



# ANNUAL REPORT 2005



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# Message from the Vice President

As in the year 2004, the ICA in Asia-Pacific was able to initiate and undertake a number of activities this year also.

A number of important workshops and seminars were organized for agricultural co-operatives in Vietnam, Laos and Cambodia. The major initiative this year was the organizing of the Government-Co-operative Dialogue in Kuala Lumpur, Malaysia, as a prelude to the next Co-operative Ministers' Conference. A large number of co-operative leaders and governmental representatives participated at this Dialogue, which was a great success.

Another important event was a seminar on Micro-credit organized in Goa, India, where participants discussed on the micro-credit situation in Asia-Pacific.

As in the past, several initiatives in the consumer, health and gender were organized during the year. One initiative was the preparatory meetings and discussions on setting up a Regional Co-operative Youth Committee to cater to the young co-operators in the region, while another was making the co-operative leadership aware of HIV/Aids.

Our member organization in Korea, NACF, has hosted a seminar on WTO and also coordinated an exchange visit programme for agricultural co-operative leaders. A number of activities were hosted, as in the past, by most of our member organizations in countries like Thailand, Vietnam, Sri Lanka, Singapore, Japan, etc. The Japanese consumers' co-operative union and its affiliated has initiated special in-house training programmes for consumer co-operative managers and board members in Japan.

The ICA/Japan Management Training Course, the 19th in the series, were held successfully this year also.

The ICA President, Director General and the Regional Director visited and surveyed Tsunami

affected areas and co-operatives in India, Sri Lanka, Thailand and Indonesia. Several rehabilitation and reconstruction operations are being carried out by ICA's development partners and member organizations, which are closely coordinated by the ICA in Asia-Pacific.

To the fag end of the year another calamity was waiting to happen in the region, which was a large scale earthquake which wiped out co-operatives, homes and facilities and killing over 70,000 people, many of them co-operators, in Kashmir (both in India and Pakistan). The ICA Asia-Pacific had issued an appeal to the world co-operative community and we hope our member organization would come out with support as in the past.

The ICA Asia-Pacific collaborated with the All China Federation of Supply and Marketing Co-operatives (ACFSMC) has agreed to host study visits for the 20th ICA-Japan Management Training course participants in China during the next year.

The ICA Asia-Pacific has been able to closely associate with a number of development agencies in tsunami reconstruction, agricultural, consumer co-operatives, health and other sectors this year also. We hope to continue this trend in the years to come.

As I mentioned last year, you would agree with me that the ICA in Asia-Pacific has emerged as a major initiator of co-operative development in the world.

I would request all ICA members, both old members and newly joined members, in the Region to continue supporting the activities of the Regional office, which I would very sincerely appreciate.

**Mu Li**  
Vice President,  
ICA Asia and Pacific



## Message from the Regional Director

The year 2005 was another good year for the ICA Asia-Pacific. We conducted a number of activities during the year, covering all sectors of co-operatives and have also carried out activities and programmes of sectoral importance. To add to it, the ICA was successful in collaborating with a number of development partners in providing support to the co-operative movements of Sri Lanka, India and Indonesia for the reconstruction and rehabilitation needs of the Tsunami affected people in these countries. A large number of member organizations provided help in cash and kind, on project basis and also direct assistance to these countries.

We continued our collaboration with AGRITERRA, Netherlands, to continue development activities for the agricultural sector in Laos, Cambodia and Vietnam. Some of the major activities during the year was the Government Co-operative Dialogue organized in Kuala Lumpur, Malaysia and the Micro-Credit Seminar in India.

This year we also organized a meeting of the regional youth leaders of the Youth in Singapore and decided to organize a Youth Seminar in Colombo, Sri Lanka, to be followed-up with the actual setting up of a Regional Youth Committee under the Regional Assembly. It is expected that the Regional Assembly will approve the setting of this Committee during its meeting in 2006.

We have had excellent collaboration from our member organizations in the region – All China Federation of Supply & Marketing Co-operatives, ANGKASA (Malaysia), JA-Zenchu, JCCU and IDACA (Japan), NACF (Korea), SNCF (Singapore), NCUI (India), CLT (Thailand), VCA (Vietnam) and many other member organizations. With their support and collaboration, we organized a number of activities of sectoral interest for our members in the region.

The Gender Integration project of ICA in Asia-Pacific, was able to publish the Leadership Development Manual for Women co-operators in collaboration with the ILO. This is in addition to a number of regional and national training of trainers conducted by us.

The Consumer Co-operative Development Project has been able to hold a number of training activities for consumer co-operative

managers, board members and leaders in Singapore, Japan, Thailand and the Philippines, in addition to the usual meetings of the committees.

The Asia-Pacific Health Co-operative Organisation and the ICA Consumer Sub-Committee on University/College Co-operatives held their meetings in India and Japan respectively.

The Human Resource Development and Research Project held a couple of seminars in conjunction with meetings of the committee. The Agricultural Development Project and the Regional Co-operative Banking Association, and the Regional Women's Committee also organized seminars and meetings.

As in previous years, the two major Training Courses for Managers of Agricultural Co-operatives and for Rural Women Co-operative Leaders, with the support and assistance from the Ministry of Agriculture, Forestry and Fisheries, Government of Japan, in close collaboration with the Institute for the Development of Agricultural Co-operation in Asia (IDACA), continued during 2005. We hope that these courses will continue in the coming years too.

This year another tragic earthquake affected several co-operatives and co-operators in Kashmir (both in India and Pakistan) and we have sent out an appeal to the co-operative community of the world. Some co-operative organizations have offered support to the earthquake-affected co-operatives.

I would reiterate that our member organizations are our assets and we appreciate the support, co-operation and collaboration extended by them and look forward to receive such sincere support from them in the future also.

