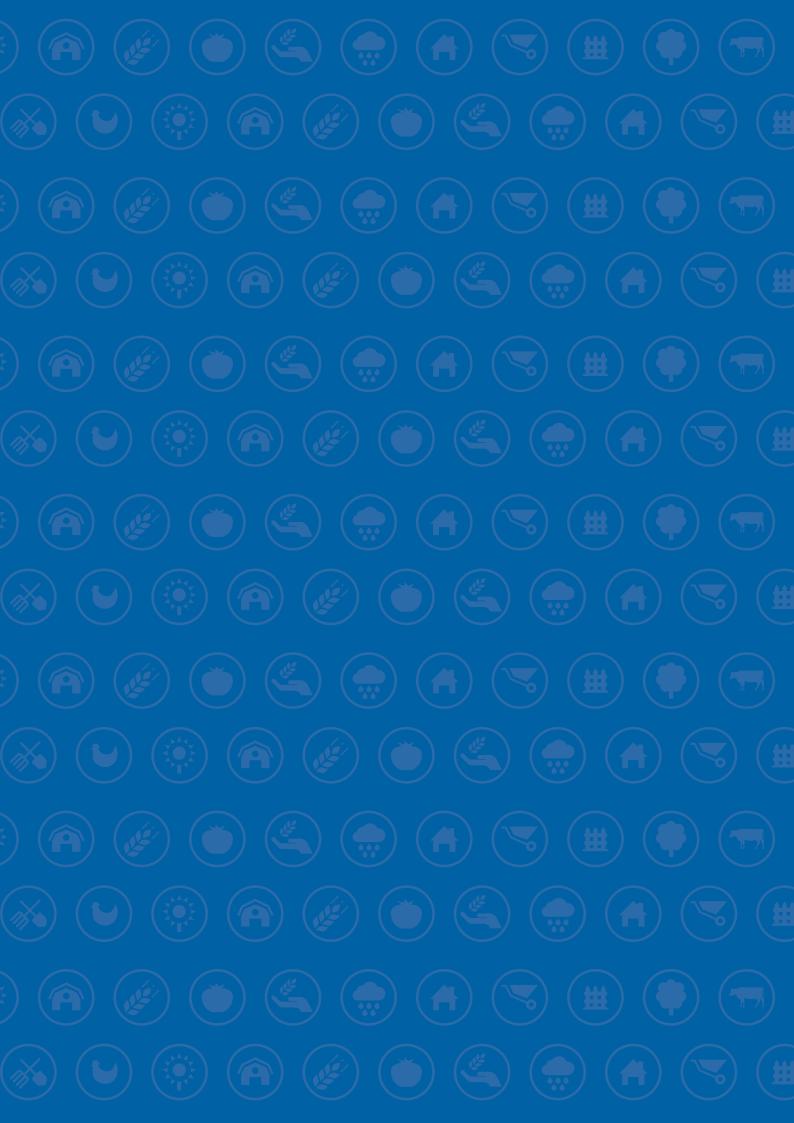
# ASEAN Learning Route on Agricultural Cooperatives:

Strengthening the Role of Agricultural Cooperatives to Address the Challenges and Opportunities of the ASEAN Economic Community for the Benefit of the Smallholders Farmers





### **ASEAN Learning Route on Agricultural Cooperatives:**

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Thailand and the Philippines 28 March – 3 April 2016



















#### **ACRONYMS**

**AEC** ASEAN Economic Community

AF ASEAN Foundation

AFA Asian Farmers Association for Sustainable Rural Development

AFOSP ASEAN Farmers' Organisation Support Programme

AMC Agricultural Marketing Cooperative
ASEAN Association of Southeast Asian Nations

**BAAC** Bank for Agriculture and Agricultural Cooperatives

BOPPC Bali Oil Palm Produce Corporation
CAD Cooperative Auditing Department
CAI Cooperative Academic Institute
CDA Cooperative Development Authority

**CEO** Chief Executive Officer

**CPD** Cooperative Promotion Department

**CRS** Catholic Relief Services

**ERP** Enterprise Resource Planning

**EU** European Union

FEP Farmer Entrepreneurship Programme

**FO** Farmers' Organisations

FPSDC Federation of Peoples' Sustainable Development Cooperative

GAP Good Agricultural Practices

**GLOWCORP** Global Organic and Wellness Corporation

ICA-AP International Cooperative Alliance-Asia and Pacific
ICT Information and Communication Technologies
IFAD International Fund for Agricultural Development

JGF Jollibee Group Foundation

**KOPGA** Kalilangan Oil Palm Growers Association

**LVC** La Via Campesina

MTCP2 Medium Term Cooperation Programme Phase II.

NATCCO National Confederation of Cooperatives
NGO Non Governmental Organisations

NLDC National Livelihood Development Corporation
PBSP Philippine Business for Social Progress

**PROCASUR** PROCASUR Corporation

PUP Polytechnic University of the Philippines
SIDC Sorosoro Ibaba Development Cooperative

SME Small and Medium Enterprise
TRF Thailand Research Fund

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#### **SUMMARY**

The methodological approach 'Learning Route' has proven to be a an appropriate learning tool of capacity building in order to encourage the implementation of joint activities related to agricultural cooperatives and their role in the ASEAN EC. The Learning Route was one of the first learning exchange activity of this type organised by AFOSP to enhance and foster cooperative development for the benefit of all farmers in the ASEAN EC. It is the starting point to establish a dialogue and interactions between ASEAN member countries and its national stakeholders involved in cooperative development at policy and implementation level including farmer organisations.

#### Main lessons learned are:

A combination of long tradition with agricultural cooperatives (e.g. Thailand 100 years), national frameworks and policies, cooperative research and academic support and favourable cooperative laws and regulations are essential for enhancing cooperatives and creating new cooperative business models along the value chain. Partnering with the private sectors opens new perspectives and shows big benefits for cooperatives especially with regard to positioning in a competitive market in the ASEAN EC. Organic production and contract farming have proven to be very effective especially for poor and marginalized famers. Capacity building in cooperative management, new production techniques, controlling of product quality along the value chain and customer orientation are essential to built up strong cooperatives.

Cooperatives with two level enterprise approach (cooperate enterprise and member level enterprises) ensures that small entrepreneurial households and poor farmers are included in the overall enterprise development and at the same time be strengthened as individual farmer or entrepreneur. This allows better economies of scale in production and bargaining power in marketing, which in turn enables the cooperative and the individual farmer to compete with larger enterprises and to tap existing profitable opportunities in the current ASEAN markets.

Participants of the Learning Route highlighted that there is a need to foster the established networks and knowledge sharing platforms for cooperatives and farmer organisations on good practices of cooperatives.

Learning Route Profile			
Title	Strengthening the Role of Agricultural Cooperatives to address the challenges and opportunities of the AEC for the Benefit of the Smallholder Farmers		
Participants	7 govt. officials and 23 FO´s leaders from 8 ASEAN states		
Locations	Thailand and the Philippines		
Dates	March 28 – April 3, 2016		
Organisers	AF, AFA, LVC and PROCASUR		
Supporters	ASEAN, EU, IFAD, SDC		

#### I. Introduction to the Learning Route

One of the key strategic areas of action related to the core element under Food, Agriculture and Forestry of the ASEAN Economic Community (AEC) Blueprint is to promote ASEAN agricultural cooperatives as means to empower and enhance market access for the benefit of farmers in the region as well as to ensure food security. The critical role of agricultural cooperative particularly in improving its marketing positioning has been highly recognized.

The marketing system of agricultural commodities in ASEAN countries is confronted with a lot of issues and challenges. These challenges have become more apparent in the midst of the ASEAN regional integration process especially for agricultural cooperatives. Given the important role of agricultural cooperatives and farmers organisations in improving production and marketing in the context of regional integration process in ASEAN, the Medium Term Cooperation Programme, particularly the ASEAN Farmers' Organization Support Programme (AFOSP), a project supported by the European Union (EU), the International Fund for Agriculture (IFAD) implemented through the Asian Farmers Association and La Via Campesina (LVC) in partnership with the ASEAN Foundation and PROCASUR have organised a Learning Route on Agricultural Cooperatives.

A Learning Route is a continuous process of in-the-field training that seeks to broaden and diversify the markets of rural technical services, placing special value to the best experiences and knowledge of institutions, associations, communities and rural families.<sup>1</sup>

The Objective of the ASEAN Learning Route was to strengthen the role of Agricultural Cooperatives in addressing the challenges as well as opportunities of the ASEAN Economic Community to improve the livelihood and food security situation of smallholder farmers and rural producers in ASEAN countries.

The Learning Route offered the opportunity of learning directly in the field and from its protagonist some of the best practices on:

- Agricultural cooperatives good management in the areas of internal organization, service provision to members, networking and market power.
- Developments of cross country market strategies and agreements involving public and private sector.
- Public policies, national legal frameworks/laws, programmes and mechanism for the support of Agricultural Cooperatives in the frame of the ASEAN Economic Community

The Learning Route targeted seven ASEAN member states primarily coming from Farmers' organization supported by the MTCP2-AFOSP programme and government representatives of the ASEAN Sectoral Working Group on Agricultural Cooperatives (ASWGAC).

