

# **International Co-operative Movement**

## **Module-I (Co-operative movement in foreign countries)**

### **Cooperative Movement in Great Britain**

- Britain is the birth place of cooperative movement in the world.
- Great Britain is the homeland of cooperative store movement.
- Cooperative leaders are Robert Owen and William King.

### **Early experiment on cooperation in Britain**

#### **1. Friendly societies**

It is an association of philanthropist. It help the food and other necessities in bulk and supplying them to poor people at the cost price.

#### **2. Trade union movement**

Mr. Charles Howrath organize the trade union named Rochdale weavers union. Their objective was to demand high wages and to protect employees right. They organized first strike in their mill in 1824.

#### **3. Cooperative movement**

After the failure of friendly societies and trade union movement idea of cooperation originated in the workers mind. It was propelled by the noble thought of self-help and mutual help. The main supports of this movement were Robert Owen and William King.

### **Robert Owen**

- Full name: Robert Owen
- Born on: 14<sup>th</sup> May, 1771
- Born place: Newton, Wales
- According to him, men were neither “too good nor too bad”.
- He believed circumstances made them good or bad and their character can be moulded by surroundings.
- He reduced working time of his workers.
- He abolished child labour in his mill.
- He stopped heavy fines on employees for indiscipline.
- He started school and hospital for his employees.
- His contribution towards cooperative movement is valuable.

- Started co-operative colonies.

### **William King**

- Full name : William King
- Born on : 17<sup>th</sup> April 1865
- Born place: Brighton, England
- Occupation: Physician
- He is a Christian socialist
- He was known as father of cooperative education
- He was develop first journal in cooperative field( Co-operator)

### **Principles of Rochdale society**

#### **1. Open membership**

The membership of store was open to all. There was no restriction on the basis of religion or faith.

#### **2. Democratic control**

The affairs of the society managed by members themselves. One man one vote principle was followed by store.

#### **3. Limited interest on share capital**

In the society dividend was restricted. This was definite deviation from the capitalist type of organization.

#### **4. Cash sales**

All the sales were on the basis of cash and no credit was allowed. Cash and carry was the principle of store.

#### **5. Sales at the market rate**

Sales of goods at the prevailing market price was adopted as a principle of the business.

#### **6. Education of members**

Rochdale pioneers believed that the education of members was pre-requisites of the success of cooperation. A portion of net profit was set apart for the education of members.

#### **7. Political and religious neutrality**

There was no discrimination on the basis of politics or religion. People of all faiths were admitted as members.

### **Rochdale pioneers**

- Rochdale friendly cooperative society was formed on 1830.
- In 1840 the condition of Rochdale was worse.
- In 1844 established a cooperative society with unlimited liability.
- Its name was 'Rochdale equitable pioneers society.'
- Charles Howrath was the leader.

### **Objectives of Rochdale societies**

1. To open a store to supply to the members provisions, clothing etc.
2. To arrange education of the members as well as their children.
3. To build or purchase houses for the members.
4. To produce articles which may provide employment to members.
5. To establish self-supporting home colony for members.
6. To open a temperance hotels for the benefits of members.

### **Why Rochdales are called the pioneers**

1. They started the first successful stores in England.
2. Basis for ICA principles.
3. Face lift to the co-operative movement.
4. Pioneers were the renowned persons of the period.
5. Members include trade union-men of high vision.
6. Aim to change socio-economic condition of the members.
7. They successfully organize cooperative wholesale society in England.

### **Cooperative wholesale store (CWS)**

- CWS started in 1863 by E.V Neale.
- Headquarters of CWS is Manchester.
- Membership is open to consumer retail society.
- Each member society should purchase share worth 5 pound.

### **Scottish cooperative wholesale society (SCWS)**

- SCWS was registered in 1868.
- Biggest cooperative enterprise in England.
- Its operation was almost similar to CWS.

### **Comparison of CWS and SCWS**

<b>CWS</b>	<b>SCWS</b>
No limiting factor in the consumer wholesale store.	Employees above 21 years cannot be enrolled as member.
One vote is allowed for every 500 members.	One vote is allowed for purchase of 1500 pound worth of goods.
The managing committee elected at the general meeting.	The managing committee is elected by members.

### **Factors leading success of consumer cooperative movement in Britain**

1. England became first country where industrial revolution took place.
2. The workers have a common standard of life and wants.
3. Britain take large scale production reducing prices minimum.
4. Large membership of the primary stores.
5. Consumer's store in Great Britain were financially strong.
6. Women played an important role in the success.
7. Efficient management
8. Strict adherence to cooperative principles.