We are happy that a few new co-operatives have joined us as our members and we wish to recruit more and more members in the Region. We would request co-operative organizations in the Region to join under the ICA umbrella for mutual benefit.

I would once again extend my sincere thanks and gratitude to our member organizations in this region and our development partners in supporting us during the year 2005, which we hope will continue in the years to come.

– Shil Kwan Lee

Regional Director, A&P

# 19th ICA/Japan Training Course on Strengthening Management of Agricultural Co-operatives

The 19th Training Course was inaugurated by Mr. D.K. Bhatt, Marketing Director of Indian Farmers' Fertiliser Co-operative Limited (IFFCO) at IFFCO's Fertiliser Marketing Development Institute, Gurgaon, near Delhi, on Monday, the 17th January, 2005.

12 middle level managers from 10 countries (China, Cambodia, India, Indonesia, Nepal, Pakistan, Philippines, Sri Lanka, Thailand and Vietnam) will be participating this year's training course.

The participants were welcomed by Dr. D.P. Bhattacharya, Senior Manager, HRD, IFFCO. Mr. Prem Kumar, Programme Advisor briefed the participants. Mr. Shil Kwan Lee, ICA Regional Director for Asia-Pacific, Mr. S.Fukamachi, Managing Director of IDACA, Tokyo, and Mr. T. Inoue, First Secretary at the Japanese Embassy in India also addressed the participants. Dr. R.N. Kundu, course coordinator for the IFFCO segment of the course, delivered the vote of thanks.

The IFFCO segment of the course was until 31 January, 2005, and thereafter the participants

proceeded to the Institute of Rural Management (IRMA) in Anand, Gujarat where they underwent an extensive module until 2nd March.

The participants then travelled to Indonesia for comparative field study visit.

The Part II of the Training course at IDACA concluded on 22 April, 2005, which covered extensive field visits in Japan.



*Shil Kwan Lee, ICA Regional Director has a word of advise to the participants*



*Mr. Shigeri Fukamachi addressing the delegates*

The concluding session of the Nineteenth Training Course was held at IDACA on April 22, 2005. The session was attended by Mr. Kazuo Tanaka, Senior Officer, International Co-operation Division, International Affairs Department, MAFF, Mr Shigeri Fukamachi, Managing Director of the IDACA, including all his senior staff, and Mr. Prem Kumar, Programme Advisor of the ICA-Asia & Pacific, New Delhi.

Mr Prem Kumar presented a summary of the End-of-the-Course Evaluation and congratulated the participants on their successful completion

of the training course.

Addressing the session, Mr. Tanaka of MAFF mentioned that Japan's agricultural co-operatives have played an important role as a conduit to link farmers and government policy, thereby helping contribute to the development of regional agriculture. He exhorted the participants to use the knowledge and experience gained from this training, in their respective countries.

In a message sent, Mr. Miyata Isami, President of JA-ZENCHU, congratulated the participants for the successful completion of about one and half month-long training without any trouble. He



*Participants of the course at a photo opp at IDACA*

expected that the participants will make use of the results obtained from the training for the development of agricultural co-operatives in their respective countries in some way or another.

Mr. Shigeri Fukamachi, Managing Director of the IDACA, thanked Mr. Tanaka for sparing his valuable time to attend the closing session. He also appreciated Mr. Prem Kumar for his wonderful management and hard work in making this programme a great success. He extended congratulations to the participants on successful completion of the

training course.

Ms Chitra Thamsuhang, a participant from Nepal, and Mr. Setiana, a participant from Indonesia, extended vote of thanks on behalf of the participants.

Ms. Chitra thanked the ICA Regional Director for Asia-Pacific for giving them an opportunity of participating in the training course.

Mr. Setiana mentioned that the course has generated goodwill among the agricultural co-operatives as well as for the ICA.

Visits to various JAs had enabled the participants to better appreciate and understand the progress of the agricultural co-operatives, especially in fields of amalgamation, farm guidance, day care centre for aged, grading and packaging of fruits and vegetables etc. With simple guidance and extension services, co-operatives have been able to generate additional income and services for their members. Mr. Setiana, on behalf of the participants thanked IDACA and ICA.

Certificates of Participation from the ICA as well as from the IDACA were awarded to the participants during the concluding session.



*Participants visited a farmer's Green House in Japan*

# 5th ICA-Japan Women Leaders Training Course held

The International Co-operative Alliance - Asia and Pacific (ICA-AP), in association with its member organisation in Japan, the Central Union of Agricultural Co-operatives of Japan (JA-Zenchu) and the Institute for the Development of Agricultural Co-operation in Asia (IDACA) organised the 5th ICA-Japan Training Course for “Strengthening Women’s Agricultural Co-operatives in Rural Areas and Improvement of Farm Management and Rural Life” in Malaysia and Japan. Eight participants - two each from Indonesia, Malaysia, Philippines and Sri Lanka, attended the Training Course. The Course was organised and held by the ICA at the IDACA premises from 4-28 September 2005.

The 10-day component of Comparative Field Study Visits was held in Malaysia from 25 August to 3 September in collaboration with the National Co-operative Organization of Malaysia (ANGKASA).

The main objective of the Training Course was “to train women leaders in rural areas in developing countries by means of strengthening women’s agricultural co-operatives, farm management, and improvement of rural life”. The Training Course also enabled capacity building of the participants with a view to organise women’s associations and study co-operative activities.

The field study visits were arranged to agricultural co-operatives and women’s associations in Yamagata Prefecture of Japan. Lecture-cum-practical field study visits assignments were combined to impart necessary knowledge to the participants on the working of women’s associations and the general activities of agricultural co-operatives in Japan. The

participants also held group discussions and prepared brief reports on the experiences gained by them. An end-of-the-Course Evaluation session was also held.