This report is structured as an ex-post Learning Route Reader that reflects panelists contributions, presentations of government officials and private sector entities. It is a summary of good practices in Thailand and the Philippines and lessons learned. It includes an overview of the different innovation presented by country teams at the end of the Learning Route representing the ASEAN member states as Cambodia, Indonesia, Lao PDR, Myanmar, Philippines, Thailand and Vietnam. A separate documentation archive with detailed documentations and insights was provided to the Learning Route participants by the organisers. The annexes contain the agenda, participants ' list, evaluation results and the organisers' boilers.

For further information visit: http://www.asiapacificfarmersforum.com/events/asean-learning-route-on-agricultural-cooperatives-alrac/

<sup>&</sup>lt;sup>1</sup> For more information visit www.procasur.org

The compact learning sessions were tailored to highlight the achievements of Thailand and the Philippines in their continued efforts to mobilize their agricultural cooperatives as a means to empower and enhance market access for their farmers and to ensure food security. Participants were exposed not only to the respective national legal frameworks, current state of agricultural sector, cooperative systems and good management practices, but also to the existing public private initiatives and various supports for smallholder farmers. These classroom sessions were complemented by field visits to prominent and successful agricultural cooperatives such as Khao Kitchakood Agricultural Cooperative in Chanthaburi, Thailand and Sorosoro Ibaba Development Cooperative (SIDC) in Batangas, the Philippines. In those field visits, participants were given the rare opportunity to see and observe directly how these best practice cooperative models being run and operated, and get insights of their good agricultural practices (GAP) and innovative plans to anticipate the imminent AEC waves.

# II. Lessons learned from the Learning exchange panels and Learning Hosts – Thailand

During the first part of the Learning Route in Thailand the participants had the opportunity to listen and discuss the role farmers organisations in the context of the ASEAN Economic Community (AEC) with Directors, CEOs and executive decision makers from government and research institutions, universities and private sector enterprises.

In recent decades, Thailand has become a middle-income country by conciliating macro-economic growth with community-based development. In this trajectory, Thailand has adapted and originated, piloted, evaluated and scaled up a number of innovative concepts and tools for rural territories development with replication potential in several countries from the global South. Among them, we can find the support and strengthening of the agriculture cooperatives.

The cooperative movement has played a major role as the growth engine of the agricultural sector in Thailand. However, Thai cooperatives in the sector are now faced with new needs and challenges from farmer-members and consumers. Farmer-members consider high economic returns, while consumers demand high-quality products at reasonable prices. These lead to cooperative adaptation, especially in marketing activities to respond to the changing environment.

The Thai case presents lessons in many areas, including Public Private Partnership, Country and Regional Market Integration, Agriculture Cooperatives financial, extension and businesses services to its members, active policy dialogue with governments and others in the private sector.

A panel session and two roundtables were organised at the beginning of the Learning Route. A field visit to the Khao Kichakood Agricultural Cooperative complemented the presentations and discussions and provided practical insights on the management, operations, and marketing strategy of a big, well known cooperative.

The experiences gained in the Thailand Learning Route led to the following Lessons Learned.

#### 1. National framework, policies, regulations and support institutions

At present, the Thai agricultural sector consists of three cooperative types, which are the agricultural, fishery, and land and settlement cooperatives. The agricultural cooperative type is the largest type with 10% of the Thai population as members. All cooperatives types are regulated by the Cooperative Act B.E. 2542.

One of the main guiding framework for the cooperative development of Thailand is the Third master plan – "Cooperative Development Plan 2012-2016". It was developed through consultation and with the participation of public and private organisations. The plan is seen as a Road Map for the development of the Thai cooperative

system and focuses on i) integrating development and associating business networks between cooperatives, ii) promotion of new technologies and innovations and iii) the development of new supply chain and value chain management.

In terms of the performance of cooperative businesses in the agricultural sector, the total assets were \$6,059 million by the end of 2014, representing a three times the asset growth during past ten years. The participation of members in the overall cooperative businesses is accounted for 57.55% of all businesses. Saving and deposit, credit, and purchasing businesses have played an important role of constituting an engine for the overall cooperative businesses.

**Cooperatives play en important role for employment in the agricultural sector** with 24,606 cooperative members employed as managers or staff; 39,435 members are part of the Board of Directors. The members overview 57% of all cooperative businesses.

There is **no single support system** for the cooperatives. **It is a myriad of organisations** supporting the capacities and finance of the cooperative system as:

- The Cooperative Auditing Department (CAD) which develops a design of appropriate accounting system for cooperatives and farmer groups,
- The Cooperative Promotion Department (CPD), which is responsible for promoting and disseminating cooperative ideology, principles and methods to farmers,
- The Cooperative Academic Institute (CAI) which supports and is engaged in research and academic support
  of the Development of Co-operatives and Fairtrade Research Programmes (DC&F) and the main research
  programme of CAI supported by Thailand Research Fund (TRF) since 2004. It provides research grants for
  researchers on action-oriented investigation, which is jointly carried out with the cooperatives.
- The financial assistance programme of the Bank for Agriculture and Agricultural Cooperatives (BAAC), which
  covers the small-scale and poor farmers, which normally are never granted access to formal financial services.
  BAAC, in collaboration with the Cooperative Promotion Department, helps farmers to establish Agricultural
  Marketing Cooperatives (AMCs) in order to gain more bargaining power by the collective purchasing of farm
  inputs and equipment and selling of agricultural produce.
- The key purpose of Cooperative Development Fund (CDF) is to provide loans to cooperatives and farmer groups as working capital and subsidizes cooperatives without payment.

#### New challenges for agricultural cooperatives in Thailand:

The Thailand cooperative movement is facing new emerging needs and challenges: Farmer-members and markets today are concerned about food safety and fair trade especially in the frame of the AEC building. This situation needs to be addressed with new adaptation plans for cooperative system and upgrading management functions of the cooperative system as functional upgrading, process upgrading, and product upgrading as key mechanisms.

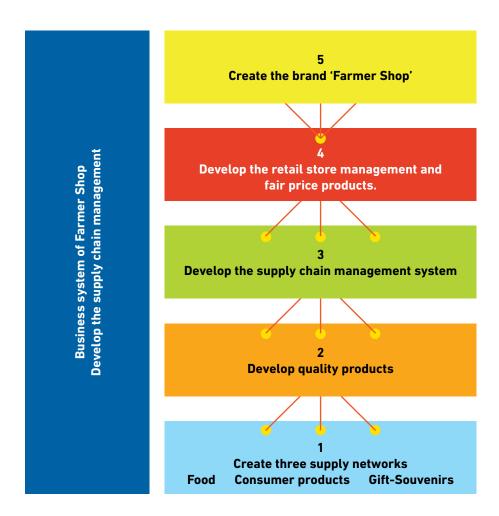
#### 2. Private Sector initiatives

Several private sector initiatives and support programme to cooperatives were presented and discussed with the participants.

#### 2.1 The Farmer Shops as an alternative business model

The 'Farmer Shops' is a system of alternative retail stores under an integrated supply chain management for the benefits to communities, cooperatives, and small entrepreneurs. *The 'farmer shops' are a mutually owned business model by producer and consumers* to produce good quality processed agricultural products at a fair price and to sustain consumer trust and long-term supports.

The Farmer Shops helps enhancing the power of negotiation of the members and to reduce the marketing cost by 15-20%. It creates more opportunities and marketing channels for SMEs and farmer enterprises by triangulation of common values, fair-trade approach and sustainable development, thus addressing new challenges of global market and domestic constraints. The International Cooperative Alliance-Asia and Pacific (ICA-AP) recommends that CAI promotes the new business model 'Farmer Shop' among Asian cooperative movement.



#### 2.2 The Sampran Co-op Research Project

The Sampran Co-op Research Project has started some years ago and is supported by Sampran Riverside Hotel and Resort, a family run business for 53 years, and the CAI of the Kasetsart University and Thailand Research Fund. The Project has three main objectives: i) to develop knowledge transfer to the communities, ii) to find ways to upgrade agricultural products to organic status and iii) to develop supply chains for organic agricultural products. It is a model to be replicated as its shows how a local private enterprise enhanced 9 farmer communities with the development and knowledge transfer of organic production from the start of the supply chain, through production, harvest, packaging and marketing up to the end of the supply chain. Nowadays, these communities have their own website, sell organic products to 6 additional hotels. Other partners were mobilized to train them to develop their own brand mark.

Sampran Riverside Hotel and Resort opened a weekend farmers' market called 'Talad Sukjai' (Happiness Market) as a channel for the public to buy organic products directly from the local communities. Farmers and private sector have built a symbiosis where both sites have the benefits (win-win situation). Farmers are treated as real equal partners.

"We also have the road show where we bring farmers to sell fruit and vegetables to office workers in the city. The consumers like it; they meet the growers so they get to talk and build a trust system with each other."



