

# Development of Consumer Cooperative Movement in Bangladesh

Follow-up National Workshop Report  
Dhaka, June 25-27, 1990

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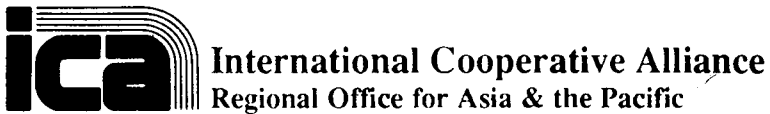
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# **Development of Consumer Cooperative Movement in Bangladesh**

**National Follow-up Workshop Report  
Dhaka. June 25 - 27, 1990**



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**January, 1991**

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## Foreword

A national level follow-up workshop on Development of Consumer Cooperatives in Bangladesh was held at Dhaka June 25-27, 1990 by the Bangladesh National Cooperative Union in collaboration with the International Cooperative Alliance, Regional Office for Asia and the Pacific, New Delhi. This activity was held in pursuance of the recommendations made by an earlier national workshop on the subject held in March 1989.

The follow-up workshop took note of the recommendations of the earlier technical meeting and reviewed the work done by the former participants and participating organisations since March 1989. The ICA Consumer Cooperatives Advisor and other consultants undertook several preparatory studies and prepared several technical papers for the follow-up workshop. The entire activity took place under the aegis of the Consumer Cooperative Development Project of the ICA ROAP which is, to a greater extent, financed and supported by the Japanese Consumers Cooperative Union (JCCU).

A look at the recommendations of the follow-up workshop would, no doubt, convince that some positive developments have taken place in the sector in the country. It would also, however, be clear that much still needs to be done. The discussions at the workshop revolved around a central point that the government and the cooperative department should provide greater facilities and support to the consumer cooperatives. Some of the government actions may facilitate the process of cooperative development but that is not the only solution. Cooperatives are peoples' organisations and these are self-help organisations which need greater participation from the people (members). If members are conscious of their needs, requirements, rights and responsibilities, then their organisation will develop, progress and prosper. If the members remain dependent on external support—be it from any quarter, national, international, governmental or non-governmental—the cooperative business operated by them will not make any sense. The recommendations of the follow-up workshop highlight this particular aspect.

A look at the case studies produced and discussed at the follow-up

workshop, also highlights the importance of member participation. The discussions at the follow-up workshop point out certain other important factors which make a cooperative strong and useful. These points are: training and development of cooperative employees; education of cooperative membership; readjustment of cooperative policies which contribute to the strength of cooperative institutions; methods and techniques of planning, management, evaluation etc.; greater involvement of national level cooperative organisations e.g., the BJSU, in the promotion of cooperative enterprises; and improving professional skills of field staff and managing committee members.

In the consumers sector in Bangladesh a lot more still needs to be done to provide services to the consumer-members and relief to the community in the context of difficult economic conditions confronting the country. No matter what extent of assistance is provided by the external agencies to the movement, it is the inner strength that matters and that inner strength comes from within—the members themselves. The BJSU and the consumer cooperative institutions in the country would do well to take a critical look at the performance of the sector and devise ways and means to strengthen services for the consumer-members. In this venture, the ICA ROAP and the JCCU would be most willing to support the development efforts of the Bangladesh cooperative movement.

I thank my colleague, Mr Pradit Machima, ICA Consumer Advisor in extending technical support to the consumer sector of Bangladesh, in supporting the organisation of national level follow-up workshop, and in publishing this document which might serve as a useful reference material for cooperators in Bangladesh and elsewhere. I thank the BJSU and its leadership in providing all the logistic support in the organisation of this follow-up workshop.

**G.K. Sharma**  
ICA Regional Director

Bonow House  
New Delhi  
January 31, 1991

## **Opening Session and Proceedings of the Workshop**

The follow-up national workshop on Development of Consumer Cooperatives was held in Dhaka from 25th to 27th June, 1990. The workshop was organised and conducted by Bangladesh Jatiya Samabaya Union in collaboration with and technical & financial assistance of the ICA Regional Office for Asia and the Pacific. This was a follow-up action proposed in the previous national workshop on development of consumer cooperative movement in Bangladesh held in Dhaka during March 28-30, 1989, organised and conducted jointly by BJSU and ICA-ROAP.

The follow-up workshop was inaugurated on 25th June at 10.30 AM by the Chief Guest, Additional Secretary-in-charge, Rural Development and Cooperative Division, Ministry of Local Government, Rural Development and Cooperatives, Government of the Peoples' Republic of Bangladesh. Mr Md. Serajuddin, Registrar of Cooperative Societies, Dr Sadat Hussain was the Special Guest on the occasion. The inaugural session was presided over by the Chairman of Bangladesh Jatiya Samabaya Union Alhaj Liaquat Ali, while General secretary of BJSU Mr Md. Shahid Ullah gave a welcome address. ICA Consumer Advisor Mr Pradit Machima also spoke on the occasion and outlined the aims and objective of the workshop. He also conveyed the greetings of the ICA to the Bangladesh cooperative movement.

In his inaugural address the chief guest stressed upon the positive steps taken by the Government in the recent years for development of the cooperative movement in the country and expressed that the present Government very truly wishes the cooperatives to be self-supportive and self-dependent without urging for financial assistance in the form of aids, grants and credit from elsewhere, for years to come. He emphasised that the cooperatives must take initiative to grow themselves strong with members' support and must find ways and means to solve their own problems and serve the needs of the members. To this effect the producers cooperatives as well as consumers cooperatives have ample scopes to satisfy their members. He asked the workshop participants to grasp the



new thoughts and experiences through the exercises in the workshop and do their best in achieving its objectives and put their best efforts towards development of their respective cooperative organisations and thereby ensure progress of the cooperative movement in the country. The chief guest assured of government support and assistance to any comprehensive projects if taken by the cooperatives in achieving their goals of self reliance. He also thanked the ICA ROAP and BJSU for their efforts in development of the cooperative movement of Bangladesh.

The special guest, the Registrar of Cooperative Societies Bangladesh opined that the number of pure consumer cooperatives by nomenclature, is small but the need of such cooperatives is tremendous in the country. He pointed out that the employees cooperatives in different organisations and large establishments may be different in name but by character and activities most of them are consumer cooperatives and good many of them are working very well without any financial support and assistance from the govt. The Registrar drew attention of other cooperatives to this particular aspect of self-supportive activities of the employees cooperatives in consumer subsector of the movement. He urged upon the cooperators to generate inherent strength of members through organisational discipline for attaining their economic objectives. He emphasised on continued and effective cooperative education and training for members and leaders of cooperatives to develop their ideas, skills and efficiency to better serve the interest of the members. He disclosed that in the ensuing 4th five-year plan of the country, for the first time in its history a separate sector in the name of cooperative sector has been proposed and accepted. This has been the achievement of the cooperatives and as well as the reflection of the attitude of the government towards the cooperatives. He expressed that the govt. finds it necessary to develop the cooperative movement to serve the cause of millions of people of moderate and marginal means and of no means.

In his welcome address, the General Secretary of BJSU explained the background of organizing the follow-up workshop and urgency of improvement of services in the cooperatives, particularly the consumers cooperatives to safe-guard and protect the interests of their members and also to develop the consumer cooperative movement in the country. He expressed that the BJSU is sincerely working, within its limited resources, to develop the cooperative movement of the country and in the recent years special initiative has been taken to develop the consumer cooperative movement. This has been possible for BJSU because of effective technical and financial assistance of ICA ROAP with kind gesture of Japanese Consumer Cooperative Union. He hoped that continued support and

assistance from ICA ROAP & JCCU will remain with BJSU in its activities in the coming days. He requested the participants to make best use of their time and try to develop their ideas and skills as well as preparing action plans for their cooperatives out of the experiences they will have in the workshop.

ICA Consumer Advisor, Mr Pradit Machima, briefly narrated the objectives of the follow-up workshop and pointed out that one of the main objectives was to evaluate the activities of the participants of the last year's seminar held in Dhaka; the others were to identify the problems and needs as well as to prepare the participants to make action plan for remedy of problems and attaining objectives of their societies. He mentioned that assistance from ICA ROAP has been extended to BJSU because the ICA really wants to help it in its efforts for development of consumer cooperative movement in Bangladesh. He opined that he was happy to see some of the cooperatives who participated in the last year's seminar were able to improve their performances with regard to consumer services and business activities. Many of the cooperatives previously did not know how to identify their needs and problems and assess their achievements but they are now able to do so through the exercises they had in the last seminar. These aspects of identification of needs and problems and quantifying the achievements are very important elements in any cooperative society. The technical assistance from ICA ROAP would be forthcoming to those countries who are in need of such support and assistances, but it is important that the assistance provided is properly utilised for strengthening the performance of the cooperatives.

The President of the inaugural function, Chairman of BJSU, Alhaj Liaquat Ali, in his presidential address expressed that the BJSU since its emergence is trying hard to safe-guard and protect the interests of the cooperatives working in all spheres of the economy of the country. The experiences of the last consumer seminar has been reflected in the activities of some of the cooperatives with hopeful results, many of them started consumer activities only after the last seminar with enthusiasm and some of them yet to show their performances. He urged all the previous participants and new-comers in the workshop to take part with utmost sincerity in the workings of the workshop and enrich their experiences and skills, and to utilise them in attaining the objectives of their respective societies to the best interest of the members. The consumer cooperative movement in different parts of the world have been successful because of members' awareness about their rights and obligations as well as skilled performances and rich technical know how. The cooperative movement in Bangladesh is lacking many of the required qualities but it would not be

hard to eliminate these problems if concerted efforts from the cooperators are taken and appropriate support and assistance moral, legal and technical, as the case may be, from the government and other agencies, like ICA and friendly cooperative movements of other countries like JCCU of Japan is duly provided. A clear guideline is needed and the BJSU is trying to provide the same; this workshop is also a step towards this direction for consumer cooperative movement of the country

Twenty four participants including one observer attended the workshop. The group represented as follows:

**CATEGORY**

1	No.	2	No.	3	No.
A. Primary consumer cooperatives including women primary coops.	12	A. Old seminar participants	8	A. Women	7
B. Central Societies and Unions including Central Women Cooperatives	5	B. New comers	16	B. Men	17
C. National society	2				
D. Government Personnel including training institutions	4				
E. International Organisation					
<b>Total</b>	<b>24</b>	<b>Total</b>	<b>24</b>	<b>Total</b>	<b>24</b>

Mr Md. Shahidullah, General Secretary, BJSU acted as the Director of the workshop while Mr Zulfiquar Azad, Deputy Executive, BJSU was the Co-Director.