*The Women leaders posed for a photo with the Japanese hosts*

The concluding session of the Training Course was held on Wednesday, 28 September 2005 with Mr. Hideo Ishida, Assistant Director, International Co-operation Division, Ministry of Agriculture, Forestry and Fisheries (MAFF) as Chief Guest.

Mr. Shigeri Fukamachi, Managing Director of IDACA and Mr. K. Sethu Madhavan, Planning Officer of ICA-AP also addressed the closing session. ‘Certificate of Participation’ was awarded to the participants by the IDACA.

# Co-operative-Government Dialogue organized by ICA-AP in Malaysia

The Co-operative – Government Dialogue was organized by ICA-AP in collaboration with national co-operative apex of Malaysia the ANGKASA from 14 to 17 November 2005 in Petaling Jaya, Malaysia.

The dialogue that was attended by more than 70 international delegates from the governments and movements of 15 countries deduced following major concerns:



*Mr. Shil Kwan Lee, Regional Director, the Hon'ble Minister and Royal Professor Ungku A. Aziz at the Dialogue.*

### **Co-operative Policy & Legislation:**

The Government should recognize co-operatives as unique entities with a blend of economic and social responsibility in the light of ICIS of ICA and recommendation 193 of ILO and as a catalyst alongside the public and private sectors in the national development plan.

Co-operative policy must also identify co-operatives as capable of providing services in the areas that are otherwise remained outside the mainstream national development channels.

Co-operative Policy must state the role of the government as that of a facilitator and regulator

and not that of a controller. The co-operatives deserve to be enshrined in the constitution of the country for uniform and smooth development of the nation.

### **Effective Participatory Governance:**

A successful Co-operative requires enlightened and informed membership. Although the membership of co-operatives in terms of numbers has increased manifold but dormant membership and the absence of active participation of members in their management have resulted in institutional ailments and has also encouraged the dominance of vested interests causing blockages in the percolation of benefits to the members.

In a large number of cases, elections and general body meetings in co-operatives are not held regularly. The non-conduct of elections and general body meetings regularly has been creating apathy among members towards the management. Meeting of the General Body and Audit of the co-operatives' functioning be made mandatory by law.

Good governance has to be ensured by adopting a clear mission and vision statement coupled



*Hon.Minister of Entrepreneur and Co-operative Development Yang Berhormat Dato Mohd. Khaled bin Nordin speaking at the Dialogue.*



with guidelines prescribing role of members, leaders and managers and defining code of conduct.

Political interests of the co-operative leaders should not be catered at the cost of the co-operatives' operational freedom and viability. Creation of new leadership or second line leadership involving youths and women be made mandatory as per law.

#### ***Institutional Capacity Building:***

Co-operatives have a unique character of fraternity and federated system. Each tier integrates the value chain in the business operations and hence enjoys a special status.

The role of each tier is specific to the mandate and purpose. Lack of proper guidance and education at the primary level and un-professional management of the businesses at both primary and secondary levels are some of the traditional institutional constraints hampering sustainable growth of the co-operatives.

Government should recognize the important role of the co-operative apex bodies in the formulation and implementation of development plans. The state and fraternity support must come in the form of capacity building interventions aimed at delivering right knowledge on management and operations and imparting necessary skills on project formulation, business planning, market intelligence and modern

technology to compete and sustain in post WTO globalize set-up.

#### ***Protection to Vulnerable Sections of the Society:***

Co-operatives belong to resource deficient segments of the society. The co-operative policy of the government must lay special stress on protection of the vulnerable target groups,



*Participants of the Co-operative-Government Dialogue in Malaysia*

women, youths and refugees through co-operative action.

#### ***Image Building:***

There is a dire need to build professional competence and capacity of the co-operatives to leverage existing institutional resources to compete and survive in globalized market economy and boundary-less markets.

# ICA organizes Agricultural Co-operative development projects in Laos and Cambodia

The ICA-Asia & Pacific in collaboration with AGRITERRA, Netherlands, is organizing agricultural co-operative development projects in Laos, Cambodia and Vietnam.

The ICA had initiated discussions with governments of Laos and Cambodia and the Vietnam Co-operative Alliance in this regard.

Mr. Shil Kwan Lee, Regional Director of ICA, recently visited Vientianne and met Dr. Ty Phommasock, Vice Minister for Agriculture and Forestry in the Government of Laos and held discussions in this regard.

A Memorandum of Understanding will be signed soon to initiate project activities, in Laos. MOUs were already signed with Cambodia and Vietnam.

In pursuance of its Key Result Area of Co-operative Policy Development and Legislation, ICA-AP collaborated with the Ministry of Agriculture and Forestry (MAF), Government of Lao PDR to organize a workshop on Sharing Experiences on "Regulation of Co-operatives" from 5-7 July 2005. The workshop was organized as a part of ICA Project on Strengthening and Promoting Agricultural Co-operatives initiated recently in partnership with MAF and with support of AGRITERRA of Netherlands.

Nearly 30 senior officials at policymaking level of MAF and representatives of Water User Associations and Farmers' Groups participated in the workshop.

The main objective of the workshop was to share the experiences of neighboring countries, namely, Cambodia, Thailand and Vietnam on regulation for co-operatives with participants from Laos to enable the latter to work out a practical framework of Co-operative Law/Regulation based on field situation.

His Excellency Dr. Siene Saphanthong, Minister



*Shil Kwan Lee with the Hon'ble Minister*

of Agriculture and Forestry, Government of Laos, formally opened the workshop in the presence of senior officials of MAF; Mr. Shil Kwan Lee, Regional Director and officers of ICA-AP, resource persons from Cambodia, Thailand, Vietnam, ILO and AGRITERRA.