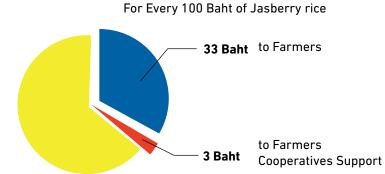
#### 2.3 The Siam Organic Company Limited

Working closely with leading Thai scientists on global agricultural innovations, Siam Organic has identified **a new variety of rice**, **Jasberry™**, with extremely high antioxidants and low Glycemic Index (GI − effect of food on blood sugar level). Nowadays, this rice variety is being grown organically by 100% small-scale farmers. With this new certified organic rice variety a completely new national market and abroad (EU and USA) was established.

Siam Organic works closely in partnership with BAAC (Bank of Agriculture and Agricultural cooperatives) and Kasetsart University with farmer groups to strengthen their capacity in managing organic rice production, thus improving quality of life for their members. Fairness for farmers is part of the core company values. Volumes, quality and pricing are determined together with farmers.

The Siam Organic CEO gives guest lectures on the topic of social entrepreneurship and farmer group support to encourage young people to follow organic rice cultivation for fair-trade.

#### By Supporting Jasberry. You are Supporting Thai Farmers



All 517 Jasberry Farmers are Small-Scale Farmers from Esaan







#### 3. Field Visit Khao Kichakood Agricultural Cooperative, Chanthaburi province

**Khao Kitchakood Agriculture Cooperative** with its 1.404 members, 15 Cooperative Committees and 15 staff member is one of the main driving forces for the development of the Chanthaburi province. It has been praised as a cooperative of excellence and function as a Learning Center for high value fruit farming in and outside Thailand.

The following overview shows the enabling mechanisms and success factors to be replicated:

- The cooperative counts with a **precise development plan**, especially for the purchasing and marketing businesses to support the fruit value farming of the members in order to gain higher revenues.
- The cooperative *collaborates with private companies and the government sector* to encourage the farmermembers to produce quality fruits, particularly mangosteen, for the export market in order to enhance the chances for gaining higher revenue for the members.
- The cooperative collaborates with and involves the members to survey the demand of consumers in the major fruits markets, and, at the same time, educates the consumers on the benefits of fruits and how to eat fruits, leading reciprocal satisfaction and trust of suppliers and consumer.
- The *implementation of new techniques of production*, such as innovative storage facilities helps to maintain the high quality of the products.
- The cooperative holds regular meetings with the farmer-members during the period of production in order to determine the direction of marketing strategies and control the supply chain.
- The *cooperative carries out the purchasing business* to supporting and to *guarantee the quality of input factors* to the members.
- The cooperative *collaborates with private export companies to educate the farmer-members* on utilizing criteria and a grading system for exporting high quality products.
- The cooperative *operates the credit business for production prudently and is careful about increasing the risk of indebtedness for farmer-members*. For example, out of the entire loan, the cooperative pays only about 25% in cash while the rest are paid in term of inputs in kind.
- One of the main principles of the cooperative is collective marketing in order to have a unique market channel
  for selling the high quality fruits of their members. The cooperative determines the fair price for its members
  according to the grading scores of fruits.
- The cooperative *counts with a logistics planning system to minimize the cost of transportation*, which is one of the main influencing factors to the retail price of products. Utilizing existing distribution channel and networking with logistics companies lowers the costs.
- Branding, labeling and packaging of products are important marketing instruments to build a loyal customer base and incentives for the farmer to maintain the production of high quality of fruits for the market.
- **Helping each other and sharing knowledge and skills** within and with fruit farming groups lead to coherence and ownership as holistic cooperative.
- Utilizing the logistics and capacity of Maena Cooperative, Kichakood processes the lower quality fruits into juice and other value adding products. The agreement between the cooperatives and costs are also more favorable than to work with other private processing companies
- Capacity building through the Learning Centers in form of contests enhanced the adoption of good practices especially for the Mangosteen production









4. Lessons learned identified by the Learning Route participants in the thematic domains 'Management of Cooperatives', 'Marketing Strategy and Access to Markets' and 'Public Policies and legal - The Thailand experience

Before being exposed to new learning cases in the Philippines, the Learning Route Participants discussed and presented lessons learned experienced in Thailand. These are:

# 4.1 Learning Domain: Agricultural cooperatives good management in the areas of internal organization, service provision to members, networking and market power

Khao Kichakood Agricultural Cooperative Management has a clear vision and defined objectives and counts with a good governance structure as defined in the national cooperative law. Good moral values are key for good governance ("Presence of Buddhist monk as member"). The management consists of a highly professional management team, which includes specialized staff and for which teamwork is the leading management function. It has the capacity to access easily financial and non-financial support, which is provided by government institutions as e.g. loans for the cooperatives. Good regulatory framework and corresponding instruments as well-defined business development plans is key for the success of the cooperative. The members are part of a farm record and data system all along the value chain steps, from the start of production to the consumer purchase. Grouping together farmers with same products/crops (e.g. fruits) increased bargaining power of the cooperative and the individual member. Membership commitment and active participation in all fields of the cooperative are essential. Investing in successor generation/ youth is the pathway for growth and sustainability. There is still a huge demand for high value fresh fruits in order to expand the production capacities and the marketing opportunities. The Kichakood Cooperative shows networking and linkages to other cooperatives are essential for growing and learning.

# 4.2 Learning Domain: Development of cross-countries marketing strategies and agreements involving public and private sector

The Kichakood Cooperative as a legal entity can easily be engaged in other private marketing cooperations or building partnership with big traders. Corresponding legal frameworks, regulations and guidelines for cross-country marketing cooperation are in place but need to be updated (e.g. customs, sanitary border control, etc.). The cooperative operates as a big cooperative with high volume that facilitates better placement in domestic and international market. Economy of scale is one the key factor of successful marketing. Existing and building new partnership between agricultural cooperatives and private sector facilitated the growth of the Kichakood Cooperative.

Farmers are involved in the complete value chain to guaranty high quality, organic and safe products to be placed in the domestic and international markets. Government institutions provides market information on respective products and the local governments have the to support cooperatives in accessing new markets. Partnership with academics (KU-CAI; PUP, UP, etc.) helped in research and capacity building in order to grow high quality products, complying with the GAP.

# 4.3. Learning Domain: Public policies, national legal frameworks/laws, programmes and mechanism for the support of Agricultural Cooperatives in the frame of the ASEAN Economic Community.

Thailand' cooperative movement counts i) with the royal kingdom support and endorsement of agricultural programme and strong government support, ii) with a strong legal framework on Agricultural Cooperatives and ii) very good (financial) incentives (e.g. subsidies for agricultural producers/ agricultural coops). What is not quite visible is the involvement of smallholders in cooperatives and the focus on inclusiveness.





# III. Lessons learned from the Learning exchange panels and Learning Host – Philippines

The second part of the Learning Route took place in the Philippines where the participants had the opportunity to listen to and discuss with directors, CEOs and executive decision makers from government, research institutions, universities and private sector enterprises on the Philippine's Agricultural sector, Cooperatives and the role farmers organization in the context of the ASEAN Economic Community (AEC).

In the recent years, the Philippines has showed robust economic growth despite natural disasters. It recently ranks as the second fastest GDP growth in Southeast Asia. While it aims to gradually transform into an industrialized nation, it is still basically an agricultural country with majority of its population living in rural areas.

In the agricultural sector, as early as in 1970's, organization of small-scale farmers and self-help groups like farmers' association and cooperatives has been identified as a key driver for improving the production and marketing performance of small-scale farmers. Over the years, the potential of cooperatives as a viable and sustainable form of enterprise has been increasingly recognized. Clearly, the agricultural cooperatives play a vital role in the growth of the economy of the Philippines. While there are areas for improvement (for example, the weak enabling policy environment, lack of government support, weak capability building systems, absence of strong centralized agricultural cooperative financial, production and marketing systems), the most recent innovations are expected to enhance an environment conducive to cooperative dynamism and vitality in the areas of Registration, Regulation and Development.

Two roundtables on Philippines agriculture sector, agricultural cooperatives and other farmer organization situation and perspectives on the AEC were organised at the beginning of the Learning Route. Government and private sector viewpoints were presented and discussed. A field visit to the Soro-Soro Ibaba Development Cooperative (SIDC) in Batangas complemented the presentations and discussions and provided practical insight on the management, operations, and marketing strategy of a big, well know cooperative.

The Philippine Learning Route Programme led to the following Lessons learned.

#### 1. National framework, policies, regulations and support institutions

During the  $2^{nd}$  part of the ASEAN learning Route on Agricultural Cooperatives in the Philippines, the participants had the opportunity to listen to and discuss with representatives of government organisations, university and private sector including on Philippines's Agricultural sector, Cooperatives and the role farmers organization in the context of the AEC.

The presentation on the Philippine Agricultural Sector and its perspectives in the ASEAN Economic Community highlighted that *a united approach of ASEAN stakeholders to enhance and foster cooperatives is indispensable* to make cooperatives attractive for farmers and being part of a collective successful production process and business management.

#### 1.1 The Cooperative Development Authority

The presentation of the Cooperative Development Authority (CDA) provided the following Lessons learned and recommendations for strengthening the cooperatives at national and regional level.