Two technical papers were presented in the workshop. The papers, one on 'Government policy and plans for developing consumers cooperatives in Bangladesh' was presented by Mr A.M. Mustafizur Rahman, Joint Registrar of cooperative Societies (Planning), Bangladesh and the other on 'Guidelines for preparing Action Plan on cooperative project' was presented by Mr Pradit Machina, ICA Consumer Advisor. Mr

Machima also presented a statement clarifying the positions of as many as 12 cooperative societies of whom he made a study, between 28th May to 6th June 1990, on their activities and business performances. Of these 12 societies, representatives of 5 societies were participants of 1989- seminar in Dhaka.

Besides, one success story on 'The Bangladesh Shachibalay Bahumukhi Samabaya Samity Ltd,' was prepared in collaboration with Mr. A.K.M. Zahirul Haque, Chief Executive Officer, BJSU and presented by Mr Pradit Machima after he made a recent case study on the society. Another case-study on Dhaka Consumers Cooperative Store Ltd. which had been a failure society, was under taken by Mr A.K.M. Zahirul Haque, in May 1990. He prepared the failure story but due to his absence for participation in a FAO programme in Bangkok, the case study was presented by Mr Zulfiquar Azad, Deputy Executive, BJSU.

During the workshop, field visits were arranged to the success and failure societies. The participants were able to present short picture of facts and achievements in their respective societies. Four groups were formed to discuss four different issues relating to consumer cooperative movement of the country. They discussed present positions, problems, needs and solutions thereof and made recommendations. The groups also undertook an exercise for preparation of action plans considering salient features for improvement of operations in the consumer cooperatives.

# **Objectives of the Workshop and Topics for Discussion**

## **A. OBJECTIVES**

1. To discuss the results of cooperative operations since the last seminar in March, 1989.
2. To exchange knowledge and experiences on cooperative operations among the participants.
3. To identify the strength and weaknesses of cooperatives societies.
4. To identify problems, needs and solutions for cooperative improvements.
5. To prepare strategic plans for cooperative operations in the future.

## **B. TOPICS OF DISCUSSION**

1. Identification of factors effecting the success and failure of consumer cooperative operations in Bangladesh and recommendations for improvement.
2. Identification of priority and steps for re-structuring and/or reorganising consumer cooperative movement in Bangladesh at each level (primary, secondary and national) and ways and means for implementation of them.
3. Suggesting the roles of international agencies such as ICA, ILO, FAO, UNICEF, UNFPA UNDP, CIRDAP etc. in promoting income generating activities for cooperative members and in providing technical assistance (research, education, training etc) to cooperative organisations and cooperative leaders and staff.
4. Suggesting the roles (its strengths and weaknesses) of cooperative unions at all levels in providing education, training and guidance to the cooperative movement in Bangladesh and improvement of them in the next 5 years.

# Workshop Groups

The participants were divided in the following four groups:

## Group-A

1. Mrs Nurjahan Kamal
2. Mr Quazi Raisur Rahman
3. Mr Abu Taher
4. Mrs Saleha Muyeed
5. Mr Liaquat Ali
6. Mr Bijoy Kumar Barua

## Group- B

1. Mr A.M. Mustafizur Rahman
2. Mrs Ashrafun Mosharaf
3. Mr Siddiquzzaman
4. Mrs Anjuman Ara Bhuiyan
5. Mr Moqbul Hossain
6. Mr Shah Mozammel Haque

## Group- C

1. Mr D.P. Paudal
2. Mr Fazlul Haque Bhuiyan
3. Mrs Dilara Haroon
4. Mr Jamal Uddin
5. Mr Delwar Hossain
6. Mr Shohrab Uddin Khan

## Group- D

1. Mr Golam Ali Quaderi
2. Mr Jahangir Hossain
3. Mrs Seheli Haque
4. Mr Jafar Ahmed

8

5. Mrs Farida Akhter
6. Mr A.K.M. Obaidullah

**Guides**

1. Mr Pradit Machima
2. Mr Shahidullah

The groups discussed at length the conditions prevailing in the consumer cooperative movement, its problems and needs, scopes for improvement, drew action plan as well as recommended ways and means of development. During the group discussions Mr Quazi Raizur Rahiman, Mr A.M. Mustafizur Rahman, Mr D.P. Paudal and Mr A.K.M. Obaidullah acted as resource persons while Mr Pradit Machima and Mr Md. Shahidullah guided them in their discussions. The groups elected their chairmen and secretaries and prepared their individual group reports.

## Group Reports

### Group - A

**Subject : Identification of factors effecting the success and failure of consumers cooperative operations in Bangladesh and recommendations for improvement.**

#### Members :

- |    |                       |   |                                |
|----|-----------------------|---|--------------------------------|
| 1. | Mrs Nurjahan Kamal    | - | Chairman                       |
| 2. | Mr Kazi Raisur Rahman | - | Resource Person and Secretary. |
| 3. | Mrs Saleha Muyeed     | - | Member                         |
| 4. | Mr Liaquat Ali        | - | "                              |
| 5. | Mr B.K. Barua         | - | "                              |
| 6. | Mr Abu Taher          | - | "                              |

#### Needs for Success

- (1) Efficient management
- (2) Observance of management techniques and skill, and cooperative practices.
- (3) Availability of sufficient capital and utilization of the same in profitable business.
- (4) Presence of honest and dedicated leadership.
- (5) Procurement and supply of pure goods.
- (6) Maintenance of proper accounts and arrangement of timely audit.
- (7) Self enthusiastic participation of members in the affairs of the society.
- (8) Formulation of action plan and implementation/execution of the same.



### **Causes of Failure**

- (1) Absence of efficient management.
- (2) Absence of action plan and execution of the same.
- (3) Absence of observance of cooperative ideals, practices and techniques.
- (4) Absence of adequate capital.
- (5) Absence of honest, efficient and dedicated cooperative leadership.
- (6) Procurement and supply of impure/adulterated goods.
- (7) Absence of maintenance of proper accounts and arrangement of timely audit.
- (8) Absence of self and enthusiastic participation of members in the society affairs.
- (9) Dishonesty and lack of confidence of members in it.
- (10) Lack of proper training.

### **Recommendations**

At present there are about 724 consumer cooperatives in Bangladesh. Most of them are employees cooperatives formed after independence in 1971 with a view to getting goods at cheaper rates. Many of them are not functioning well. There are a few good and successful societies.

There are Union Cooperative Multipurpose Societies in each Union having provisions of dealing in consumers goods. There are Central Cooperative Multipurpose Societies at Upazila level. They have also pucca godowns.

In the context of the present situation the following recommendations are made :

1. In pursuance of the recently declared government cooperative policy a National action plan of Consumers Cooperatives is to be prepared early.
2. A National Committee for formulation of Action Plan and execution thereof should be formed early for development of Consumer Cooperatives in Bangladesh.

In the said committee the representatives of the Bangladesh Jatiya Samabaya Union, Bangladesh Cooperative College, BARD, BRDB, Cooperative Department, Ministry of Commerce, Industries, Finance and LG RD & Cooperative and all National Cooperatives are to be included. BJSU should act as Convenor and Coordinator.

3. A new national society under the title "Bangladesh National Consumers Cooperative Society Ltd. is to be formed early.

4. Secondary/central societies at Upazila level need be organised.

The existing central Cooperative Multipurpose societies be utilized in dealing in consumers goods, since they have pucca godown facilities.

5. To supply goods to rural people the existing UCMPS (Union level) be utilised for dealing in consumers goods.

6. To efficiently manage the consumer affairs a broad based training programme be chalked for imparting training to all concerned cooperators.

7. As per policy adopted by the proposed 'National Consumers Action Committee' the BJSU with the help of Bangladesh Cooperative College, BARD, Cooperative Department should prepare a training syllabus.

8. The Bangladesh Cooperative College, Cooperative Zonal Institutes and the Upazila Training Centres be utilised for training purpose.

9. The BJSU should act as lead organisation for training activities and the Govt. should provide all needed support to BJSU to develop its training activities.

10. New follow-up national and regional workshop be organised for dissemination of new thoughts and ideas and practical experiences.

11. Cooperators/officers/personnels be sent abroad for training and study visits to developed countries like Japan, Malaysia, Singapore etc. for having improved knowledge and techniques in consumer cooperatives.

12. BJSU should seek help/guidance for its activities in this regard, from I.C.A., I.L.O, UNESCO, SIDA etc.

13. The District Cooperative Unions should coordinate all training activities in the district under the guidance of BJSU.

## **Group - B**

**Subject :** Identification of priorities and steps for re-structuring and/or re-organising consumer cooperative movement in Bangladesh at each level (Primary, secondary and national) and ways and means for their implementation.

**Members :**

1. Mr A.M. Mustafizur Rahman

Chairman

2. Mr Siddiquzzaman	-	Secretary
3. Mrs Ashrafun Mosharaf	-	Member
4. Mr Moqbul Hossain	-	"
5. Mrs Anjuman Ara Bhuiya	-	"
6. Mr Shah Mozammel Haque	-	"

### **Recommendations**

There are 724 consumer cooperative societies in Bangladesh which operate only at primary level. With regard to huge population in the country the number of such societies is negligible. In order to serve the people with good quality of consumer goods at a reasonable price it is necessary to increase the number of societies as well as to motivate and encourage the people towards consumer movement. It is possible to strengthen the organisational structure and financial position of the primary cooperatives by increasing membership and by raising shares and deposits from them.

Primary societies are the basic foundation of the cooperative movement. Providing effective support to the primary cooperatives, is the prime responsibility of the secondary cooperatives. The secondary societies can play important role in supplying consumer goods through their primaries to the individual members. Therefore, it is very much essential to form central consumers cooperative societies in the country; because in absence of the central societies, the primary societies at present are facing severe difficulties in obtaining supply of consumer goods. The central cooperative multipurpose societies can be reorganised and restructured to work as central consumer cooperative societies.

In consumer sector the main responsibility of the national society is to effectively support the secondary and primary societies and help ensuring supply of goods to them. The national society can bear the responsibility of carrying out regular contact and maintain coordination with government and other related agencies for obtaining supply of goods. This society can also play an important role in formulation consumer policy of the government. To perform all these tasks it is very much essential to form the national consumer society. The national cooperative marketing society ltd. can take this responsibility, but for that purpose this society should well be reorganised, strengthened and well linked with secondary societies, like CCMPSs to serve their primaries.

To establish a strong chain for supply of consumer goods and

improved services in the consumer cooperatives moral support and project based financial assistance from govt. and banking support as well are required. More importantly required, is to build up an efficient management system in the societies.