In his opening address H.E. Dr. Siene Saphanthong appreciated ICA-AP interventions in Lao PDR to revive co-operatives and observed "since the development of the new economic mechanism of our country since 1986, the development of agricultural co-operatives in Laos is still at its early stage. At present there exist some forms of co-operatives, namely, the water user group on irrigated land".

## **Outputs of the Workshop**

After intensive discussions and groupwork, the following outputs emerged from the deliberations: (a) Broad Framework for Co-operative Policy; and (b) Strategy for Formulation of Co-operative Law for Laos.

In the sidelines of the workshop an MOU with Government of Lao PDR was signed by Mr. Shil Kwan Lee on behalf of ICA-AP for implementing a Project on "Strengthening and Promoting Agricultural Co-operatives in Laos".

# ICA President, Director General and Regional Director visit Tsunami affected Sri Lanka and Indonesia

ICA Director-General, Iain Macdonald and President, Ivano Barberini, recently visited tsunami affected regions in Indonesia and Sri Lanka. The visit has only reinforced their determination that the ICA does all it can to help in the rebuilding.

*"...I don't think I have ever seen anything so dramatic as the Tsunami devastation in Banda Aceh. We spoke to a co-op manager who was away from his village when it struck - all 18,000 people were killed including all his family, absolutely nothing remains. He led us through what had been his shops - it was like Hiroshima."*

– Iain Macdonald



*A larger ship on the road*



*A boat on the middle of the road washed well away from the coast in Bandah Aceh, Indonesia*

The ICA President, Ivano Barberini, Director General, Iain Macdonald, and Regional Director, Shil Kwan Lee, visited Tsunami affected areas of Sri Lanka and Indonesia.

The team visited Sri Lanka, 22-24 April and had discussions with the Sri Lankan co-operative leaders, government representatives, the Minister for Co-operatives and also the Prime Minister. The team then proceeded to Indonesia, Nias and Aceh, which were completely destroyed by the Tsunami, 25-29 April, 2005. Mr. Robby Tulus, Special Envoy and Field Coordinator also accompanied the President, DG and RD during their visits in

Indonesia.

The President has requested all collaborating donor agencies for their urgent support and instructed the ICA officials in Geneva and in the Asia-Pacific Region to do all that is possible for the hapless tsunami victims in the region, in this hour of need.

The devastation caused by the Tsunami in Sri Lanka is massive, only second to Indonesia, and the outpouring of generosity from various governments and the international community has been outstanding.

The humanitarian and relief efforts that ensued, however, have been slow where the government is concerned, with the NGOs and the Co-operative movement (mainly SANASA) responding far more swiftly to this humanitarian disaster as they struck. As this report would testify below, there was no discrimination where assistance must go to at the outset, because the human damage and suffering must be given immediate attention to avoid further

casualties. Hence NGOs and SANASA went straight to the base communities to aid the suffering.

At this stage, however, the emergency situation has subsided, and relief efforts are geared more towards rebuilding the life of survivors by post-trauma counseling, health rehabilitation, and community redevelopment. More detailed data and information are being collected by the



*A scene in Kadaloor, Tamil Nadu, India, after the Tsunami*

Government and other agencies, including co-operatives, to size up the damage for future reconstruction.

Mully Dor, Board member of the Central Co-operative Society and NISPED, with 5 other delegates representing Israeli NGOs (like ISRAID) and P. Nair started work from 26 February to March 2. Robby Tulus joined the delegation on his arrival on March 01, and continued work with co-ops in the next three days.

The Israeli cooperative movement and the International Center for Co-operative Studies of NISPED, Israel are prepared to work closely with the Sri Lankan cooperative coordinating committee and the ICA-ROAP in developing programs relevant to the post-tsunami reconstruction phase.

This activity could focus on an integrative and multi-faceted program designed to help rebuild and strengthen the cooperative frameworks in a particular region and to increase their ability to contribute to its economic and social reconstruction.

The activity would also include programs designed to further community development, programs emphasizing the rebuilding of women's livelihoods and their empowerment and programs in the fields of education and youth. These programs could focus on leadership training and "training of trainers", but could also be concerned with organizational and administrative rebuilding, with the expansion of cooperative activity to new areas of concern, and with such practical areas as agriculture (dairy, fishery, etc. as well as marketing and storage).

A further area of concern might be that of the introduction of non-agricultural economic activities into rural areas, parallel to the furtherance of agriculture. The Israeli delegate also indicated that the Israeli group could help in seeking for financial and administrative support for these programs.

The visit of the Israeli Team from NISPED was organized and coordinated by Mr. Pathirana, General Manager of COOPFED and Mr. Udaya Seneviratne of NICD, Kandy, coordinated our visit.

The team also had meetings with Mr.G.S.L. Fonseka Commissioner of Co-operative Development & Registrar of Co-operative Society in Sri Lanka, Mr. A.M. Madduma Banda General Manager of National Co-operative Council of Sri Lanka, Dr. P.A. Kiriwandeniya, Chairman of the SANASA group.

Mr. Fonseka reported that more than 31000 people died and 880,000 misplaced in Sri Lanka after the Tsunami.



*Mr. Mully Dor from Israel with the General Manager of Hambantota MPC*

# APHCO board and general meeting at Tellichery, Kerala, India

The 11th Board Meeting and 5th General Meeting of Asia-Pacific Health Co-operative Organization (APHCO) was held on 30th April 2005 at Tellicherry, Kerala, India. The meetings were hosted jointly by Tellicherry Co-operative Hospital and Kerala Co-operative Hospitals Federation. 31 persons from India, Japan, Malaysia, Nepal and Sri Lanka attended the meetings.

Among routine agenda, Work Plan for the year 2005-2006 was discussed and approved. A Special Report on "Implementation of Micro Insurance and Expectation to Health Co-operatives" was presented by Mr. Nobumasa Kitajima, former ILO Technical Officer for South Asia, who was invited by the Committee.