- **Public-private partnerships to institutionalize food value chain** with the end view of cooperative product marketability in ASEAN and global markets **is essential** and should be intensified
- Development of an efficient and harmonized accreditation system for training service providers that provides
  capacity building in entrepreneurial skills and food safety standards helps to make the cooperatives to compete
  in the AE market.
- Strengthening and sustaining functional and organizational *integrative linkages of agricultural cooperatives to* build their economies of scale and entrepreneurial capacity.
- Mainstreaming *climate change adaptation and mitigation measures in agricultural cooperatives* and mobilize them in disaster risk reduction and management.

- Provision of crop insurance and social protection in agricultural cooperatives needs to strengthened and institutionalized.
- Intensifying information gathering and sharing between ASEAN cooperatives to open this kind of learning exchange to more cooperative in the ASEAN Economic Community.

#### 1. 2 The Extension Service Programme of The Polytechnic University of the Philippines

In 1989 the Extension Service Programme of The Polytechnic University of the Philippines established the Department of Cooperatives and Social Development, which provides capacity building support services to develop self reliant and sustainable cooperatives. It i) graduates cooperative specialists with higher degree of competence and expertise in business management, financial management, coop education & community development ii) provides the students with specialized skills for effective cooperatives promotion, organization and development and iii) responds of education and training needs and emerging requirements of the cooperative sector in general. *This academic programme serves as platform for cross-regional education and exchange programmes for enhancing the cooperatives.* 

#### 1.3 Land Bank of The Philippines

The Land Bank of the Philippines is a universal bank wholly owned by the Philippine government with a social mandate to spur countryside development and serve the needs of farmers and fishers. Its agricultural credit and Delivery framework defines the credit and saving opportunities for the Philippine cooperative. The *Land Bank counts with a Cooperative Accreditation system* as main instrument to systematize and rationalize the delivery of financial and technical assistance to cooperatives. Depending on the level of maturity and size the cooperative the minimum requirement to receive support is: i) duly registered with the CDA, ii) at least 60 members iii) paid up capital of P 30,000.00, iv) core management team of Manager, Cashier/Treasurer and Bookkeeper v) with updated book keeping account vi) members have attended pre-membership education seminar.

#### 2. Private Sector and civil society organisations initiatives.

#### 2.1 The National Confederation of Cooperatives NATCCO

The National Confederation of Cooperatives NATCCO is the biggest Federation of cooperatives in the Philippines in terms of an outreach of 2.17 Mio individual members coming from 612 rural and urban-based co-ops. It offers a bundle of services as treasury and credit, information technology, micro finance innovations in cooperatives, education and training and consultancies. The members are served through 1132 offices located in 77 provinces and 129 cities all over the country. The members have access to 39 ATM branches of the network. The 612 cooperatives have consolidated assets of more than 45 billion pesos. A standard core software implemented by NATCCO facilitates saving and credit operations of cooperatives complemented by training in the area of savings and credits in partnership with the Department of Agrarian Reform.

#### 2.2 The Federation of Peoples' Sustainable Development Cooperative (FPSDC)

The FPSC is a network of 125 primary cooperatives, NGOs and farmers organisations, which *focuses its efforts in empowering the marginalized sectors, which include the poor farmers who have little to no access to credit.* FPSDC provides technical assistance and facilitates strategic partnerships with organisations that introduce new technologies in agriculture.

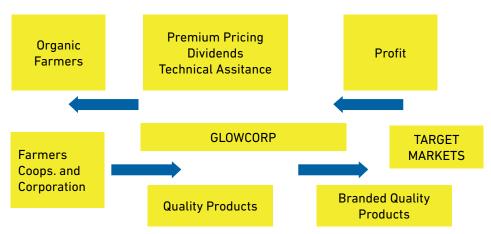
To address the needs of its producer-members to have a reliable market, FPSDC situates itself as a marketing channel for its members, promoting organic agriculture and fair trade practices. Working with the poorer segment of the farmers is the core mission of FPSDC and needs special attention as i) to capitalize the poor farmers, ii) helping to manage their cash-flow as a result that supermarkets may pay only after 90-120 days, iii) to close cash trap of suppliers which leads to delays production of members and iv) that coops will not be in the mercy of big supermarkets.

#### 2.3 Global Organic and Wellness Corporation (GLOWCORP)

Glowcorp was organised in 2010 as a response to the need for collective marketing of organic products. It was formed by 8 cooperatives, associations and NGOs. GlowCorp is committed to assist small-scale producers of organic rice and muscovado and coco sugar in scaling up production and developing new and non-traditional markets.

As a marketing arm, GlowCorp's primary role is to act as middle person/entity or trader between member-suppliers and the target markets. However, what makes them different from ordinary or traditional middlemen is that the farmer producer owns it. The benefits of such trading set-up is that the farmers can negotiate for better farm gate price for their products and at the same time gain from the profit that will be derived from the marketing activities of the corporation.

The diagram below shows how GlowCorp designed their social enterprise concept with them as the middle structure:



GlowCorp's operation is sustained by putting competitive margin on the organic products once in the market. It provides technical services to framers and suppliers to include market matching, quality control, and installation of internal control system for organic certification, packaging and labeling. The profits gained from the operations are given back to the shareholder-producers through monetary form or dividends and technical support. When GlowCorp needs additional capital the profits are used as additional capital first for the operation of the corporation. Technical assistance on the other hand is geared towards improving membership's capacity on organizational and enterprise development and strengthening, membership expansion, policy advocacy and technology development. With these services, expected sales were increased, organizational and enterprise capacity improved, agricultural productivity enhanced, efficiency in post-harvest handling improved.

#### Achievements:

GlowCorp learnt from failures and success of other marketing groups and initiatives. It was able to continuously increase its sales of organic rice and muscovado sugar and its operations became profitable after three years. GlowCorp was able to sell organic rice and muscovado sugar from 2,500 organic farming households in the Philippines. Although it only generated P1.3M during its first year of operation in 2010, it significantly increased sales by P8.3M in 2011. In 2014, it has generated 47 PM. GlowCorp earned net P 586,822.0 respectively. GlowCorp was able to mainstream growth sales of the organic rice and muscovado sugar in supermarkets, groceries and malls not only in Metro Manila but also in other cities. Today it has 306 retail outlets nationwide and exports to other Asian countries.

#### Lessons learned:

GlowCorp defined its *main lessons learned as:* i) the need to have marketing specialists / practitioners to boast the sales of organic rice and muscovado sugar, ii) marketing needs to be backed up by enough marketing capital to play aggressively in the market. iii) to know the customers by heart. GlowCorp products are quiet expensive and not all buyers are able to afford these products. *GlowCorp has identified customers and buyer with high bargain power and confirmed that organic rice is suitable for high-end markets*.

#### Difficulties and Challenges Encountered

GlowCorp had very low sales during the first year of operation. Hiring marketing experts/ officers solved the problem. GlowCorp has to convince suppliers and shareholders of the importance and process of certification as well as to introduce them to the certifying bodies. At the start GlowCorp enabled the rice suppliers to practice Internal Control System (ICS) for the organic products. At the beginning of its operation, the start up fund capital was too small (only P 270,000.00) which is not enough as working capital. GlowCorp motivated shareholders to add additional working capital to their original investments and also recruited new shareholders for additional funds.

#### 2.4 Jollibee Group Foundation (JGF)

The Jollibee Group Foundation (JGF) is the corporate social responsibility arm of Jollibee Foods Corporation, the largest food service business in the Philippines and the dominant force in the country's local fast food landscape. The JGF was created in 2004, as a "giving back" corporate social commitment. The Foundation is built on three principles: linking Cooperate Social Responsibility to core business, work with proactive communities and build value based partnership. One of its three core programmes is the Farmer Entrepreneurship Programme (FEP), launched in 2008 in partnership with the Catholic Relief Services (CRS) and the National Livelihood Development Corporation (NLDC). The programme provided smallholder farmer groups with a package of support consisting of agro-enterprise training through CRS, access to credit through NLDC and direct market access for the farmers' produce which the Foundation facilitated. The following crops were sourced from smallholder farmers: onion, green bell pepper, chili and Philippine lemon. One such farmer group was the Kalasag Farmers Producer Cooperative, formed by 30 farmers in 2008. Since then, it has been a regular supplier of white onions to the Corporation.

By 2014 the programme has assisted 27 farmer groups from Luzon, Visayas, and Mindanao. From these, 20 groups have delivered to various institutional buyers such as restaurants, supermarkets, and food producers. In addition, 20 institutional markets had experienced directly sourcing from smallholder farmers for their vegetable material requirements through FEP. These companies practice inclusive business by offering the farmers opportunities to be directly part of the supply chain. FEP has partnered with 85 local institutions to train and develop more than 1,800 farmers from 15 provinces nationwide. The Department of Agriculture has also provided training and agricultural materials.