## **Group - C**

**Subject : Suggesting the roles of international agencies such as ICA, ILO, FAO, UNICEF, UNPPA, UNDP, CIRDAP etc. in promoting income generating activities for cooperative members and in providing technical assistance (research, education, training etc.) to cooperative organisations and coop. leaders and staff.**

### **Members :**

- |                           |   |                 |
|---------------------------|---|-----------------|
| 1. Mr Fazlul Haque Bhuiya | - | Chairman        |
| 2. Mr Jamal Uddin (Sabuj) | - | Secretary       |
| 3. Mr D.P. Paudal         | - | Resource person |
| 4. Mrs Dilara Haroon      | - | Member          |
| 5. Mr Delwar Hossain      | - | "               |
| 6. Mr Shohrabuddin Khan   | - | "               |

## **Recommendations**

1. The group feels that effective monitoring of cooperative activities is very important to make the cooperatives successful. Therefore, it is recommended that the monitoring and evaluation mechanism developed by CIRDAP should be operationalised in cooperatives. It is further recommended that the indicators and M & E mechanism should be used as the training material in the Cooperative College so that the cooperators understand the method and techniques.
2. International organisations such as ICA and CIRDAP should document success stories of cooperatives of other countries and disseminate it through training and seminars.
3. International organisations should help the village level cooperative managers and other officials to visit successful co-operatives of other countries. This will help them to understand how others have solved similar problems.
4. The group strongly feels that the cooperatives need sufficient working

capital to make their business profitable. The group is very much concerned about the difficult procedure and formalities which are to be maintained and observed in getting credit from the bank.

5. The group feels that the international NGOs in Bangladesh should implement their programme at the local level through cooperatives.
6. Bangladesh National Cooperative Union should help the local level cooperatives to get more access to the inputs (technical and financial) from international organisations.

## Group - D

**Subject : Suggesting the roles (its strength the weaknesses) of cooperative union at all levels in providing education, training and guidance to the cooperative movement in Bangladesh and how to improve them in the next 5 years.**

### Members :

- |                         |   |           |
|-------------------------|---|-----------|
| 1. Mrs Seheli Haque     | - | Chairman  |
| 2. Mr Jahangir Hossain  | - | Secretary |
| 3. Mrs Farida Akhtar    | - | Member    |
| 4. Mr A.K.M. Obaydullah | - | "         |
| 5. Mr Golam Ali Quaderi | - | "         |
| 6. Mr Zafar Ahmed       | - | "         |

The training situation at present conducted by the BJSU is given below:

1. Training provided by the Union is not adequate at present.
2. The BJSU used to conduct training programmes for cooperative leaders, in collaboration of Dist Cooperative Unions of the district level with the help of education fee collected from cooperative credit distributed at the field level. But it is now irregular due to shortage of fund support.
3. Now-a-days a unit of 2 members, one instructor and one Asstt. Instructor is giving training to the cooperators at Union levels. It is a mobile team. This unit arranges a 12 days training programme in every month in a particular place. Only a very small amount is given to a trainee per day, which is not at all sufficient.
4. The Union held a seminar jointly with ICA in 1972 and proposed education, training should be imparted by BJSU in collaboration with District Cooperative Unions and Cooperative Department. The govt has

taken keen interest to improve the situation of the societies as a result of which the govt has declared the cooperative policy, 1989. In the policy the govt has particularly given emphasis on training to build up appropriate manpower for appropriate job. To improve the societies training and education is essential and the union may take up well designed training programme in this regard and the Govt should actively support the BJSU in materialising the programmes.

### **Recommendations**

1. In the grassroot level most of the cooperators are illiterate. The Union can take up programme to provide member education at the field level.
2. The Union should undertake a longterm programme preferably a five-year plan to give all sorts of cooperative training (i.e. coop. education, cooperative law, audit, accountancy, management and rights and privileges of the members) at all levels. The Union should come forward with programme particularly for the cooperative leaders to provide them training on efficient management system, may be, a ten days management programme at Dhaka soon. The Union also can take initiative to improve the inter-member relationship and programme of study visits at home and abroad for coop. leaders.
3. For these purposes the finance in BJSU is not adequate. The Union should make contact and convince the Cooperative Department as well as the government to allocate more fund and other facilities. In this respect ICA should come forward. The Union may make ICA know of the whole education and training situation of cooperative sector in Bangladesh and ICA may take programme in this respect with the help and assistance from developed cooperative movements.
4. The Union should take initiate to improve the training centres and should provide facilities, support for the trainees and should give emphasis on the utilisation of the acquired knowledge by the trainees.
5. The Union may make a central display and sales centre and can supply books, journals, articles to the cooperators which can help them to get various national and international cooperative news, views and work programmes and can install a display centre for products of the various cooperatives of different levels particularly of rural areas.
6. The Union also can form a vigilance team to supervise and provide guidance to the cooperators and can arrange follow up training.

## **Summary of Group Recommendations**

**Based on the Group Reports, the National Workshop  
agreed on the following recommendations :**

1. A national action plan for development of Consumer Cooperative Development be prepared soon. A committee coordinated by BJSU, for formulation of the action plan and supervising execution thereof be formed with representatives of concerned organisations, Cooperative Department and concerned ministries.
2. Secondary societies at Upa Zilla level be formed and existing Central Cooperative Multipurpose Societies (CCMPS) be strengthened and their physical facilities be utilised for supply of consumer goods and providing services to primary consumer cooperatives.
3. A new National Consumer Cooperative Society be formed or the Bangladesh Samabaya Marketing Society Ltd. be reorganised and strengthened for ensuring procurement and supply of consumer goods as well as providing services to the secondary cooperatives.
4. Moral support from the govt. and project based financial assistance from Govt. and financing institutions be provided to consumer cooperatives and procedures in obtaining loans be simplified and easier to encourage consumer activities. The cooperatives should build their financial base by collecting shares and deposits from their members.
5. Facilities be improved and extended for training to cooperators, leaders and employees of consumer cooperatives to improve management and technical efficiency in them. The BJSU should lead and coordinate the training activities and the Govt. should provide effective support to BJSU in building its training facilities and in carrying out training programmes and in developing training materials as well.
6. Monitoring and evaluation mechanism in consumer cooperatives be developed and in this regard system developed by CIRDA may be operationalised.

7. International organisations like CIRDAP, UNDP, FAO, ILO, UNFPA, UNESCO should come forward in development of cooperatives, particularly by facilitating study visits, training abroad and disseminating success stories of cooperatives of other countries in Bangladesh. The role of ICA is appreciated and is expected to continue with much support and assistance.

8. Grassroot level member education programme be improved and made regular at the initiative of BJSU and Government should provide financial support and physical facilities to BJSU in this regard.



## **Government Policy & Plans for Developing Consumer Cooperatives in Bangladesh.**

– A.M. MUSTAFIZUR REHMAN

*Joint Registrar, Cooperative Department, Bangladesh*

- 1.1. Co-operative Movement was started in this soil to solve the credit problems of the rural poor with the enactment of the Co-operative Credit Societies Act, 1904.
- 1.2. At the time of partition in 1947, the Co-operative Movement of erstwhile East Pakistan, now Bangladesh, consisted of 32,418 units including 26,664 for agricultural credit.
- 1.3. After liberation in 1971, the Co-operatives in Bangladesh have been functioning in two different systems under the sponsorship of Co-operative Department and BRDP. The system functioning since 1904 called "General" is being promoted and supervised by the Co-operative Department. The new system of two-tier structure of Comilla Model has been functioning since 1971-72 under the sponsorship of BRDB.
- 1.4. At present there are 128,000 Co-operatives in Bangladesh. The individual membership of these Co-operatives stands at 7,041,600.\*
- 2.00 **R.C.S. and Cooperatives :**  
The Cooperative Department has a personnel strength of 4620 which consists of 2423 officers and 2197 supporting staff. The Cooperative Department maintains four divisional offices, 64 district offices and 460 Upazilla offices. The divisional office is headed by a Deputy Registrar of Cooperatives, the district is headed by a District Cooperative Officer and an Inspector is posted in each Upazilla.
- 2.1. The powers and duties of the Registrar of Cooperative Societies have been defined in the Cooperative Ordinance and Rules. These are broadly, management control quasi-judicial matters of all

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\*Source : *Quarterly Statistics of Cooperative Sector in Bangladesh. Ending March, 1990.*

cooperatives and promotional activities of general cooperatives. The functions of the R.C.S. except those exclusively exercisable by the R.C.S. himself are performed by the officers of the Cooperative Department to whom the powers have been delegated.

### 3.00 Consumer's Cooperatives :

Besides sectoral and structural classification the cooperatives of our country can be divided into two categories. One category is ISD Cooperatives. ISD Cooperatives means "Imposed Subsidised and Dictated Cooperatives". Another groups is "Natural" Cooperatives. The ISD Cooperatives were formed on compulsion basis under certain projects aided and subsidised by foreign donors. These cooperatives were organised mainly to receive foreign aid and to distribute credit. These societies were used as distribution agencies. People were to form such cooperatives in order to get credit and services. So, these cooperatives were practically imposed on members. These societies are under obligation of the donors and dictated by them. The principle of voluntary membership is absent in those societies. The performances of these kinds of societies are not satisfactory.

- 3.1. On the other hand, the "Natural" cooperatives were formed spontaneously without any financial assistance or help from any quarter. These societies have been formed voluntarily by the enthusiastic promoters and members. They have accumulated their resources by subscribing deposits from the members themselves in the way of share capital and saving deposits. These societies have been able to attain self-reliance in most cases and issued dividends to the members.
- 3.2. The consumer's cooperatives have fallen absolutely under the category of "Natural" cooperatives. The consumer's cooperatives have been organised by the employees of the different government, semi-government and private organisations and women in rural and urban areas. The employees of limited income have established different Employees Cooperative Societies to increase their income and to get to their consumer's goods at fair price. Members share capital only made the society working and active. There are some successful Employees Cooperatives in the country. These are Bangladesh Secretariat Samabaya Samity, Police Cooperative Society, Sister Brothers' Cooperative Society, Bangladesh Bank Employees Cooperative Society and BARD Employees Cooperative Society. The share capital of these societies stands at 32.80 laes taka. These societies invested their funds in different

profitable ventures and earned a good amount of income. They have earned lacs of taka as profit and distributed them as dividend to the members out of the profit. Many employees are also employed in these societies. They played a great role in employment generation.