Election of the office bearers of the Board of APHCO took place in the General Meeting. Following persons were elected:

1. Dr. Yasuvuki Takahashi, Japan (*Chairperson*)
2. Mr. Lionel Samarasinghe, Sri Lanka (*Vice-Chairperson*)
3. Mr. E. Narayanan, India (*Vice-Chairperson*)
4. Dr. S. Horiuchi, Japan (*Member*)
5. Dr. Vijay Deshmukh, India (*Member*)
6. Dr. Bala Raja, Malaysia (*Member*)
7. Dr. Bharat Pradhan, Nepal (*Member*)



*At the APHCO meeting in Tellichery, Kerala, India*

Approval was granted by the General Body to admit two new members from Sri Lanka. They are (1) Colombo Co-operative Hospital, and (2) Nuwara-Eliya Multi-purpose Co-operative Society Ltd.

It was decided in the meeting that next meeting of APHCO may be held in Vietnam. The Secretary of APHCO will discuss the matter with Vietnam Co-operative Alliance. After that announcement of the date and venue will be made.

## “Importance of Co-operative Governance and Social Responsibility” – Theme of the ICA Committee on HRD for Asia and Pacific

The much-publicized corporate fallout of national and international corporations in many countries has created greater awareness on the need for good corporate governance in the business fraternity. This heightened awareness has led to the urgent need for good corporate governance in all economic sectors and in voluntary welfare organizations and charities.

Increasingly, corporate governance and transparency are being looked upon as competitive advantages in the market place. The other important area of concern and emphasis has been the corporate social responsibility. Many seminars and conferences have been organized for the corporate sector on above subject.

Co-operatives, which have always looked upon social responsibility as one of its key objectives, need to re-evaluate policies and practices on governance and social responsibility in the context of current thinking. It would help the co-operatives in the region to become more competitive in open market and help strengthen relevance of ICA’s role in serving its members

rightfully. The International Standardization Organization (ISO) has also launched an extensive effort to establish an ISO Advisory Guideline on this matter, which would of course be referred in setting benchmarks.

To address the aforesaid important issues of concern, the ICA–Asia and Pacific in collaboration with Singapore National Co-operative Federation (SNCF) organized a workshop on “Importance of Co-operative Governance and Social Responsibility” in Singapore on 24th and 25th October 2005. 27 participants from India, Malaysia, Philippines, Sri Lanka, Singapore and ICA-AP attended the workshop.

The opening ceremony of the workshop was held at Quality Hotel in Singapore on 24th October. The opening session was addressed by Mr. Leow Peng Kui, Chairman of ICA-AP HRD Committee; Mr. Zulkifli Mohammed, Chief Executive of SNCF; and Mr. Shil Kwan Lee, Regional Director of ICA-AP. The following presentations were made: a) Overview of the Singapore Co-operative Movement; b) Importance of Good Co-operative Governance, and; c) Co-operatives bench-marking Social Responsibility. Field visits were also arranged to NTUC Child Care, NTUC FairPrice and Sea Care Co-op.

The 18th Meeting of the ICA Committee on HRD for Asia and Pacific was also held at the meeting room of Sea Care Co-operative on 25th October. The meeting was presided over by Mr. Leow Peng Kui, Chairman of the HRD Committee. 23 participants from India, Malaysia, Philippines, Sri Lanka and Singapore attended the meeting. A presentation on “Networking of Co-operative HRD Institutions in Asia and Pacific” was made by Mr. Bhagwati Prasad, Chief Executive of NCUI and Vice Chairman of the HRD Committee. Country reports on Initiatives on HRD were presented by India, Malaysia and Sri Lanka.



*Shil Kwan Lee, Leow Peng Kui and Bhagwati Prasad at the HRD Seminar in Singapore*

# ICA-AP/NACF hold Symposium on WTO Framework Agreement and Impact on Agricultural Co-operatives in Asia -Pacific

The ICA-Asia Pacific and the National Agricultural Co-operative Federation hosted a symposium on 'WTO Framework Agreement and the Impact on Agricultural Co-operatives in Asia and the Pacific'. The meeting/symposium was attended by representatives of agricultural co-operatives from Korea, Japan, Nepal, India, Philippines, Vietnam, Cambodia, China and France.

The 36th meeting of the ICA Committee on Agriculture for Asia-Pacific was also held in conjunction with this seminar. Rajiv Mehta coordinated the Committee meeting, which was attended by Shil Kwan Lee, Regional Director, ICA Asia-Pacific.

The meeting deliberated on three pillars of WTO negotiations, viz. market access, domestic support and export competitiveness.

Dr. Chan Ho Choi presented his paper on Agricultural Co-operatives in the Era of Trade Liberation. An overview of the DOHA round of negotiations in the WTO and the implications on co-operatives was presented by Raul Montemayor, FFCI, Philippines.

The seminar deliberated on:

- i. Quantitative restrictions through tariffication and tariff rate quota for most favoured nations,
- ii. Special Products (SP) and linking of tariff with value and quantity through tariff bands and tariff caps,
- iii. Special and Differential Treatment (SND) and Special Safeguard Mechanisms (SSM),
- iv. Trade and distortive non-distortive support through various boxes (Green, Blue and Amber boxes), and
- (v) Poor awareness on WTO at the level of farmers.

Both positive and negative Implications for co-operatives were discussed, like increased export



*Delegates at the WTO Symposium*

market, improved access to cheaper inputs, trade remedies and SND provisions, trend towards market concentration, threat of cheaper subsidized imports, trend towards privatization and deregulation, etc.

The seminar identified the following strategic actions for co-operatives were recommended:

- Optimise value addition chain
- Enhance business efficiency
- Increase vertical alliances
- Introduce structural reforms
- Encourage joint ventures, and
- Create subsidiary companies.