#### 2.5 Philippine Business for Social Progress (PBSP)

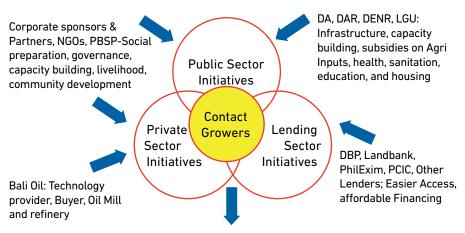
The Philippine Business for Social Progress (PBSP) is the largest business sector-led social development organization in the Philippines committed to poverty reduction. Since 1970, PBSP advocates for stronger corporate citizenship by influencing the business sector to integrate corporate social responsibility (CSR) practices into their core businesses, and applying business strategies such as Inclusive Business and the Collective Impact Framework in addressing poverty and other big societal challenges. Its Livelihood and Enterprise Development (LED) programme provides support through research and training, business development, credit assistance and project implementation assistance. It also has an Inclusive Business strategy wherein target communities are formally and directly engaged in the value chain of companies as producers, suppliers or business partners.

One of the examples of LED presented to the Learning Route participants is BALI OIL PALM PRODUCE CORP (BOPPC) with its mission building sustainable communities through Inclusive Businesses (IB) Model. All stakeholders, especially small and poor crop producers must be included in the benefits and gains of the whole value chain. As part of the Kalilangan Oil Palm Growers Association (KOPGA) around 1500 farmers with 3000 ha are benefitting as contract farmers from technical assistance and capacity building including organizational development. This association has not yet been transferred to a cooperative but contract farming offers feasible alternative to be organised as a cooperative.

#### National Convergence Program, National Greening Program

#### THE BENEFICIARIES

- The poor small farmers (1-5 hectares)
- (ARBs) Agrarian Reform Beneficiaries and ARBOs
- Forest Stewards (Integrated Forest Management and Community Based Forest Management awarded by the Department of Environment and Natural Resources (DENR)
- Indigenous Peoples (IPs)



INCLUSIVE GROWTH & SUSTAINABLE COMMUNITY DEVELOPMENT

#### 3. Field Visit to the SOROSORO IBABA DEVELOPMENT COOPERATIVE (SIDC)

Sorosoro Ibaba Development Cooperative (SIDC) is the biggest and most successful agricultural cooperative in the Philippines. SIDC has been operating for 47 years already and currently has a total membership of 20,991. It employs 284 person, most of them are cooperative members. Its key business ventures include feed mill; hog raising and contract growing, poultry growing; agro-trading and financing, merchandizing of its agricultural inputs like organic fertilizers and other commodities in its CoopMart branches and CoopSuperMart. SIDC also ventures into non-agricultural businesses like gasoline station, water refilling station, eco-tourism (Sorosoro Spring Resort) and provides technical and financial services to its members. 2015 was the most successful year for SIDC with the biggest gains. 3% of the gains will go back to the members.

Among the best practices and innovations adopted by SIDC are the following:

#### (a) The balance between economic viability and social relevance

SIDC fully adheres to the core values and principles of cooperatives. It is guided by the values of trust in god, integrity, excellence, teamwork, and nature stewardship and by its "S-I-D-C" quality policy, which stands for "Satisfaction of our members and customers, Integrity in everything that we do, Development and involvement of our people, and Commitment to continually improve our processes and our quality management system." In SIDC, the leaders and management team ensures that in every decision and action that they make, a balance between economic and social goals is achieved

The sustainability of SIDC as a socio-economic enterprise is a combination of two elements: (i) democratic governance through participation and social equity and (ii) economic efficiency through better business environment and workplace practices.

Its democratic governance, strong member participation and structured management system characterize the three-tier organization of SIDC. The General Assembly represented by the cooperative members, is the highest policy-making body of the cooperative. Under the General Assembly are the Board of Directors and then the CEO who manages and supervises the multi-level management and operations system of the cooperative.

#### (b) The two-level enterprise operation of the cooperative

The Member-level enterprise: In SIDC, a member has its his own enterprise. A member can be engaged in any enterprise according to his business plan and using his own capital. This opportunity is created by SIDC as conduit of the members' enterprises. It supports its members in many ways: as a source of capital (through its financing programme); as a source of affordable and quality inputs (e.g., feeds, fertilizers, seeds, livestock animals, etc.); as a technical service provider (through trainings/seminars and veterinary services for livestock); and as a market for members' products.

The Cooperative-level enterprise: SIDC is engaged in diverse businesses for two key reasons: to cater to the range of personal needs of its members and to generate income for the cooperative itself, which will then be shared among the members. In such endeavor, the cooperative is not only ensuring the stability and sustainability of the cooperative enterprise but also creates jobs and livelihood activities for SIDC members, which helps uplift their economic status. In addition, through SIDC, networks and linkages with government, non-government/private and other development agencies and organisations further expansion of the business and market opportunities of the cooperative can be established and strengthened, which are otherwise impossible if done at individual or small-scale level

#### (c) The assured quality and safety of goods and services

One of the strategies of SIDC to ensure quality and safety of its products is by producing its own inputs (e.g. feeds and fertilizers with most of the ingredients coming from the cooperative itself) and providing in-house services (e.g., own pig multiplier farm and artificial insemination center) in the process of production and distribution. With a strong commitment to provide safe, reliable and good quality feeds to its members while ensuring productivity and competitive advantage in the feeds sector. 10% of the feeds come from smallholder members. Nevertheless SIDC has a growing demand for more feeds, which is not covered by the cooperative itself. This can be a good opportunity for Coop-to Coop business in the ASEAN EC.

#### (d) Vertical integration of SIDC's feed-to-hog businesses.

Under vertical integration, SIDC performs the interrelated business activities of feeds production, hog breeding, hog fattening, slaughtering, meat processing and selling. These activities are complemented with enabling mechanisms that the cooperative provides such as financial support, technical services and capacity building activities. SIDC serves as a sure market for the produce of its member contract growers and hog raisers. The purchased live hogs are then slaughtered and sold as fresh or as processed meat by SIDC in its CoopMart and CoopSuperMart, gasoline stations, and members' retail stores.

Vertical integration provides a number of advantages. First, it can improve efficiency in terms of reducing cost of production (especially, input costs) of SIDC and its individual members and lowering transaction costs. Second, it minimizes the impacts of price risks and market shocks on its business. Lastly, it can enhance productivity and quality and sanitary standards of the products, allowing the cooperative to become more competitive especially in the export market. All of these can potentially improve the competitive and comparative advantages of SIDC in hog and feeds sectors when it becomes part of the AEC.

#### Challenges for SIDC:

However, in ensuring its position in the ASEAN markets, strategic actions must be further taken to improve its competitiveness in terms of price and quality as well as its efficiency in production and marketing. The institutional support of the Philippine government, particularly of Department of Agriculture, and its cooperation with other cooperatives and private swine businesses are also equally important in optimizing the potentials of SIDC and the whole Philippine swine industry in the international hog and meat markets



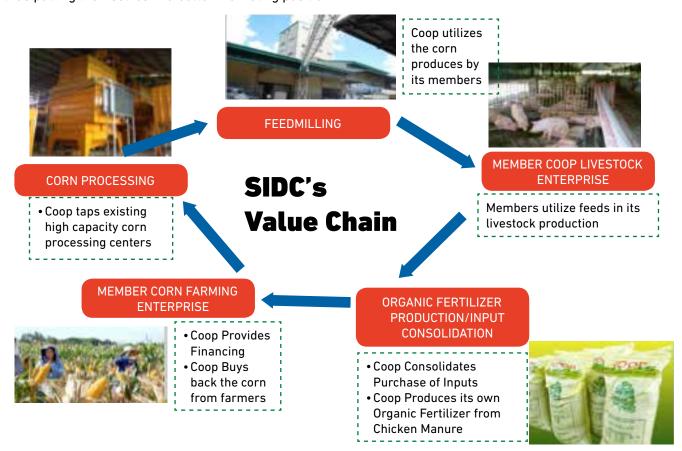
# 4. Learning Route domains 'Management of Cooperatives', 'Marketing strategy and Access to Markets' and 'Public Policies and legal - The Philippine experience-Summary of experiences and lessons learned presented by the Learning Route Participants

# 4.1 Learning Domain: Agricultural cooperatives good management in the areas of internal organization, service provision to members, networking and market power- the SIDC case

The Sorosoro Ibaba Development Cooperative (SIDC) has a clear member-oriented management with nine Board Directors. The management has a clear membership development policy and programme. The members "benefit from the COOP and COOP benefit form the members". Regulations are towards membership orientation. The management team has clear terrms of references and is caracterised by high transparancy towards the members as the general assambly aproves the budget and the distribution of revenues. The very good financial decicion policy has facilitated the growth of cooperative. One of the unique caracteristic is the so-called "Lazarus effect" which means that SIDC has incorporated small and not so well off coopeartives which had faced servere economic and finacial problems. SIDC management has showed its potential by diversification of the products based on the farmers needs. The cooperative members are committed and show discipline. SIDC has partnerships with other cooperatives and the private sector. SIDC generates employment and contributes to social development of the communities. The patronage systems allows the members to benefit individually according to their workforce potential and to socio-economic stratification.