- 3.3. These societies are well managed and became self-reliant. The Employees Cooperatives, generally known as Consumer's Cooperatives, in our country, are very economically sound and viable. They are developed in management and leadership. There are about 724 societies in the Consumer's Cooperative sector of the Cooperative movement in our country. The individual membership of these societies is 66,551 and the share capital stands at Tk. 63.48 lacs.\* All of these societies are viable. Most of the members of consumer's cooperatives are educated and management leaders are trained. This is the main reason of their success. The overall success of consumer's cooperatives encourages the sound growth of the cooperative movement in our country.

#### 4.00 **Government Policies on Consumer's Cooperatives:**

Cooperative sector has been recognised in the constitution of Bangladesh as the Second Sector of the economy of the country. The Government of Bangladesh have emphasized upon the role of Cooperatives in the socio-economic development of the people of moderate means. But there was no clear policy regarding the (1) autonomy and self management of cooperatives (2) financial self-reliance and economic viability and (3) role of cooperatives in economic development and in poverty alleviation. It was the long felt need for the cooperative movement. In the above context, the present Government of Bangladesh have adopted the cooperative policy 1989.

- 4.1. The main objectives of the cooperative policy, 1989 have been designed for increasing the contribution of the cooperative movement as the second sector in the national economy in augmenting Gross Domestic Products. The Cooperative Policies will also ensure cooperatives as major instruments in all economic activities in urban and rural areas for alleviating poverty, upgrading life-style of the people and removing the difference between urban and rural life. It has also emphasized to ensure participation, as a creative and productive force of the disadvantaged groups of the

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\* *Annual Report of the Cooperative Department 1988-89.*

society, particularly the women, the assetless, the occupational groups and other people of limited means. For the successful implementation of the cooperative policies the Government will encourage all people, irrespective of their caste, creed and religion to participate in the cooperative movement and will extend all out development assistance to the cooperative societies for the purpose of making cooperative movement self-reliant.

- 4.2. National Cooperative Policy 1989 envisages that the Primary Societies are the foundations of cooperatives and the prime objectives of the central and national apex societies is to provide meaningful support to their affiliates. Atleast ten individual members can form a primary society and atleast ten primary societies can form a central society. In the same way a national apex society can be formed by atleast ten central societies. The question of tier in the structure of cooperatives is not the point of consideration. Only the cooperatives which function well would be encouraged.
- 4.3. There exists only primary consumer's cooperatives in the country. The primary consumer's cooperatives may form central societies and the central societies may organise a national apex society if the exigency is felt.
- 4.4. Any cooperative society is a democratic, autonomous financial institution organised for the prupose of socio-economic development. The cooperative policy 1989 has been adopted for implementing the role of cooperatives for overall welfare of the disadvantaged groups and in poverty alleviation. The government is determined to take up programmes for the growth of the cooperative movement in the country.
- 4.5. The cooperative policy 1989 has been adopted for the purpose of strengthening the cooperative sector in the economy.
- 4.6. The consumer's cooperatives occupy an important position in the cooperative movement in the country. The successful implementation of the Cooperative Policy 1989 will also ensure the development of the Consumer's Cooperatives in the country.
- 4.7. In the mean time the Government of Bangladesh has given the emphasis on the development of marketing activities of the Cooperatives. A development project namely Development of Market Chain through Cooperatives has been proposed for inclusion in the 4th Five Year Plan document. The main objective of the project is to safe guard the interest of the consumer's as well

as the producers member of cooperatives.

- 4.8 The consumer member will get their necessities at fair price and facilities through their primary cooperatives with the implementation of the project. The Government of Bangladesh is determined to render all possible assistance to Cooperatives in the country irrespective of their category and sector.

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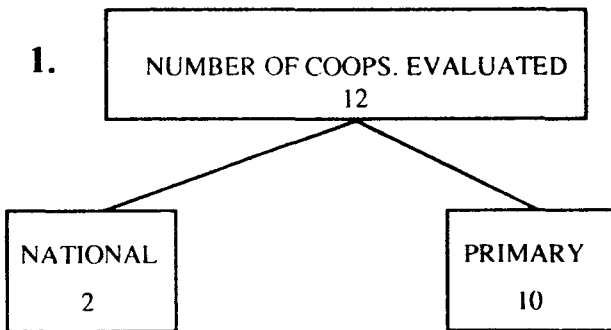
*Views expressed in this paper are that of the author and not necessarily those of the organisation to which he belongs.*

## The Impact of Previous Workshop on Consumer Cooperative Development in Bangladesh

—By PRADIT MACHIMA

Prior to the organization of the "Follow-up National Workshop on Development of Consumer Cooperative Movement in Bangladesh", the writer and BJSU officers (Mr. Shahid Ullah, Mr. A.K.M. Zahirul Haque and Mr. Zulfiqar Azad) had visited and collected relevant information of 18 consumer cooperatives in Dhaka, Comilla and Chittagong areas. The objective was to evaluate the impact of the previous workshop held in Dhaka on 28-30 March, 1989 on their performance. However, after careful study, it was clear that only 12 consumer cooperatives visited could be evaluated because data collected from other 6 societies were not complete.

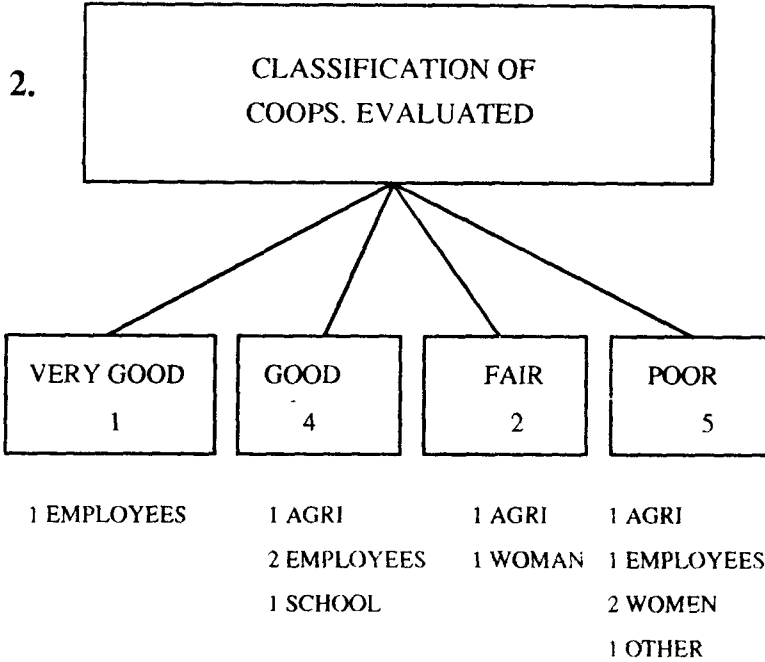
Results of the evaluation was briefly presented at the workshop as shown below :



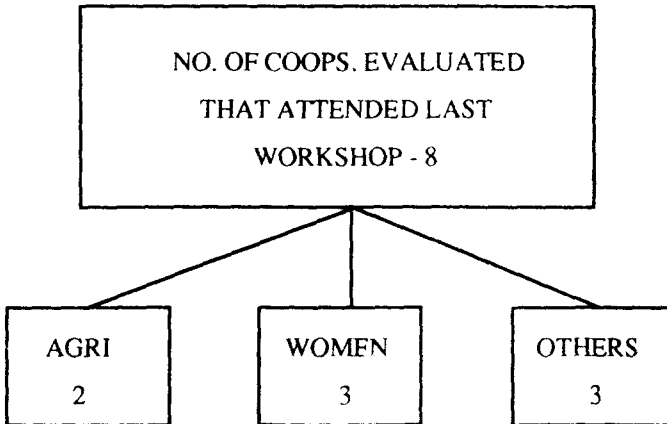
1 AGRI & MARKETING  
1 WOMAN

2 WOMEN CONS COOPS.  
2 AGRI & MARKETING  
4 EMPLOYEES CONS. COOPS.  
1 SCHOOL TEACHERS  
1 OTHER

2.



3.



#### **4. Main Items Provided by Cons. Coops**

- Rice and food stuffs
- Sugar
- Cooking oil
- Salt
- Flour
- Clothes
- Baby food
- Daily necessity
- Stationery,
- Etc

#### **5. Knowledge and Experiences Gained from Workshop in March, 1989**

- Coop knowledge
- Benefit of joining coop
- Knowledge on coop busines, consumer coop, member protection, quality control : business organization and coop operations and management
- Income generating activities
- Linkage between primary, secondary and national coops
- Govt assistance
- Education and training
- Inspiration and encouragement
- Know-how to help the poor
- Know-how to help oneself
- Techniques of improving coop business



**6. Achievement or Progress made  
after the Workshop**

**POSITIVE**

- Mobilization of funds and member savings
- Increased share capital, member deposits and working capital
- Organized consumer activities with in the coop
- Expansion of coop business
- Volume of business increased
- Developed member relation Activities
- Organized Job Training to some Women

**NOT POSITIVE**

- Nothing, no money to do it
- No programme, no initiative

## 7. **Problems Faced in Coops**

- Lack of sufficient funds
- Lack of enough volume of business
- Lack of well trained staff
- Lack of good leadership
- Lack of knowledge in book keeping, business administration, auditing, consumer operations, business management
- Lack of adequate and quality supply
- Lack of business information concerning sources of funds, supply, prices information and marketing outlet.
- Lack of support from banks, government and national coop federation
- High cost of operation
- Lack of training and advice
- Poor location and lack of space
- Poor facilities

## **8.**

### **Need for Improvement**

- Needs proper education and training for managing committee and staff
- Needs modern techniques of coop management
- Needs government support in finance and facilities and commodities
- Needs low rates of interest on loans
- Needs more business advice
- Needs security on share holding
- Needs reliable supply of commodities
- Needs income generating activities that can improve standard of living
- Needs more technical and financial assistance from ICA, UN Agencies, etc.