It was concluded that the co-operatives needed more specific policy provisions to attain comparative advantage in national and international context. It was also felt that greater understanding of SP and SSM was required to compete with developed countries

# ICA General Assembly meets in Cartagena, Colombia

The ICA has held its General Assembly at the Hilton Hotel in Cartagena, Colombia. In its 110 year history, this is the first time that ICA held a General Assembly in Latin America.

More than 1400 delegates participated at the General Assembly and related meetings. The main theme of this year's General Assembly was 'Co-operating Out of Poverty', which show-cased how co-operatives could be the most effective vehicle to eliminate poverty, which is one of the UN Millennium goals.

Several sectoral organizations and thematic committees also met during this period. Elections were also held to the ICA Board.

The representation of Youth on the ICA Board, more than just a space for participation, it is a space for young people to act inside the cooperative movement. Being here implies organizing our work, defining the motives that lead us to be here and draw the course of action to make our dreams come true.



*President of Colombia addressing the General Assembly of ICA in Cartagena*

Coherence is required to be in this position; that means acting according to our beliefs. It means forming and consolidating interdisciplinary, inter-generational and international working groups that allow a more precise interpretation of the needs and aspirations of the people represented.

The collective design and action is the only possible way to make a solidary - co-operative scenario a feasible reality.

Colombia assumes the challenge of this representation, led by Juan Carlos Mejía, who besides having the support of Colombia ICA members, counts on the young people organized in the youth network in Colombia. We have constituted a support group, to struggle to make the following proposals a possible reality.

The Conference adopted an International Youth Action Plan, which has major strategies like a web-page, a youth digest, participate in various events, joint ventures, representation, structure and constitution, funding, employment, entrepreneurship and agreements, with action plans to match these.

Mr. Juan Carlos Mejia, the youth representative on the ICA board, could be contacted at : [<jmejiacu@eafit.edu.co>](mailto:jmejiacu@eafit.edu.co) for more information on Youth co-operative activities.



*The members of the board, with some outgoing members, at the governing council meeting*



# Fifth ICA Regional Workshop for Managers of Consumer Co-operatives held in Singapore

The 5th ICA Regional Workshop for Managers on 'Managing Consumer Co-operatives' was held from 11–13 July in Singapore, with the support and collaboration of NTUC Fairprice Co-operative. There were 19 participants from 7 countries (India, Sri Lanka, Malaysia, Indonesia, Vietnam, Philippines and Korea) in the Asia Pacific region.

The workshop was divided into three types of sessions; class room lectures, study visits and presentations. In the classroom session, participants learned the knowledge and skill of managing consumer co-operatives. The next day, they visited NTUC Fairprice stores and its competitors and they were exposed to the severe competition in the retail market. On the final day, they drew up action plans for their stores to overcome weaknesses and made presentations on 'What are you going to implement in your organization?'



*The Trainees at NTUC Fairprice Co-operative*

## ICA-CLT Workshop for Sensitisation of Co-operative Leaders to Generate Awareness for Prevention of Spread of HIV/AIDS

The ICA-AP has taken initiative to address the HIV/AIDS crisis in the region and a strategic project focusing on prevention and intervention activities has been put in place to cover all the member co-operatives in the region.



*Co-operative leaders in Bangkok, Thailand at the HIV/AIDS awareness workshop*

According to the plan to cover the countries with high HIV prevalence first, a workshop for sensitisation of co-operative leaders to generate awareness for Prevention of Spread of HIV/AIDS has been held on 1-2 July 2005 in Bangkok, Thailand in collaboration with the Co-operative League of Thailand. The participants were co-operative leaders, directors and managers from various sectors of Thai co-op movement.

The workshop was inaugurated by Dr. Suthiporn Chirapada, Deputy Permanent Secretary, Ministry of Agriculture and Co-operatives, Government of Thailand. Shil Kwan Lee, Regional Director of ICA-A&P, Wisoot Sutthinoon, Chairman of the CLT, and Dr. Wiwut Daengsubha, Executive Director of CLT addressed the participants.

Mr. Bhagwati Prasad, Chief Executive of NCUI, India shared his experience about the ongoing HIV/AIDS awareness activities in co-ops in India with the participants.

# ICA-NACF study visits programme to Agricultural Co-operatives in Korea

The ICA-AP, in collaboration with the National Agricultural Co-operative Federation (NACF) organized an exposure and networking programme for women co-operative leaders of our region in Seoul, Korea, 5-10 September, 2005. Twenty persons, 10 men and 10 women attended the programme.

Women are the most sufferers from the rapid changes societies are undergoing due to globalization and free trade. In the context of these challenges, ICA Regional Women's Committee has been making attempts to share information with women co-operative leaders in the region and expecting to find ways and means to promote women's economic security and empowerment through the co-operatives.

The participants visited to Hanoramart Chain Store Division, Agriculture Co-ops including meeting with Women Association in the co-op and Kyoyang Agricultural Marketing Complex and Agricultural Co-operative College.

The information sharing during the exposure visits to successful co-operatives, focused upon co-operative endeavour to promote women's



*Participants of the study visit programme in Korea*

interests. The participants got an opportunity to understand the challenges of globalization and free trade, affecting the lives of people unevenly across the world, and the threats of free market.

# Regional Workshop on Co-operatives and Micro-Finance

The ICA-AP/ACCU/NABARD organised a Regional Workshop on Co-operatives and Micro-Finance on 18-21 October, at the Goa-Bogmallo Beach Resort, Goa, India.

An overview of co-operative credit and banking sector in majority of the developing countries of the Asia-Pacific Region shows that while credit unions have achieved appreciable success in the sphere of micro-finance, other co-operatives, by and large, appear to be perhaps the last entrants in internalizing innovative micro-finance programmes.