### 4.2 Learning Domain: Development of cross-countries marketing strategies and agreements involving public and private sector-the SIDC case

SIDC has a its strength in its clear interrelated value chain as shown below. Members are buying from and selling to the SIDC enterprises. The enterprises are closely connected with clear interface and strong relationships with other private companies have been established e.g. buying hugs. The cooperative has its own marketing managers. All SIDC companies employ members from the Cooperative. For quality assurance, SIDC uses the ERP system. Production of organic fertilizers allows the members to transfer their production to organic production, thus putting themselves in a better marketing position.



federation of co-ops in the Philippines, in terms of geographical reach, membership, financial capa

# 4.3. Learning Domain: Public policies, national legal frameworks/laws, programmes and mechanism for the support of Agricultural Cooperatives in the frame of the ASEAN Economic Community – Lessons learned from Round table and visit to SIDC

The Philippine Agricultural development sector has established good coordination mechanism between government bodies providing services to cooperatives, to NGOs and other private companies. There are good laws and programmes on cooperatives as i) CDA reviews the policy on cooperatives regularly, ii) asks for audit before issuing certificate of compliance to cooperatives, iii) policy that an agriculture cooperative can enter into non-agricultural business as well (e.g resort), iv) tax free import for coops (e.g when buying equipment and raw materials), v) formation of federation of agricultural cooperatives. Government institutions provide support on registration, funds, technical assistance and ICT especially for marketing. Land Bank is an important source for credits for cooperatives but not for individual members. The Philippine cooperative movement shows strong policy advocacy with two members in congress.









# IV. Innovation to adopt and replicate good practices as a result of the Learning Route

The design of the Innovation Plan supported participants in capitalising on the knowledge acquired during the Learning Route in Thailand and the Philippines, transforming this knowledge into practical actions to improve poor rural people's livelihoods in their own country.

The cooperative development strategies and corresponding mechanisms and initiatives currently carried out by the institutions and organisations represented by the Learning Route's participants build the framework for the Innovation Plans. The Innovation Plans contribute to enhance the results of on-going activities, complementing the current efforts made by the institutions and organisations to improve rural livelihoods at national and local levels.

The Innovation Plans address the following thematic domains:

- Agricultural cooperatives good management in the areas of internal organization, service provision to members, networking and market power.
- Development of cross-countries marketing strategies and agreements involving public and private sector.
- Public policies, national legal frameworks/laws, programmes and mechanism for the support of Agricultural Cooperatives in the frame of the ASEAN Economic Community.

The Innovation Plans are based on the following key concepts and will have a timeframe of 24 months.

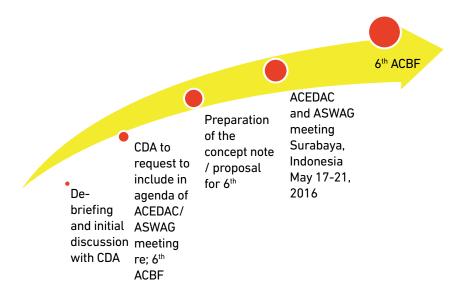
	INNOVATION PLAN - SOME KEY CONCEPTS
Vision	What is your goal / priority? What would you like to achieve on the long-term?
Relevance	Why is this important or a priority?
Enabling Factors	What kinds of opportunities or conditions exist today that can facilitate the achievement of your vision?
Main Objectives	What kind of medium term objectives can we set to achieve the final goal / vision?
Strategic Actions	What new actions or new practices can we implement in order to address these objectives
Strategic Actors	What actors should be involved?

#### Innovation Plan (IP) Timeline



#### 1. AFOSP Road Map on Agricultural Cooperatives in the ASEAN

		•
Key Areas of Actions	Expected Output	Priority Activities
Policy Level	ASEAN Roadmap on Agricultural Cooperative	1. ALRAC government representatives who are members of ACEDAC/ ASWAG to promote the development of ASEAN Roadmap on Agricultural Cooperative during the ACEDAC/ASWAG on May 17-21 in Surabaya 2. Multi-Sectoral consultation • national • regional
Actual Cooperation level on Cross- border Marketing	6th ASEAN Cooperative Business Forum (ACBF)	Philippine representative to lead/host the 6 <sup>th</sup>
Continuing learning exchange	North-South Exchange Japan, South Korea EU	ICA, Agricord - AsiaDHRRA, CSA;



#### 2. The Innovation Plan of the Cambodian Delegation

This innovation plan aims to improve the management the agricultural cooperative and the rice value chain. The foreseen activities include 1) meetings the farmers to share the main principles of a good agricultural cooperative, 2) to strengthen the structures of Coops by sharing the knowledge gained during the Learning Route on agricultural cooperatives, 3) enhance the rice production, 4) building linkages to other cooperates (networking) and 5) conduct training programmes on processing and packaging.

#### **Expected results:**

- 1. 356 Farmers familiarized with the principle of agricultural cooperatives
- 2. The Coop counts with a clear management structure with a strong leadership and roles and responsible
- 3. 20 % farmers will have an increase income
- 4. 200T of rice will be produced
- 5. The Coops will be competitive on the market

#### 3. The Innovation Plan of the Indonesian Delegation

This innovation plan envisions to increase economic opportunities and benefit for agricultural cooperatives. It has multilevel objectives to enhance agriculture cooperative through the development of smallholder farmers by Strengthening the value chain from early production to the post production regarding the (inter)relation among farmer, coop and consumer.

This includes: i) protecting agriculture local and national product, ii) creating short supply chain, iii) shortening the market chain, iv) higher product prices for members, v) open Information and marketing access in AEC, vi) enlarging enterprise network and Enterprise Resource Planning (ERP), vii) Build Coop learning center under advisory from AFA, AFOSP and other institutions, viii) Applying E- Management, Standardize all product base on Good Agriculture Practice (GAP)

#### 4. The Innovation Plan of the Laos Delegation

The innovation plan aims to count with an effective commercial agriculture handled by the cooperatives. The innovation plan will be implemented as part of the three components of the AFOSP programme 1) policy dialogue, 2) farmer organization services and 3) institutional strengthening

**Activities** will be on: 1) Research and a forum on good practices in policy issues of cooperatives; 2) preparing advocacy and awareness videos leading to national policy dialogue on cooperatives and 3) an organic vegetable network consisting of organic vegetable cooperatives and Rice seed cooperatives

#### 5. The Innovation Plan of the Myanmar Delegation

The vision of the innovation plan is to build an agricultural economy with cooperatives, which promote social and economic justice and progress for the wellbeing of the community and living standards of the farmers.

The corresponding **objectives are**: i) To promote the model of cooperative in the agricultural sector, ii) to have access to direct markets for more benefit, iii) To get equal benefit for the consumers and producers and 4) to influence positively with the cooperative movement the economic and social development policy of the State.

The follow **activities are** foreseen: i) Training and technical knowledge for the farmer, ii) establishing a legal framework and registration process; iii) sharing of new business methods in the community, iv) negotiations with government institutions on the procedures; v) linking with other cooperatives and partnership with private sector to promote good quality products and vi) enhancing input supply to the farmers. The production of the cooperative will cover 60 000 acres.

#### 6. The Innovation Plan of the Philippine Delegation

**Vision:** To strengthen the Filipino Cooperatives preparedness tobe engaged in the ASEAN Community and to establish a relationship based advocacy on mutual interests, fair economic cooperation and strategic interagricoop partnerships

**Objectives**: i) Address policy disconnects/gaps that affect the operationalization of the CDA's mandate to strengthen the agri-coops; ii) strengthen local FOs internal institutional mechanisms on organizational management and socio-econ initiatives; iii) foster inter-coop partnerships for capability/capacity building; iv) facilitate coopgovernment-private sector cooperation for services and resources exchange; v) facilitate discussions that will lead to a formation of a National Agri-Coop Con-federation based on TAP principles

**Results:** i) ensure smooth inter-agency coordination within government to facilitate the implementation of the CDA's mandate ii) levelling of the FOs internal capability/capacity; iii) standardization of quality assurance among the agri-coops produce; iv) ensuring the support for agri-coops in terms of technology transfer, sharing of best practices, access to resources

**Support Actions:** i) CDA will assist/expedite the facilitation of FOs application for coop registration; ii) MTCP 2 will facilitate to convene venues for policy review and recommendations; iii) MTCP will assist in the FOs initiatives for organizational development; iv) MTCP will identify resources that may be tapped for coop development; v) FOs may/will engage/partner with SIDC in their own individual capacity

#### 7. The Innovation Plan of the Thailand Delegation

The Thailand Innovation plan is on empowering farmers and enhances cooperative management.

**Its vision** is i) to achieve sustainable income and good quality of life for the farmers and ii) a good management and business operation of Cooperatives. The relevance of the plan is two—folded for the farmers at grass root level and at the same time at Cooperative level, starting by strengthening farmers and capacity building of the cooperative's management.

**The objectives** are i) capacity building to farmers; ii) Strengthening community enterprises and creation of network between community enterprises and cooperatives.

This will be achieved with the following activities: i) training of farmers member; ii) collection of agricultural data for marketing by members and formulation of a farming plan, iii) establish a Learning Center and iv) networking with other community enterprises and cooperatives.