## 9. Background of Selected Consumer Societies in Bangladesh 1988/89

Sl. No.	Name	Date of Registration	Members	Type	Level	No. of Employees	Share Capital	Reserves	Member Deposit	Working Capital	Vol. of Business	Net Profit or Loss
1.	Bangladesh Shachibalay Bahumukhi Samabaya Samity Ltd.	1959	7825	Employees	Primary	60	120,560	226,827	-	451,987	8,836,424	335,272
2.	B.T.C. Employees Cooperative Society Chittagong	1962	1092	Employees	Primary	7	951,150	N.A.	1,419,036	N.A.	10,848,229	1,637,317
3.	Academy Employees Cooperative Society Ltd., Koibay, Comilla	1963	338	Employees	Primary	7	382,590	1,80,112	600,573	3,82,588	5,938,720	156,144
4.	Satala Sambaya Society Ltd.	1983	1085	Employees, Villagers	Primary	6	389,900	18,530	455,156	1,092,323	N.A.	161,901
5.	Chittagong Public School College Teachers Multipurpose Cons. Soc. Ltd.	1988	29	Employees	Primary	1	N.A.	5,000	-	80,000	200,000	39,000
6.	Bangladesh Samabaya Marketing Society Ltd.	N.A.	156	Agricultural Marketing	National	N.A.	4,405,400	N.A.	N.A.	43,063,188	11,336,925	3,034,407
7.	Bangladesh Jatiya Mohila Samabaya Society Ltd.	1977	39	Women	National	8	9,750	24,111	-	N.A.	113,798	(21,699)
8.	The Dhaka Consumers Co-op. Stores Ltd.	1953	4770	Consumers	Primary	2	N.A.	N.A.	N.A.	N.A.	169,960	(7,553)
9.	Bangladesh Bank K.B.S. Samabaya Society Ltd.	1972	1230	Employees	Primary	6	12,300	-	-	62,300	1,020,000	2,000
10.	Akbarpur E.M.P.S., Naogaon	1961	180	Agri.Market.	Primary	Nil	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
11.	Moulavipara Mohila Samabaya Society Ltd.	1977	42	Women Consumer	Primary	2	440	-	689	5,129	12,000	1,145
12.	Shaahbag Womens' Consumer Co-op. Society Ltd.	1989	30	Women Cons.	Primary	Nil	300	1,000	-	N.A.	N.A.	N.A.

**Case study of the Dhaka Consumers  
Cooperative Store Ltd.  
New Market, Dhaka  
( *Running at a Loss* )**

by A.K.M. Zahirul Haque

**Introduction :**

The Dhaka Consumers Cooperative Store Ltd. is one of the oldest pure type living consumer cooperative stores established in the year 1953. The store came into existence at the initiative of the Registrar of Cooperative Societies to provide consumer goods and services to the members who were initially 100% either from government officers and employees centred round posh area of the city popularly known as New Market area. The store imported clothes and procured consumer goods both from government source and manufacturers of the private sector. The store got allotment of 3 shops in the Dhaka New Market complex at the very heart of the city. The Registrar of Cooperative Societies provided credit facility to the store from the Cooperative Development Fund and extended all out logistic support for starting the consumer business in the allotted shops. One mid-level cooperative departmental officer was deputed in the store as Executive Officer to run the day-to-day affairs of the store and the consumer business. The managing committee members were highly educated and enlightened about the principles and methodologies of cooperative venture. Almost all members were enlightened and active and used to buy their consumer goods from the store having attraction of rebate on purchase and dividend on shares from annual profit. The store has rich background and recorded performance for two decades since its birth. Subsequently membership were open to city dwellers of Dhaka city and as a result membership pattern became mixed type of income group of people both from governments and non-government enterprises and membership increased sharply over 4000. With the increase of membership share capital increased and volume of activities increased. Since last 10 years the working condition of the store i.e. business of the store declined due to lack of member communication and continued loss

in business. There is no Executive Officer from government for the last 7 years. It is now run by 2 employees only one salesman-cum-accountant and the attendant under the guidance and supervision of the elected managing committee consisting of 9 members. 2 shops have been closed down and let out to private traders on monthly rent basis and only one shop is used for consumer business. The store used to deal with food items of various kinds and other non-food items as well. But now it is doing business of non-food items only mainly Sari, lungi, bed sheet, bed cover etc. The store has never been run by professional manager. The Executive Officer who used to run the store with the help of appointed salesman was never with business background. Had it been so the store today would have been a very successful show. The qualification, experience and capabilities and prudence required for this business though was lacking with the Executive Officer but being conversant with cooperative management aspects he was able to manage affairs with tolerable efficiency. But at present the only one salesman-cum-accountant and the attendant is not qualified, experienced and capable to run the consumer store efficiently. Elected honorary office bearers and members of the managing committee cannot devote required time for planning, programming, execution and developing the activities and business of the store, though most of them have the capability and good intention to regain the past heritage of the store. The main cause of present unhappy situation of the business are lack of capital, professional management, restrictive Cooperative Act, Rules and government regulations. Above all lack of credit and banking facilities and logistic support from the Cooperative Department or apex and secondary cooperative organisations responsible for promotion and development of consumer cooperative movement in the country. The store can be developed as a strong cooperative enterprise provided it can overcome problems of shortage of capital and capability for employment of efficient professionals to run the store and regain member confidence and run the store on sound planning and programming obtaining support of members.

## **2. General Background :**

The store is situated in the heart of Dhaka city and within the close proximity of the Government residential quarters and other city dwellers. There is ample scope not only to attract member buyers and non-member buyers but also to introduce home delivery service by organising import of consumer goods, procurement of consumer goods from government and non-government sources at wholesale rate with the financial support from commercial banks. The Dhaka city population is above 7 million and the number of population within the proximity of the store is about 0.05

million. The average number of customers attending the market for purchasing their consumer items on average is more than 3000. The shops are situated in the corner of the market in a very beautiful site for display and publicity. Communication system is also one of the best of the country. It is enjoying all the conditions for development, expansion and diversification of its business. The present members of the managing committee is quite enlightened; only the need is sound planning and a crash programme to overcome the situation.

### **3. History :**

The history of the store to some extent has been stated in the introductory para. The store used to buy food items i.e. domestic items from producers cooperatives outside the Dhaka city and non-food items like Sari, lungi, etc. from weavers cooperatives. The store could not maintain business relation with the cooperatives due to lack of proper coordination and understanding. Major portion of the procurement were from open markets and private sources. One of the main conditions for earning profit is prudent purchase, efficient salesmanship. Both the two elements were gradually lacking with the management of the store. The store is now run by an elected committee of 9 members with the help of 2 employees only. But at times the number of employees of the store was more than 15 in different sections.

### **4. Objectives :**

The objectives of the store are :

- (a) to assist the members in obtaining their daily consumer requirements at reasonable rates.
- (b) to open and run consumer stores both members and non-members with preferential treatment of rebate for the members only.
- (c) to carry on both retail and wholesale business of consumer items to benefit the members.
- (d) to encourage members to work on self-help and cooperative basis.

### **5. Organisation :**

The store is composed of 4770 individual members which can be termed as 4770 households with 25 to 30 thousand prospective clients, the general meeting, supreme authority of the organisation for annual planning, budgeting, reviewing annual activities and approving actions

and proposals of the Executive Committee of nine members elected by the general members for a term of two years, and appointed employees and workers. It has three shops but 2 have been let out to private traders on monthly rent basis. It is running consumer stores in one shop with non-food items only.

#### 6. Membership & Cooperative Funds :

The membership is composed of employees of government and non-government organisations 75%, labours 15% and small traders 10%. The membership of the store and share capital is almost stagnant from 1984-85 to 1988-89.

#### 7. Business operation :

The business operation of the store being restricted to few non-food items, volume of business is limited to Tk 0.2 million with variations in 1986-87 and 1987-88 around 0.1 million. In Table 1 below, total purchase, total sale, trade margin and percentage of profit in relation to volume of sale are indicated from the year 1984-85 to 1988-89 :

**Table -1**

	1984-85	1985-86	1986-87	1987-88	1988-89
Total					
Purchase	1,82,120	2,03,777	1,62,305	1,09,913	1,98,732
Total Sale	1,91,804	2,12,577	1,79,007	1,24,389	1,69,960
Total Margin	16,613	20,547	14,292	7,994	12,682
Percentage	8.69%	9.66%	8%	6.42%	7.46%

#### 8. Income & Expenditure :

The income and expenditure, net profit earned, net loss incurred from 1984-85 to 1988-89 are indicated in Table - 2 below:

**Table - 2**

	1984-85	1985-86	1986-87	1987-88	1988-89
Total					
Income	89,478	92,793	95,669	1,01,246	126,108
Total Ex- penditure	1,14,429	71,910	82,126	1,06,152	133,661
Net profit earned	Nil	10,883	13,543	Nil	Nil
Net Loss incurred	24,950	Nil	Nil	4,906	7,553



The Table 2 above indicates that as against income of Tk 89,478 the expenditure incurred is Tk 114,429 sustaining net loss of Tk 24,950. The volume of business and profit margin during 1985-86 and 1986-87 is below 10% whereas the net loss sustained in 1987-88 and 1988-89 is Tk 4,906 and Tk 7,553 respectively. It is evident from the above facts that expenditure is increasing in bigger percentage than the rate of increase of income resulting in continued loss.

### **9. Problems:**

- i. There is no permanent manager to run the business, although the Secretary is doing the job with the help of 2 employees. That is not enough since he is doing it on voluntary basis.
- ii. The shop is not properly organised and with required number of food and non-food items of consumer goods which are very much demanded by the customers.
- iii. No education programme for members, employees and board members.
- iv. The members of the managing committee know how to run the cooperative and develop its activities. Since they are voluntary they cannot afford time. They have the capability to organise fund and resources and employ professionals but the hegemony and complexities of restrictive Act, Rules and regulations discourage them to be active and do the job with responsibility and risks.
- v. Membership strength is considerably large, but almost 85% members are inactive.
- vi. No planned activities or programme to raise the funds and improve the business so far.
- vii. No definite step to improve the store and use available resources for consumer store business.
- viii. No clear job description for chairman, secretary and professional employees with risks, responsibility, duty and authority.
- ix. Persons having responsibility of working are without authority and persons with authority are without responsibility.

## **The Bangladesh Shachibalay Bahumukhi Samabaya Samity Ltd., Dhaka**

**by PRADIT MACHIMA**

### **1. Introduction**

Among 800 consumer cooperative societies operating in Bangladesh, the Bangladesh Shachibalay Bahumukhi Samabaya Samity Ltd. is one of the best and the most effective societies. This is because the society has been running and performing quite successfully and satisfactorily. The membership increased, working capital increased, volume of business increased and the net surplus also increased, but the overhead cost per unit declined dramatically. This is because of good location, good business organization, good management and strong leadership.

However, the society still needs more technical assistance, especially in publicity, members' relations, leadership training and development and business management. If proper advice and assistance is given to it, it is sure that this coop. society can become a model consumer coop. in Bangladesh and become a learning centre for others within the short period of time.

### **2. History**

The Bangladesh Shachibalay Bahumukhi Samabaya Samity Ltd. or commonly known as "The Eden Building Co-operative Multi-purpose Society Ltd." was organized in 1959 by the then Registrar of Cooperative Societies, East Pakistan, with the help and assistance of a number of enthusiastic officers and employees of the Secretariat. Initially there were 113 members with the share capital of Rs.1765.