*Participants at the Regional Workshop at Goa, India*

Thus, it was high time to introduce such ground-breaking schemes to a larger area and dimension, as micro-financing the employment generating activities for poor, down-trodden and under-privileged of the society is one of the prime concerns to improve their physical quality of life.

In line with the theme of the International Day of Co-operatives "Micro Finance is our Business! Co-operating out of Poverty", this regional workshop on co-operatives and micro-finance, organized by the International Co-operative

Alliance in partnership with Asian Confederation of Credit Unions (ACCU) and the National Bank for Agriculture and Rural Development (NABARD) of India, aimed at discussing important issues and facilitating growth of a more inclusive co-operative financial sector for the poor.

There was also a need to deliberate upon the problems of the co-operative sector and also the potential of Self-Help Groups (SHGs) as micro-finance models for co-operatives to emanate as also the possibility of integrating other important inputs and financial services for the poor like micro-insurance.

The workshop will draw a road map with broad contours on the role of co-operatives in operationally internalizing micro-finance, including defining the role and responsibilities for each stakeholders involved in micro-finance. Specifically, the outputs were:

- (a) workable model of co-operative micro-finance;
- (b) model for co-operative insurance, and
- (c) support systems for co-operative micro-finance.

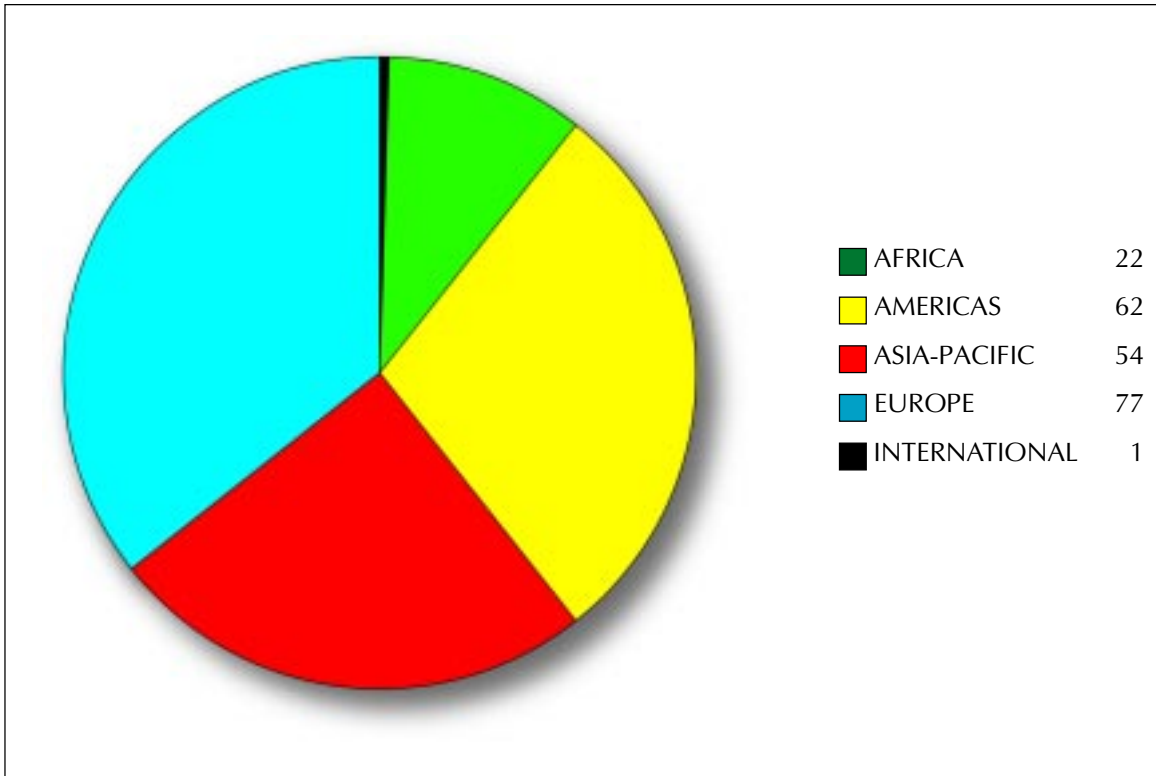
Eminent resource persons from Asia-Pacific region have made presentations on the following subjects: i. Co-operative Sector - changes required to operationally internalize concept of micro-finance, ii. Micro-finance and Self-Help Groups (SHGs) - concept, formation, linkages with banks and policy initiatives, iii. Micro-finance product designs, delivery systems and institutional support systems for sustainable micro-finance, iv. Development of co-operative micro-insurance system for the poor.

In addition, case studies on best practices relating to co-operative micro-finance system, mentioned below, were also presented at the workshop.

# ICA Membership

## 2005

(31.12.2005)



TOTAL MEMBERS: 216		
Region	No of Members	
AFRICA	22	10.19%
AMERICAS	62	28.70%
ASIA-PACIFIC	54	25.00%
EUROPE	77	35.65%
INTERNATIONAL	1	00.46%
<b>TOTAL</b>	<b>216</b>	