**The target group** will consist of 600 farmers in the Tasao Community enterprise, Kancharaburi Province. The expected outcomes will be i) strong farmer, ii) a strong community enterprise and a strong cooperative

**Implementer and involved partners**: The Tasao Community Enterprise will be the implementer of the plan, the Assembly of poor will share their experience, Kichakood will function as learning place and CAD will provide technical assistance and training.

Challenges: Receiving technical advice and mobilization of some funds.

#### 8. The Innovation Plan of the Vietnam Delegation

**Objectives**: i) Expand production based on organic standards; ii) improve relationship of coops and enterprises; ii) enhance effectiveness of coops and iii) mobilize farmers to take part on new model of coops like in Thailand and Philippines.

**Actions:** i) Enhance support between Coops. ii) Adjust policies that are not suitable iii) Build up and explain model of effective Coops iv) Connection between Coops and private sector v) Support in techniques and science, promotion, capital, infrastructure, vi) Organise seminars and training workshops to enhance staff capacities on Cooperatives and farmer organisations, and vii) clarify distinct roles of staff within the Coops.

The target will be to cover 20% of 11,500 cooperatives in Vietnam.

### **ANNEXES**

### **Agenda**

Date	Activities		
March 27	Arrival in Bangkok and accommodation in KU Home, Kasetsart University		
Kasetsart University Bangkok	16:00 – 17:00 Briefing for Interpretersz		
	17:00 – 18:00 Preliminary Group Work per country on the Experience Fair		
	18:30 – 19:30 Welcome dinner		
March 28	Opening Programme		
Kasetsart University Bangkok	08:00 – 08:30 Registration of participants Responsible: CAIs (Cooperative Academic Institute) and PROCASUR		
	08:30 - 09:00 Welcome remarks and brief delegations introduction Speakers:		
	09:00 – 09:30 Introduction to the Learning Route Speakers:		
	<ul> <li>Lany Rebagay, MTCP2/AFA</li> <li>Ariel Halpern, Vice President PROCASUR Corporation</li> <li>Facilitation: Jun Virola, MTCP2/AFA</li> </ul>		
	09:30 – 10:15 Panel 1: The State of Agriculture Cooperatives in ASEAN: Milestones and Challenges Speakers:  Ms. Norlizah Binti Muhamad, rep for Chair ASWGAC		
	Mr. Luhur Pradjarto, ACEDAC     Facilitation: Aprianto Masjhur, ASEAN Foundation		
	10:15 – 10:45 Coffee break		
	10:45 – 12:00. Roundtable 1: Thailand's agriculture sector, Agriculture Cooperatives and other Farmer Organisations situation and perspectives on the AEC Speakers:		
	Mr. Cherdchai Promkaew     Director Bureau of Cooperative Business Development, CPD     Mr. Adul Kanchanawat		
	<ul> <li>Mr. Adul Kanchanawat         Senior Executive Vice President of Bank of Agriculture and Agricultural Co-operatives (BAAC)     </li> <li>Mrs. Jantida Meedech Deputy Secretary General of Office Agricultural Economics (OAE)</li> <li>Facilitation:</li> </ul>		
	Asssoc. Prof Juthatip Patrawart     Director of Cooperative Academic Institute (CAI)		
	12:00 – 13:30 Lunch break		
	13:30 – 14:45 Roundtable 2: Thailand's agriculture sector, Agriculture Cooperatives and other Farmer Organisations situation and perspectives on the AEC. Private sector Speakers:		
	<ul> <li>Mr. Peetachai Dejkraisak</li> <li>CEO of Siam Organic Co. Ltd.</li> <li>Mr. Arrut Navaraj</li> </ul>		
	<ul> <li>Managing Director of Sampran Riverside</li> <li>Dr. Kouk Donsumran</li> <li>Chairman of The Cooperative League of Thailand (CLT)</li> </ul>		
	Mr. Chuchart Insawang     The National Reform Steering Assembly, Manager of the Si Prachan Agriculture Cooperative		
	15:15 to 19:00. Travel to Chanthaburi Stop for dinner by the sea by 18:00.		
	20:00 Check in at the Evergreen Resort http://www.evergreenchanthaburi.com/		

Date	Activities
March 29	07:30 – 08:30 Breakfast
Chantaburi, Province	08: 30 – 12:30 Study visit to the Khao Kichakood Agriculture Cooperative Ltd.
	12:30 – 13:30 Lunch with Cooperative board
	13:30 – 16:00 Study visit to the Khao Kichakood Agriculture Cooperative Ltd
	16:00 – 17:00 Return to Hotel and rest
	17:00 – 18:30 Experience Fair Informal sharing on the countries experience with Agricultural Cooperatives and participation in the ASEAN.
	19:00 Dinner
March 30	07:00 - 07:30. Breakfast
Chantaburi Province	08:30 – 11:30. Travel from Chanthaburi to Suvarnabhumi Airport in Bangkok Light meal at the Airport
Bangkok Province The Exchange	13:50 – 18:10 Flight from Bangkok to Manila with Philippines Airlines 731
Regency Residence Hotel, Ortigas Center, Pasig City	20:00 pm – Check in at The Exchange Regency Residence Hotel (www.theexchangeregency.com)
March 31	08:00 - 09:00 Breakfast
The Exchange Regency Residence	09:00 – 10:30 Review of the Thailand´s lessons learned
Hotel, Ortigas Center, Pasig City	10:30 – 11:30 First Innovation Plan Workshop
rasig City	11:30 – 13:00 Lunch
CDA, Cubao, Quezon	13:00 – 14:00 Study Trip to Cooperative Development Authority (CDA)
City	Roundtable 3: Philippine Agriculture Sector, Agriculture Cooperatives and other Farmer Organisations: Situation and Perspectives on the ASEAN Economic Community (Government)
	14:00-14:30 Introduction
	14:30-15:00 Department of Agriculture: Philippine Agriculture Sector
	15:00-15:30 Polytechnic University of the Philippines: History and prospects of Agricultural Cooperatives in the Philippines  Speaker: Prof. Rebecca Palma, Area Chairperson, College of Social Science and Development,
	Department of Cooperatives
	15:30-15:45 Break
	15:45-16:15 Cooperative Development Authority: Key Features of Philippine Cooperative Code and Programmes for Agricultural Cooperatives  Speaker: Mr. Ray Ragel Elevazo, Executive Director
	16:15-16:45 Land Bank of the Philippines: Award programme for Cooperatives Speaker: Edgardo S. Luzano, Department Manager, PMD
	16:45-17:45 Talk Show
	17:45-18:00 Synthesis
	18:00 Welcome Dinner

Date	Activities	
April 1	07:30-08:30 Breakfast	
The Exchange Regency Residence Hotel, Ortigas Center, Pasig City	Roundtable 4: Initiatives to support Pro-Small-Scale Farmer Value Chains and Perspectives on the ASEAN Economic Community (Cooperatives and Civil Society Organisations)	
	08:30-09:00 Introduction	
	09:00-09:30 National Confederation of Cooperatives (NATCCO) Speaker: Sylvia Okinlay-Paraguya, CEO	
	09:30-10:00 Federation of Peoples' Sustainable Development Cooperative (FPSDC) Speaker: Christie Rowena "Tetay" C. Plantilla, Chief Executive Officer	
	10:00 – 10:30 Break	
	10:30 – 11:00 Break	
	10:45-11:15 Global Organic and Wellness Corporation (GlowCorp) Speaker: Bernie Berondo, General Manager	
	11:15-12:45 Lunch	
	12:45-13:15 Jollibee Group Foundation: Farmer Entrepreneurship Programme and Partnership with small-scale farmers  Speaker: Ms. Joanna la'0, Programme Manager, Farmer Entrepreneurship Programme	
	13:15-13:45 Philippine Business for Social Progress: Inclusive Business Model Speakers: Amy Melissa Chua, Romy Posadas	
	13:45-14:45 Talk Show	
	14:45-15:00 Synthesis	
	15:00-18:00 Travel to Batangas to visit Soro Soro Ibaba Development Cooperative (SIDC) Overall SIDC Coordinator: Bon de la Roca, Senior Manager	
	18:00 Dinner and Cultural Show	
April 2	08:00-09:00 Breakfast	
Batangas Province	09:00 – 12:00 Study Visit to Soro-Soro Ibaba Development Cooperative (SIDC)	
	12:00 – 13:30 Lunch with SIDC members and officers	
	13:30 – 16:30 continuation of Study Visit to Soro-Soro Ibaba Development Cooperative (SIDC)	
	16:30 – 19:30 Travel back to Manila Stop for dinner on the way	
April 3	08:30 – 10:00 Review of the Philippines' lessons learned	
The Exchange Regency Residence	10:00 – 10:15 Break	
Hotel, Ortigas Center, Pasig City	10:15 – 12:15 Second Innovation Plan Workshop	
. asig only	12:15 –13:30 Lunch	
	13:30 – 15:00 Innovation Plan Peer Review	
	15:00 – 15:20 Break	
	15:20 – 16:20 Review of Roadmap for the ex-post of the Learning route	
	16:20 – 16:40 Evaluation of the Learning Route	
	16:40 – 17:40 Closing programme / Certificate Distribution	
	19:00 – 21:00 Dinner and Solidarity night	
April 4	Safe return home	

#### Organisers, supporters and partners profiles

#### The AFOSP

The ASEAN Farmers' Organization Support Programmeme (AFOSP) is an EU and IFAD Grant funded multistakeholder project (2015-2019) that aims to improve the livelihoods and food security situation of smallholder farmers and rural producers in ASEAN countries. Its main objective is to strengthen the institutional and operational capacities of farmers' organisations in the region and to promote policy dialogues and interactions at all levels. This activity, ASEAN Learning Route on Agriculture Cooperatives is part of the activities for 2016 under the AFOSP.