The main purposes of organizing the cooperatives were to provide food, drinks and daily necessities and credit facility to smaller scale, but gradually the membership increased and the business activity developed and expanded. Upto 1984-85, the society had 7,825 members with working capital of Tk 383,000 and the volume of business of Tk. 3,743,000 and a net surplus of Tk. 34,398. The membership and share capital

remained the same because of lack of initiative. Then, suddenly the membership and share capital increased and the volume of business also increased at the higher speed. This is because of the awareness and new ideas of coop. leaders gained during the ICA Seminar on Consumer Cooperatives held in Dhaka April, 1989.

Uptil now (June, 1990) the society seems to work out very well and has shown the good sign of a big improvement, although it provides services to members at reasonable rates - 25-35% cheaper than the market rates.

### **3. Objectives**

The main objective of the society is to improve the economic and social well beings among the members by :

- 3.1 Conducting and providing facilities for carrying commercial business and banking ;
- 3.2 Providing facilities to the members of the society in getting essential commodities and food stuffs at fair prices ;
- 3.3 Encouraging thrift, self-help and mutual aid among the members.

### **4. Organisation and Administration**

The cooperative comprises individual members who form up the general meeting or "supreme authority". The general meeting elects the Board of Directors or Managing Committee. The Managing Committee forms up the cooperative policy and appoints the Secretary and the Manager. The day to-day operations of the society are conducted by the Secretary with the help of professional Manager and staff. The Managing Committee supervises and reviews coop. business monthly and the General Meeting does so annually.

At present the cooperative organises 2 main business activities. They are :

- (1) Coop. store and grocery ; and
- (2) Canteen and bakery.

#### **4.1 Membership**

Members are employees of the Secretariat of both men and women, who applied for membership and paid the admission fees and a coop share capital. At the beginning, there were 113 members who formed up the society, then the number increased to 7,825 during 1984-85 and 1988-89.

At the end of December, 1989, there were 10,466 members. Out of this, 85% are men and 15% women, as shown in Table 1.

**Table -1**

**Coop. Membership in 1984-85 and as on 31, December, 1989**

	Men		Women		Total	
	No.	%	No.	%	No.	%
1984-85	6,400	82	1,425	18	7,825	100
1988-89	6,400	82	1,425	18	7,825	100
Dec' 89	8,900	85	1,566	15	10,466	100

**4.2. Cooperative Employees**

The coop. has employed a big number of regular staff and workers. This helps the society to run business full time without pause and with good service. Without them, the coop. operations could have faced more difficulty in doing business. The number of employees has increased year by year in proportion to the expansion of coop. business. The number of employees increased from 42 in 1984-85 to 60 in 1988-89, as shown below:

Year	Manager	Super-visor	Section chief	Staff	Workers	Total
1984-85	1	1	10	18	12	42
1985-86	1	1	10	18	12	42
1986-87	1	1	10	18	12	42
1987-88	1	1	10	20	20	52
1988-89	1	1	10	28	20	60

**4.3. Physical facilities**

Physical facilities, such as building and office spaces etc. are provided by the Govt. (Secretariat) which is indeed very good at the beginning, because the Society could fully utilize its funds for running business without interruption. Without it, the society could have not performed that well. Facilities provided by the Govt. are shown on the next page.

Facilities	Number	Area (Sq. feet)
Land	1	7,284
Office buildings	9 rooms	4,158
Store & godowns	2	1,232
Processing plant (bakery)	1	616
Canteens	2	1,276
	Total:	<u>14,566</u>

## 5. Cooperative Operations

### 5.1 Cooperative funds

The cooperative has 2 main sources of funds. These are share capital and reserves. The coop. funds increased slowly from Tk 383,000 in 1984-85 to Tk 452,000 in 1988-89 mainly because of the increase of reserve funds. From 1984-85 to 1988-89, there was no increase of share capital at all. This was because of lack of initiative of coop. leaders (Managing Committee) because of lack of knowledge and inspiration. However, the share capital increased rapidly from Tk. 120,560 in 1988-89 to Tk. 145,350 in December, 1989 because of the new knowledge and awareness gained from the ICA Seminar on Consumer Cooperation held in Dhaka in April, 1989.

**Table- 2**  
**Cooperative Funds from 1984-85 to 31 December, 1989**

Year	Share Capital		Reserves		Deposits		Others		Total	
	Tk.	%	Tk.	%	Tk.	%	Tk.	%	Tk.	%
1984-85	120560	32	158617	41	-	-	103870	27	383047	100
1985-86	120560	32	158617	43	-	-	94100	25	373277	100
1986-87	120560	33	173860	48	-	-	67127	19	361547	100
1987-88	120560	30	207008	52	-	-	69798	18	397366	100
1988-89	120560	27	226827	50	-	-	104600	23	451987	100
1989-90	145350	23	273261	42	24860	4	203185	31	646656	100

## 5.2. Business Operations

There are two main business activities run by the coop. One is the coop. store and grocery and the other is the canteen and bakery. The volume of business of the two activities increased side by side. However, the bigger one has been the coop. store and grocery of approximately 60% of the total. During the past five years, the total volume of business increased 2.4 times from Tk. 3.7 million in 1984-85 to Tk. 8.8 million in 1988-89. Recently the volume of business increased rapidly resulting from the new strategy employed by the coop. leaders after attending the ICA seminar on consumer cooperatives in April, 1989. The total volume of business of 6 months operations during July and December, 1989 was Tk. 6.6 million 60% higher than last year during the same period. If the trend continues like this, the total sales of the year can reach Tk. 15 million ; see Table 3 below :

**Table - 3**  
**Volume of Business from 1984-85 to December, 1989**

Year	Store & grocery		Canteen & bakery		Total	
	Tk.	%	Tk.	%	Tk.	%
1984-85	2,140,400	57	1,603,024	43	3,743,424	100
1985-86	2,751,000	62	1,661,912	83	4,412,912	100
1986-87	8,164,487	56	2,512,183	44	5,676,470	100
1987-88	3,084,094	51	2,948,482	49	6,032,576	100
1988-89	5,730,121	65	3,106,303	35	8,836,424	100
Dec. 1989	4,663,290	70	2,005,052	30	6,668,342	100

## 6. Results of Cooperative Operations :

The society has been performing quite well during the study period (1984-85 to 1988-89). The volume of business increased 2.4 times from Tk. 3.7 million in 1984-85 to Tk. 8.8 million in 1988-89, the net surplus increased 9.7 times from Tk. 34,398 in 1984-85 to Tk. 335,272 in 1988-89 and the proportion of expenses to total volume of business declined from 12.3% in 1984-85 to 6.1% in 1988-89. This is because of a good leadership and a good management. Therefore, all other coop. societies should try to learn from this coop. as to how to do it.

Results of the coop. operations is shown in Table 4 below:

**Table - 4**  
**Showing Coop. Income, Expenditure and Net Profit**

Year	Income		Expenditure		Net Profits	
	Tk.	%	Tk.	%	Tk.	%
1984-85	493,404	100	459,066	93	34,398	7
1985-86	551,552	100	449,928	82	101,624	18
1986-87	733,920	100	512,870	70	221,050	30
1987-88	945,950	100	813,828	86	132,122	14
1988-89	872,777	100	537,504	62	335,272	38

The society could make more profits year after year because it could reduce the proportion of expenditure to total volume of business quite satisfactorily. For example, from 12.3% in 1984-85 to 6.1% in 1988-89, as shown below :

Year	Volume of business	Expenses	%age of Expenses to total vol. of business
1984-85	3,743,000	459,000	12.3
1985-86	4,413,000	450,000	10.2
1986-87	5,676,000	513,000	9.0
1987-88	6,032,000	814,000	13.4 <sup>2</sup>
1988-89	8,836,000	538,000	6.1

The reason for the declining rates of expenditure per unit of business operation was because of the increase of volume of business per coop. worker per year as follows :

<sup>3</sup>High percentage of expenses to total volume of business incurred in 1987-88 (13.4%) resulting from a big number of general meetings (3 times) held in that year.

Year	No. of employees	Vol. of Business per Employee
1984-85	42	89,000
1985-86	42	105,000
1986-87	42	135,000
1987-88	52	116,000
1988-89	60	147,000

### 7. Distribution of Surplus

During the past five years from 1984-85 to 1988-89, the society had distributed the net surplus to the reserve funds, education funds, and to the members and the community according to the coop. bye-law annually. Last year the society distributed its surplus as follows :

- Reserves	50,291	15.0%
- Education	14,249	4.2%
- Dividend (interest on share capital)	60,280	18.0%
- Patronage refund	-	-
- Community & social development	32,847	9.8%
- Others	65,513	19.5%
- Carried over to next year	112,092	33.5%
Total	335,272	100%

### 8. Cooperative Performance

In general the coop. has done very well for the Bangladesh standard. Except the number of coop. members all other activities increased. For example, coop. funds (working capital) per member increased from Tk. 49.0 in 1984-85 to Tk. 57.7 in 1988-89, volume of business per member increased from Tk. 51,633 in 1984-85 to Tk. 112,926 in 1988-89 and net surplus (profit) per person increased from Tk. 4.4 in 1984-85 to Tk. 42.8 in 1988-89. This is a good performance. See Table 5 :



**Table - 5**  
**Comparison of Business Activities and Financial Situation of**  
**Coop. per Individual Member - 1984-85 - 1988-89**

Year	Memb- ership	Share- capital	Reserves	Coop. funds	Vol. of business	Income	Expense	Profit
1984-85	7825	15.4	20.2	49.0	478	63.1	58.7	4.4
1985-86	7825	15.4	20.3	47.7	564	70.5	57.5	13.0
1986-87	7825	15.4	22.2	46.2	725	93.8	65.5	28.3
1987-88	7825	15.4	26.5	50.8	770	120.9	104.0	16.9
1988-89	7825	15.4	29.0	57.7	1129	111.5	68.7	42.8

### 9. Why a Big Success ?

Reasons for successful operation can be summarized as follows :

- 9.1 **Good location:** The coop. is organized in a good location where members need services every day. So, the coop can run business without pause.
- 9.2 **Large membership:** The membership is big, 150 times bigger than the average number (52) of Bangladesh cooperatives. With a big number of membership, the society can have more funds to operate and can have a bigger volume of business.
- 9.3 **High education :** All members are Govt. employees who have high level of education. This helps the coop. to run easily and effectively.
- 9.4 **Fixed income:** All members have fixed income. So that, they can afford to support the coop. business with no difficulty.
- 9.5 **Govt. support:** The Govt. provides free facilities, such as office building, godown, room spaces and free water and electricity to the society. This helps the society to run business at the lower cost.
- 9.6 **Big fund:** The coop. has a big amount of funds of approximately Tk. 400,000 per year which is very big for the Bangladesh standard. Besides, these funds are fully and entirely utilized for business transaction without investment in physical facilities, because it got free from the govt.
- 9.7 **Big volume of business:** The society has a big volume of

business. That is why it can employ professional staff who can give services to members satisfactorily. And at the same time it can negotiate with the wholesalers on a better term than smaller ones.

