Republic of Korea, Republic of Korea, Malaysia, Pakistan, Philippines, Singapore, Sri Lanka, Thailand, USSR and Vietnam.

Main activities of the ROAP include coordination of cooperative development efforts within the region and promotion of exchanges and experiences; project identification, formulation and evaluation; promotion of establishment and development of national cooperative apex organisations; and organisation of seminars and conferences on specific subjects including support for programmes aiming at the involvement of women and youth in cooperative activities.

Finances are derived from member subscriptions, own funds and assistance from donors for various activities carried out by the ICA.