#### The ROUTASIA

IFAD and PROCASUR'S ROUTASIA programmeme enhances learning and sharing of knowledge within the region, and the scaling-up of practical solutions tested and validated in the field. We do this by harvesting and disseminating innovations, building the capacity of IFAD supported projects and partner institutions to maximise outcomes of the Learning Route's and providing space for local champions to become visible partners in development.

#### Asian Farmers Association for Sustainable Rural Development (AFA)

Established in 2002, AFA is a regional alliance of independent national farmers' organisations, with 17 member organisations in 13 countries (Philippines, Indonesia, Thailand, Cambodia, Myanmar, Vietnam, South Korea, Taiwan, Japan, Nepal, Bangladesh, Mongolia, Kyrgyzstan), with a combined membership of around 12 million individual small-scale farmers, fishers and indigenous peoples. It works at local, national and regional levels, facilitating knowledge sharing and learning; conducting consultations and building consensus on various policy issues; representing small-scale farmers in Asia in regional and international gatherings and building capacities on organizational development, sustainable agriculture and farmer-led agro enterprises. AFA, in consortium with La Via Campesina, acts as AFOSP Regional and Sub regional implementing agency for Southeast Asia. To learn more, please visit www.asianfarmers.org

#### La Via Campesina (LVC)

La Via Campesina is the international movement which brings together millions of peasants, small and medium-size farmers, landless people, women farmers, indigenous people, migrants and agricultural workers from around the world. It defends small-scale sustainable agriculture as a way to promote social justice and dignity. It strongly opposes corporate driven agriculture and transnational companies that are destroying people and nature. La Via Campesina comprises about 164 local and national organisations in 73 countries from Africa, Asia, Europe and the Americas. Altogether, it represents about 200 million farmers. It is an autonomous, pluralist and multicultural movement, independent from any political, economic or other type of affiliation. La Via Campesina , in consortium with AFA, acts as AFOSP Regional and Sub regional implementing agency for Southeast Asia. To learn more, please visit www.viacampesina.org

#### **ASEAN Foundation**

The ASEAN Foundation is an organisation from and for the people of Southeast Asia. The Foundation was established by the ASEAN Leaders in December 1997 during ASEAN's 30th Anniversary Commemorative Summit to help bring about shared prosperity and a sustainable future for the people of all ASEAN countries.

With AFOSP, The Foundation facilitates the promotion of policy dialogues and interactions between farmers' organisations and the ASEAN level institutions. To learn more, please visit www.aseanfoundation.org

#### **PROCASUR** Corporation

Procasur is a global organization specialized in harvesting and scaling-up homegrown innovations. Its mission is to foster local knowledge exchange to end rural poverty. By sharing innovations through customized local knowledge-management tools and methodologies, the organization connects global institutions with local talents, providing the structured learning platforms necessary to spread innovation. PROCASUR has facilitated learning opportunities in over 40 countries in Africa, Asia, and Latin America and the Caribbean, affecting the lives and livelihoods of thousands of rural people across the globe. To learn more, visit www.procasur.org

#### **European Union (EU)**

The European Union is a unique economic and political partnership between 28 countries, currently including Austria, Belgium, Bulgaria, Croatia, Cyprus, the Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Ireland, Italy, Latvia, Lithuania, Luxembourg, Malta, the Netherlands, Poland, Portugal, Romania, Slovakia, Slovenia, Spain, Sweden, and the United Kingdom. The EU was created in 1958 as the European Economic Community (EEC). In the aftermath of the Second World War, its first steps were to foster economic cooperation: the idea being that countries who trade with one another become economically interdependent and so more likely to avoid conflict. Its name was changed to European Union in 1993, to reflect its evolution from a purely economic union to an organization spanning policy areas, from development aid to environment. The EU is based on the rule of law: everything that it does is founded on treaties, voluntarily and democratically agreed by all member countries. These binding agreements set out the EU's goals in its many areas of activity. To learn more, please visit www.europa.eu

#### International Fund for Agricultural Development (IFAD)

The International Fund for Agricultural Development (IFAD) invests in rural people, empowering them to reduce poverty, increase food security, improve nutrition, and strengthen resilience. Since 1978, IFAD has provided about USD \$15.8 billion in grants and low-interest loans to projects that have reached 430 million people. IFAD is an international financial institution and a specialized United Nations agency based in Rome – the UN's food and agriculture hub. To learn more, visit www.ifad.org

#### Swiss Agency for Development and Cooperation (SDC)

The Swiss Agency for Development and Cooperation (SDC) is Switzerland's international cooperation agency within the Federal Department of Foreign Affairs (FDFA). In operating with other federal offices concerned, SDC is responsible for the overall coordination of development activities and cooperation with Eastern Europe, as well as for the humanitarian aid delivered by the Swiss Confederation.

The goal of SDC's development cooperation is that of reducing poverty. It is meant to foster economic self-reliance and state autonomy, to contribute to the improvement of production conditions, to help in finding solutions to environmental problems, and to provide better access to education and basic healthcare services. To learn more, please visit www.eda.admin.ch/sdc

#### **Association of the Southeast Asian Nations (ASEAN)**

The Association of the Southeast Asian Nations (ASEAN) is a grouping of 10 (ten) countries in Southeast Asia region which was established on 8 August 1967 in Bangkok, Thailand. The current members of ASEAN are Brunei Darussalam, Cambodia, Indonesia, Lao PDR, Malaysia, Myanmar, the Philippines, Singapore, Thailand and Viet Nam. The ASEAN Secretariat is based in Jakarta, Indonesia. For more information, visit http://www.asean.org/









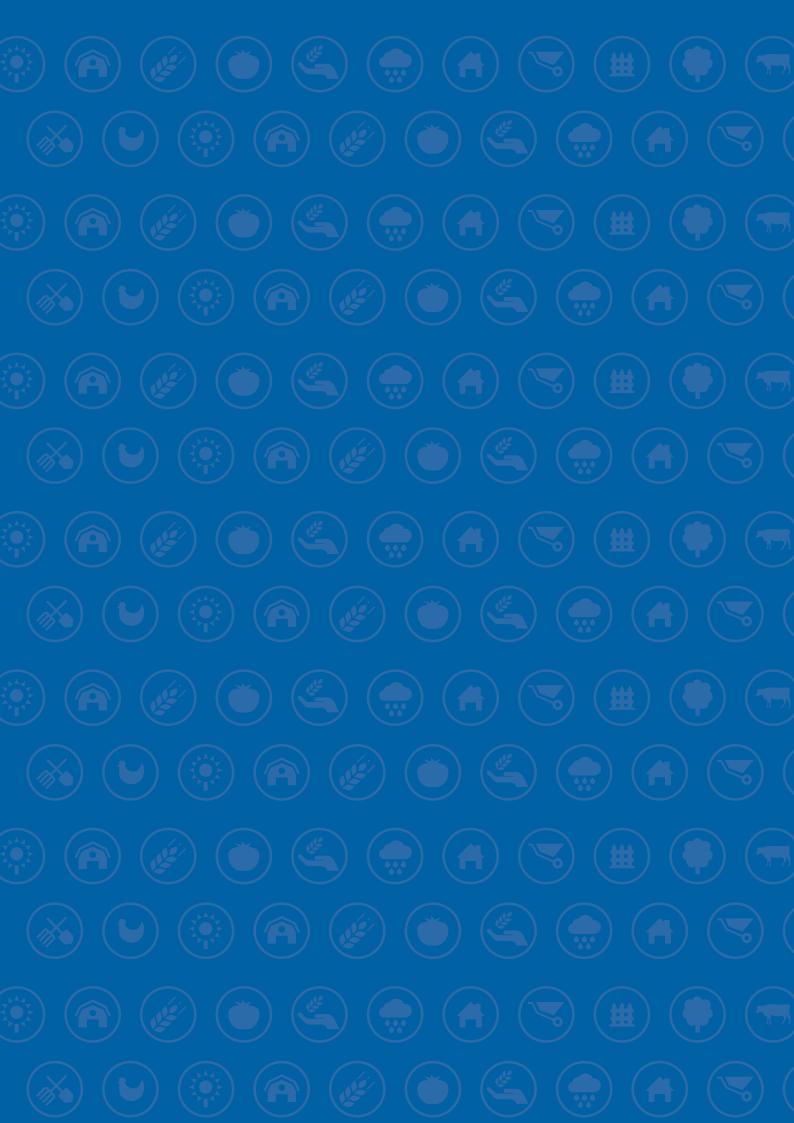






























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ASEAN Foundation for ASEAN Farmers' Organisations Support Programme (AFOSP)

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