- 9.8 Full time employees:** This coop. has a big number of full time employees who can run the business without interruption. This is not the case of consumer coops. in Bangladesh in general.
- 9.9 Good management:** The management is good. The operating cost per unit is going down but the volume of business per employee is going up. For example, the proportion of expenditure to total volume of business went down from 12.3% in 1984-85 to 6.7% in 1988-89 and the volume of business per employee went up from Tk. 89,000 in 1984-85 to Tk. 147,000 in 1988-89.
- 9.10 Good organisation:** The organisation and administration of coop. business is good. It does exactly what the members want and what it can easily do.
- 9.11 Strong leadership:** The coop. has a good team of Managing Committee who are flexible and knowledgeable. Still they need more training and advice in doing better business.
- 9.12 Dedicated employees:** The employees are doing very good job, dedicated and sincere. They should be sent to be trained and to train others in the future.
- 9.13 All good:** Good combination of all factors.

## 10. Problems

Although many good things and achievements have been made by the coop. in the past few years, the society still faces many problems. Some of them are:

- 10.1 Shortage of funds and working capital. :** This is because of lack of initiative and business experience of the Managing Committee. By an average, one member owns only 1.5 share (Tk. 15.4) which is indeed very little. In fact it can be increased to Tk. 100-120 per person per year if there is a good plan.
- 10.2 Lack of business analysis,** resulting from lack of education and training and lack of leadership in doing business among coop. leaders and key personnel. If proper education, training and advice on business management is given to them, they could have performed better.

- 10.3** Lack of long term development plan because of lack of business analysis resulting from poor business knowledge and leadership.
- 10.4** Lack of space to develop and expand its own business.
- 10.5** Lack of good publicity, member relation activities.
- 10.6** Lack of welfare schemes for its employees.
- 10.7** Lack of member education activities and lack of education and training programmes for coop. leaders and staff.

## **11. Conclusion**

The society has done very well but needs more improvement and long term development scheme. This can be done by arranging education and training programmes for key members, coop. leaders, Managing Committee and staff as well as seeking advice from experts and from Cooperative Department. Besides the coop. should step up its campaign in publicity, member relations and member participation as well as to coordinate its business with other cooperatives at all levels.

# **Guidelines for Preparing Action Plan on a Cooperative Project**

by PRADIT MACHIMA

## **1. Introduction**

It is realized that most of cooperative planning in Bangladesh is not realistic because it is not based on the real situations. The desired objectives set by the cooperative is too high beyond its ability to reach. That is why most of the cooperatives failed and became defunct. Therefore, in order to avoid such mistake made in the past, an "Action Plan" or realistic planning is needed.

## **2. Planning**

**2.1 Definition of Planning :** Planning is the process of making or arranging a programme of work in advance in a specific period of time for example 6 months, one year or 3-5 years.

### **2.2 Scope of planning :**

Planning covers all aspects of project work. These are :

- (1) Name of the project;
- (2) Project objectives;
- (3) Goals or targets;
- (4) Project activities;
- (5) Strategy;
- (6) Manpower requirements;
- (7) Budget;
- (8) Time frame;
- (9) Implementing agency;
- (10) Strategy in implementing the project, and
- (11) Project evaluation.

### 2.3 Why Cooperative Planning ?

The reasons for having realistic planning or action plan are:

- (1) To avoid making the same mistakes as were made in the past.
- (2) To adjust the cooperative programmes/activities to the reality that the cooperative can manage or afford to do.
- (3) To set priority in doing cooperative business.
- (4) To keep the Managing Committee, Manager and staff informed about the cooperative work plans - its objectives, targets, activities, strategy, time frame, budget and details of work that needed to be done and in what manner, by whom and for what purposes.
- (5) To give direction to Managing Committee and coop. employees on their roles, activities and responsibilities in coop. business in specific period of time.
- (6) To allocate certain amount of funds, man-power, materials and equipments for specific kind of work in certain period of time to the fullest extent.
- (7) To improve cooperative efficiency.

### 2.4 Who is Responsible for Planning ?

In general, planning is done by the Manager and staff with the approval of Board of Directors (Managing Committee). But in a small society, the planning is made by the Board of Directors and approved by the A.G.M. (Annual General Meeting).

## 3. Planning Process

Before planning is made, necessary information concerning local conditions, cooperative situations, business activities, business operations and results of its operations, problems faced and factors affecting the cooperative operations should be collected and analysed and presented to the Board of Directors with suggestions for solution. If Board of Directors agreed on recommendations earlier, the project formulation can be made, finalized and re-submitted to Board of Directors for final approval. Then, the realistic planning or "Action Plan" is complete and ready for implementation.

Necessary steps for action planning are :

### 3.1 Fact gathering :

#### 3.1.1. General information :

1. Location: - Urban or rural.
2. Area : - Area coverage under the coop.
3. Population: - Total population, No. of households, density of population, population component.
4. Education: - Literacy rates. .
5. Income: - Average income and purchasing power of people in the areas.
6. Communication - Communication & transportation.
7. Business services in the area: - Weak or strong.
8. Needs for cooperative business: - Yes or no
9. Chance for coop. success: - Big or small

#### 3.1.2 Present situations of Coop.

- a. No. of members:
  - Male:
  - Female:
  - Total:
- b. **Coop. funds**
  - Share capital
  - Reserves
  - Member deposits
  - Loans
  - Grants
  - Others
  - Total
- c. **Physical facilities:**
  - Land
  - Building

- Space
- Equipments

**d. Business activities and business turnover :**

<i>Business activities</i>	<i>Vol of business</i>	<i>Expenses</i>	<i>Gross income</i>
(1) -----	-----	-----	-----
(2) -----	-----	-----	-----
(3) -----	-----	-----	-----
(4) -----	-----	-----	-----

Total :

**e. Results of Coop. operations :**

- (1) Gross income:
- (2) Expenditure:
- (3) Net surplus or loss :

**3.1.3 Problems faced :**

- 1.
- 2.
- 3.

**3.2 Fact analysis :**

Gathered facts or information must be analysed and interpreted in order to know the real cooperative situations and the trend for future development. No good planning can be made without analysing facts especially facts concerning coop problems, causes of the problems, results of the problems as illustrated below :

**Method of solving problems**

<b>Problem</b>	<b>Causes of problem</b>	<b>Results of problem</b>	<b>Solution</b>
1. Shortage of coop. funds	1. Small membership 2. Poor coop. members 3. Lack of understanding of coop. principles and practices.	1. No activity or small business 2. High cost of operations 3. Lack of member-participation.	1. 2. 3. 4. 5. 6.

- |                    |                     |    |
|--------------------|---------------------|----|
| 4. Poor management | 4. Unable to employ | 7. |
| 5. Poor leadership | qualified staff.    |    |
| 6. Corruption      | 5. Unable to expand |    |
| 7. No one wants    | coop. business.     |    |
| to help.           | 6. No result to     |    |
|                    | members.            |    |

- 2.
  - 3.
  - 4.
  - 5.
- 

### 3.3 Priority in solving coop. problems:

In solving coop. problems, one must try to solve the easiest problem first, then follows by others one by one. Don't try to start from the biggest and the most difficult problems because it is very difficult to solve or not possible to do it. Therefore, one must set the priority in solving problems one by one as follows :

Priority in solving coop. problems:

1. \_\_\_\_\_
2. \_\_\_\_\_
3. \_\_\_\_\_
4. \_\_\_\_\_
5. \_\_\_\_\_
6. \_\_\_\_\_

### 3.4 Project formulation and action plan :

Project formulation is the process of making or preparing a cooperative project. In order to do so, one must know :

- facts and information concerning local situations;
- coop. principles and practices;
- cooperative situations;
- results of coop. operations;



- coop. problems and related problems;
- causes and roots of problems;
- results of the problems;
- ways and means of solving problems;
- project objectives;
- coop. strength and weakness;
- activities;
- Strategy;
- etc.

Then, one will be able to make a realistic plan or "Action Plan" which is ready to be implemented.

The action plan will comprise :

1. Name of the project;
2. Project objectives;
3. Goals or targets;
4. Project activities;
5. Strategy;
6. Manpower requirements;
7. Budget;
8. Time frame;
9. Implementing agency;
10. Strategy in implementing the project;
11. Project evaluation.

## List of Participants

### Participants:

1. Mrs Seheli Haque  
General Secretary,  
Bangladesh Jatiya Mahila Samabaya Samity Ltd.  
27, Bangabandhu Avenue, Dhaka.
2. Mrs Ahrafun Mosharaf,  
Director,  
Shah Alibag Women's Consumer Cooperative Society Ltd.,  
77 Shah Alibag, Mirpur, Dhaka.
3. Mrs Nurjahan Kamal,  
Chairman,  
Bangalguass Mahila Samabaya Samity Ltd.,  
Bangalguass, Jaidebpur, Gazipur.
4. Mr Zafar Ahmed,  
Secretary,  
Bangladesh Secretariat Multipurpose Cooperative Society,  
Bangladesh Secretariat, Dhaka.
5. Mr A.M. Mustafizur Rahman  
Joint Registrar,  
Cooperative Societies (Planning),  
Cooperative Department,  
9/D, Motijheel Commercial Area,  
Dhaka - 1000.
6. Mr Fazlul Haque Bhuiyan,  
Director,  
Tangail District Cooperative Union,  
Tangail.
7. Mr Siddiquzaman  
Bangladesh Samabaya Marketing Society Ltd,  
9/D, Motijheel C/A (4th Floor), Dhaka - 1000.