## ICA Member Organisations in Asia and the Pacific

1. Capricorn Society Ltd., Australia
2. Bangladesh Jatiya Samabaya Union (BJSU), Dhaka, Bangladesh.
3. All China Federation of Supply and Marketing Co-operatives (ACFSMC), Beijing China.
4. National Co-operative Union of India, New Delhi, India.
5. National Co-operative Consumers' Federation (NCCF), New Delhi, India.
6. Indian Farmers Fertiliser Co-op. Ltd. (IFFCO), New Delhi, India.
7. National Agricultural Co-operative Marketing Federation (NAFED), New Delhi, India.
8. National Co-operative Agriculture and Rural Development Banks' Federation, Mumbai, India.
9. National Federation of State Co-operative Banks Ltd., Mumbai, India.
10. Krishak Bharati Co-operative Ltd. (KRIBHCO), NOIDA, Uttar Pradesh, India.
11. National Federation of Urban Co-operative Banks and Credit Societies, New Delhi, India.
12. Dewan Koperasi Indonesia (DEKOPIN), Jakarta, Indonesia
13. Central Organisation for Rural Co-operatives of Iran, Tehran, Islamic Republic of Iran.
14. Central Union of Rural Agricultural Co-operatives of Iran, Tehran, Islamic Republic of Iran.
15. Iran Chamber of Co-operatives (ICC), Tehran, Islamic Republic of Iran.
16. Mollah al-Morahedini Credit Co-operative Ltd., (MAMCC), Iran.
17. Central Union of Co-operative Societies in Israel, Tel Aviv, Israel.
18. Co-op Jerusalem, 19, Hagana Street, Jerusalem, Israel
19. Central Union of Agricultural Co-operatives (JA-ZENCHU), Tokyo, Japan.
20. Japanese Consumers Co-operative Union (JCCU), Tokyo, Japan.
21. National Federation of Fisheries' Co-operatives Associations (Zengyoren), Tokyo, Japan.
22. National Federation of Forest Owners' Co-operative Associations (Zenmori-ren), Tokyo, Japan.
23. The Norinchukin Bank (Central Co-op Bank for Agriculture & Forestry), Tokyo, Japan.
24. National Federation of Agricultural Co-operative Associations (Zen-Noh), Tokyo, Japan.
25. IE-NO-HIKARI ASSOCIATION (Association for Education & Publications on Agricultural Co-ops), Tokyo, Japan.
26. National Mutual Insurance Federation of Agricultural Co-ops. (ZENKYOREN), Tokyo, Japan.
27. National Press & Information Federation of Agricultural Co-operatives, Tokyo, Japan.
28. Japanese Workers' Co-operative Union (JIGYODAN) Tokyo, Japan.
29. The National Federation of University Co-operative Associations (NAFUCA) of Japan.
30. National Federation of Workers and Consumers Insurance Co-operatives (ZENROSAI), Tokyo, Japan.
31. Union of Consumer Societies, Almaty, Kazakhstan.
32. National Agricultural Co-operative Federation, Seoul, Republic of Korea.
33. National Federation of Fisheries Co-operative Associations, Seoul, Republic of Korea.
34. Korean Federation of Community Credit Co-operatives (KFCCC), Seoul, Republic of Korea.
35. National Credit Union Federation of Korea (NACUFOK), Seoul, Republic of Korea
36. National Forestry Co-operatives Federation (NFCF), Seoul, Republic of Korea.
37. Union of Consumer Co-operative Societies, Safat, Kuwait.
38. National Co-operative Organisation of Malaysia (ANGKASA), Petaling Jaya, Malaysia.
39. National Land Finance Co-operative Society Ltd., Kuala Lumpur, Malaysia.
40. Central Co-operative Society, Yangon, Myanmar.
41. National Co-operative Federation of Nepal Ltd. (NCF) Kathmandu, Nepal.
42. New Zealand Co-operatives Association Inc., New Zealand
43. National Co-operative Union of Pakistan, Islamabad, Pakistan.
44. The Agricultural Co-operative Union, Palestine. (Via Israel).
45. National Confederation of Co-operatives Inc. (NATCCO), Quezon City, Philippines.
46. Singapore National Co-op Federation Ltd., Singapore
47. National Co-operative Council of Sri Lanka, Colombo, Sri Lanka.
48. Federation of Thrift & Credit Co-op Societies Ltd. (SANASA), Colombo, Sri Lanka.
49. Consumer Co-operative Societies' Federation (Sri Lanka), Colombo, Sri Lanka.
50. National Institute of Co-operative Development, Sri Lanka
51. Co-operative League of Thailand, Bangkok, Thailand.
52. Vietnam Co-operatives Alliance (VCA), Hanoi, Vietnam.

### ASSOCIATE MEMBERS

1. Institute for Indonesian Co-operative Development Studies (LSP 21), Jakarta, Indonesia.
2. Co-operative College of Malaysia, Petaling Jaya, Selangor Darul Ehsan, Malaysia
3. National Co-operative Development Corporation, India

## STATEMENT ON THE NEW CO-OPERATIVE IDENTITY

### **Definition**

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

### **Values**

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

### **Principles**

The co-operative principles are guidelines by which co-operatives put their values into practice. They are:

#### ***First Principle: Voluntary and Open membership***

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

#### ***Second Principle: Democratic Member Control***

Co-operatives are democratic organizations controlled by their members, who actively participate in setting their policies and making decisions. Men and women serving as elected representatives are accountable to the membership. In primary co-operatives, members have equal voting rights (one member, one vote) and co-operatives at other levels are also organized in a democratic manner.

#### ***Third Principle: Member Economic Participation***

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

#### ***Fourth Principle: Autonomy and Independence***

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

#### ***Fifth Principle: Education, Training and Information***

Co-operatives provide education and training for their members, elected representatives, managers, and employees, so they can contribute effectively to the development of their co-operatives. They inform the general public – particularly young people and opinion leaders – about the nature and benefits of co-operation.

#### ***Sixth Principle: Co-operation among Co-operatives***

Co-operatives serve their members most effectively and strengthen the co-operative movement by working together through local, national, regional and international structures.

#### ***Seventh Principle: Concern for Community***

Co-operatives work for the sustainable development of their communities through policies approved by their members.

### **ICA - ASIA AND PACIFIC : REPORT ON ACTIVITIES 2005**

Published by the ICA - Asia and Pacific, 9 Aradhana Enclave, R.K. Puram, Sec. 13, New Delhi-110066

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