8. Mrs Dilara Haroon  
Chairman,  
Brahminbaria Kendriya Mahila Samabaya Samity Ltd.  
Brahminbaria.
9. Mrs Farida Akhter  
Chairman  
Uttar Chasar Women's Cooperative Society Ltd,  
Narayangonj.
10. Mrs Anjuman Ara Bhuiyan  
Chairman,  
Narayangonj Kindergarten Mahila Samabaya Samity Ltd.,  
Vill - Isdair, Narayangonj.
11. Mr Md. Jamaluddin  
Chairman,  
Satata Samabaya Samity Ltd.,  
Hariharpara Enayat Nagar,  
Narayangonj.
12. Mr Shah Mozammel Haque,  
Director,  
Joypurhat Sugarcane Growers Cooperative Society Ltd.  
Joypurhat.
13. Mr Abu Taher  
Secretary  
Azimpur Estate Multipurpose Cooperative Society Ltd.  
Azimpur colony, Dhaka - 1205.
14. Mr Golam Ali Quaderi  
Vice-chairman  
Bangladesh Samabaya Bank Ltd.  
9/D, Motijheel C/A, (Ground Floor),  
Dhaka - 1000.
15. Mr A.K.M. Obaydullah  
Chairman,  
Academy Employees Consumer cooperative Society Ltd.  
Kotbari, Comilla
16. Mr Quazi Raisur Rahman,  
Professor  
Bangladesh Cooperative College,  
Kotbari, Comilla.

17. Mrs Saleha Muyeed  
Chariman,  
Vatera womens cooperative Society Ltd.  
Vatera, Sylhet.
18. Mr Bijoy Kumar Barua  
Joint Director,  
Bangladesh Academy for Rural Development (BARD)  
Kotbari,  
Comilla.
19. Mr Md. Liaquat Ali  
Chairman,  
Zia Fertilizer Company Employees cooperative Society Ltd.  
Ashugonj, B. Baria.
20. Mr Jahangir Hossain,  
Asstt. Registrar (Extn.),  
Cooperative Department  
9/D, Motijheel C/A, Dhaka.
21. Mr Moqbul Hussain  
Manager  
Dhaka Consumer Cooperative Store Ltd.  
Azimpur, Dhaka.
22. Mr Delwar Hossain  
Secretary,  
BTC Employees consumer cooperative Store Ltd.  
P, O Bhatiyari, U.Z. - Seetakunda,  
Chittagong.
23. Mr Sohrabuddin Khan  
Director,  
Pabna Dist. Cooperative Land mortgage Bank Ltd.  
Pabna.

## **Observers :**

1. Mr D.P. Paudal  
Asstt. Programme Officer  
Centre on Integrated Rural Development for Asia and the Pacific  
(CIRDAP)  
Chameri House, Dhaka.

## **Resource Persons**

1. **Mr Pradit Machima**  
Advisor, Consumer Cooperation  
ICA ROAP, 43 Friends Colony,  
New Delhi, 110 065, India.
2. **Mr A.K.M. Zahirul Haque**  
Chief Executive Officer,  
Bangladesh Jatiya Samabaya Union  
9/D, Motijheel C/A (Ist Floor)  
Dhaka - 1000.
3. **Mr A.M. Mustafizur Rahman**  
Joint Registrar,  
Cooperative Societies, Bangladesh,  
Dhaka.

## **Workshop Directors**

1. Director - **Mr Md. Shahidullah,**  
General Secretary,  
Bangladesh Jatiya Samabaya Union  
9/D, Motijheel C/A, (Ist Floor)  
Dhaka - 1000.
2. Co-Director **Mr Zulfiquar Azad,**  
Deputy Executive,  
Bangladesh Jatiya Samabaya Union  
9/D, Motijheel C/A (Ist Floor),  
Dhaka - 1000.

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## **ICA/BJSU Workshop on Action Plan for Strengthening Consumer Cooperative Movement in Bangladesh.**

### **1. Subject :**

A follow up workshop on "Action Plan for Strengthening the Consumer Cooperative Movement in Bangladesh."

### **2. Objectives :**

- 2.1 To discuss the results of cooperative operations since the last seminar in March, 1989.
- 2.2 To exchange knowledge and experiences on cooperative operations among the participants.
- 2.3 To identify the strength and weakness of cooperative societies.
- 2.4 To identify problems, needs, and solutions for cooperative improvements.
- 2.5 To prepare strategic plans for cooperative operation in the future.

### **3. Participants :**

Approximately 30. as follows :

- 3.1 Twenty (20) Selected participants. Out of these ten (10) must be from 10 women's cooperatives.
- 3.2 Five cooperative educators - one each from BJSU, Cooperative College, Cooperative Department, BRDB, and a University.
- 3.3 Five observers - one each from CIRDAP, ILO, UNICEF, FAO, UNDP, UNFPA.

**4. Workshop Programme:**

The 3 day workshop will cover following 5 areas of the programme/ activities.'

- 4.1 Presentation of background informations concerning consumer cooperative operations of the selected cooperatives - by Mr Pradit Machima, ICA Consumer Advisor.
- 4.2 Presentation of operational aspects of cooperatives - by the participants.
- 4.3 Presentation of case studies of two cooperatives with stories of success and failures by Mr Pradit Machima & Mr. A.K.M. Zahirul Haque.
- 4.4 Study visit to two selected consumer societies of which two case studies were made.
- 4.5 Group discussion.
- 4.6 Preparation of Action or Strategic Plans for development of the selected societies.

**5. Resource Persons**

- 5.1 Mr Pradit Machima, ICA Advisor
- 5.2 Local Consultants

**6. Time**

Three days between 25 and 27 June 1990.

**7. Venue**

To be decided by BJSU.

**8. Funds**

The ICA ROAP and the BJSU will finance the workshop. The ICA ROAP will cover 70% of the total cost. The rest will be borne by BJSU and its affiliates.

The cost of workshop will cover :

1. Meeting hall and workshop arrangements.
2. Opening ceremony

3. Food & Drinks (for participants, resource persons & observers).
4. Stationery
5. Travelling cost & daily allowance for participants.
6. Honoraria for Resource Persons.
7. Miscellaneous

## 9. Organizer

BJSU. The BJSU will appoint the workshop director for conducting the workshop and submitting final report of the workshop to the Secretary of ICA Committee on Consumer Cooperation. The BJSU will also provide secretarial services for the workshop.

### Participants Obligation

1. The Participants shall have to attend the workshop for its full duration.
2. The participant must prepare a working paper on operational aspects and future plans of his society and present the paper in the workshop of about 3-4 pages. (Report to be prepared as per guideline.)
3. After the workshop the participants must make a report to his society about the results of his participation and commitments in the workshop, with copy to the BJSU & Concerned District cooperative officer and the ICA as well.

**Guidelines for preparation of report for presentation in the workshop is given below :-**

- History of the society in brief.
- Main objectives
- Organisational structure
- Physical Facilities (Land/Building/Go-down/Office etc.).
- Financial Position  
(Share, Deposits, Loans, Reserves, Working capital).
- Business activities (supply, services, store, canteen, Grocery etc.).
- Business Management (How the business is conducted).
- Business operation (volume of business).



1.9 Result of operation :

- Income
- Expenditure
- Net Profit or loss

1.10 Impact of the society on community development (social and economic improvements).

1.11 Problems faced

1.12 Suggestions and recommendations.

**Term of reference on the organisation and the administration of  
Action Plan for Strengthening Consumer Cooperatives in  
Bangladesh.**

**1. Organisation and administration**

The workshop will be jointly organised by the ICA ROAP and the BJSU. However, the BJSU will be responsible for the organisation and administration of the workshop such as the design of the workshop programme, the appointment of the Director, Co-director and staff, the preparation and execution of the workshop activities including the preparation of the workshop report.

**2. Budget**

The workshop will be jointly financed by the ICA ROAP and the BJSU of approximately Tk. 100,000. Out of this 70% will be met by the ICA and the rest 30% by BJSU. Therefore, necessary arrangements and all expenses including the honorarium for resource persons, the preparation of the workshop report and allowance for participants shall be included in the allocated budget (Tk. 100,000).

**3. Submission of the report**

The BJSU shall submit 3 copies of the workshop report and the account of the expenditure to ICA within one month after the completion of the workshop.

## **Programme of Workshop on Action Plan for Strengthening Consumer Cooperatives in Bangladesh.**

Day 1 (25 June 1990)

8.00-9.00 Registration

9.00-10.00 Orientation and introduction of the participants.

10.00-10.30 Inaugural Session :

- Recitation from Holy Quran
- Address of Welcome  
by Mr Md. Shahidullah, General  
Secretary, BJSU.
- Address by Mr Pradit Machima,  
Advisor, Consumer Cooperation ICA  
ROAP
- Address by Special Guest-Dr Sadat  
Hussain, Registrar of Cooperative  
Societies
- Address by Chief Guest Mr Serajuddin,  
Addl. Secretary in-charge, Rural  
Development & Cooperative Division,  
Ministry of Local Government, Rural  
Development & Cooperative.
- Address by Alhaj Liaquat Ali, Chairman,  
BJSU.

10.30-11.00 Tea break.

Session - I Presided by: Mr Liaquat Ali, Chairman, BJSU

11.00-12.00 Government Policy and Plans for Developing  
Consumer Cooperatives in Bangladesh.

- by Mr A.M. Mustafizur Rahman,  
Joint Registrar of Cooperative Societies.

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- Session - II Presided by: Md. Shahidullah, General Secretary, BJSU.
- 12.00-13.00 The impact of cooperative seminar on consumer cooperative development in Bangladesh by Mr Pradit Machima, Advisor, Consumer Cooperation, ICA ROAP.
- 13.00-14.00 Lunch
- Session - III Presided by: Md Shahidullah, General Secretary, BJSU.
- 14.00-16.30 Presentation of facts and results of the cooperative operations by the participants.

Day 2 (26 June 1990)

- Session - IV Presided by: Mr Liaquat Ali, Chairman, BJSU.
- 9.00-10.00 Presentation of case study of success and failure of consumer cooperatives in Bangladesh, by Mr Pradit Machima and Mr Zulfiqar Azad.
- 10.00-13.00 Field visit to the success and failure cooperatives:  
(1) Secretariat Employees Multipurpose Cooperative Society Ltd.  
(2) Dhaka Consumer Cooperative Store Ltd.  
(3) A private Store.
- 13.00-14.00 Lunch.
- 14.00-16.30 Group discussion on the success and failure of consumers cooperatives.

Day 3 (27 June, 1990)

- 9.00-10.00 Problem solving in cooperative operations by group specialists.
- 10.00-12.00 Exercise on action planning for the improvement of selected consumer cooperatives.
- 12.00-13.00 Evaluation
- 13.00-14.00 Lunch.
- 14.00-15.00 Concluding Session : Presided by: Dr Sadat Hossain, Registrar of Cooperative Society.  
Conclusion and closing of the workshop.