### **Cooperative movement in Germany**

- Germany is the birthplace of co-operative credit movement.
- Germany is popularly known as Citadel of co-op movement.
- Germany is known as cradle of cooperative credit movement
- Germany is the birth place of cooperative urban banks.
- Schulze-Delitzsch and F.W Raiffeisen are called pioneers of the co-operative credit societies in Germany.

### **Schulze Delitzsch (1808-1883)**

- He was judge, later he become Mayor of Delitzsch.
- In 1849 he organized a friendly society.
- Schulze founded first shoe makers society in Germany.
- Schulze bank is also called share bank or town bank.

### **Features of Schulze banks**

- Limited liability

- Management was paid
- Amount of loan is higher
- 20% dividend
- Area of operation is wide
- Value of shares was very high
- Loan on the security of tangible assets

### **F.W Raiffeisen (1818-1888)**

- He was soldier, later he become Mayor.
- He was the founder of agricultural credit society in the world.
- He started society for poor small farmers.
- Schulze bank is also called share bank or town bank.

### **Features of Raiffeisen societies**

- Unlimited liability
- Management was honorary
- Amount of loan is low
- No dividend
- Area of operation is village
- Value of shares was very low
- Loan on the personal security

### **Raiffeisen society's v/s Schulze delitzch societies**

<b>Raiffeisen societies</b>	<b>Schulze delitzch societies</b>
Workers in rural areas	Workers in urban areas
Liability was unlimited	Liability was limited
Managers was honorary	Managers was paid
Membership was open to farmers	Membership was open to small traders and middle class
Value of shares was low	Value of shares was high
Rate of interest on loan low	Rate of interest on loan high
Duration of loan was low	Duration of loan was high
Security for loan was personal surety	Security for loan was tangible assets
No dividend was given	Rate of dividend was high

Aimed at moral well	Aimed at material well
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### **Denmark/ Danish and co-operative movement**

Denmark is a very small country. It is the homeland of agricultural co-operation in the world. The country exports large quantities of farm products. The most interesting feature of Danish co-operative movement is its voluntary development.

- 1882- Co-operative dairy was started.
- 1886- Consumer stores was started.
- 1887- Bacon co-operative society was started.
- 1895- Marketing association of eggs formed.

### **Dairy cooperatives in Denmark**

Cooperative dairying occupies a prominent place in the cooperative system of Denmark. A cooperative dairy consist of number of milk producers and associates.

### **Principles of dairy cooperatives**

- Membership was open to all milk producers
- There were no entrance fee
- Democratic management
- Unlimited liability of members
- General assembly was the highest authority
- Profits were distributed in proportion to value of milk supplied

### **Features of dairy cooperatives**

- Easy accessibility of raw material.
- Minimal transportation cost.
- The marketing system is highly organized.
- The price of produce is very low.
- Highest standard of efficiency are maintained.
- Manufacturing is carried on a place near to the distribution.

### **Functions of dairy cooperatives**

- To process milk supplied by members.
- To provide fund for investment to members.

- To give advice on cattle rearing.
- To provide medical and technological knowledge to cattle rearing.
- To sold goods produced by dairies with the trademark of Lurbrand.

### **Factors responsible for success of dairy cooperatives in Denmark**

- Cost of production was minimal
- Prompt payment
- Policy of paying returns on the basis of milk supplied
- Scientific breeding and feeding of animals.
- Standardization of production and supply
- Effective service offered by butter export association
- Sophistication and specialization of production

### **Features of Danish Co-operative movement**

1. It is a voluntary movement.
2. The members are devoted and loyal to the movement.
3. There is no law for register the society.
4. Management of the society is democratic.

### **Difficulties for India in adopting Danish model**

1. The milk yield is comparatively low.
2. The poverty of Indian farmers.
3. The illiteracy of Indian farmers
4. The quality of milk cattle in India is poor.
5. The cost of collection of milk from distance place is large.
6. Milk producers are not initiative.
7. Milk producers are not adventurous.

### **Lurbrand**

A trade mark of good quality dairy products. It is a mark of quality and goods bearing this seals are easily sold in England, Denmark and Germany.

### **Bacon factories**

It was a subsidiary to dairy industry in Denmark. It was set up in 1887. It works almost on the similar lines of dairy societies.

### **Bull clubs**

These are organizations which are attached to dairy co-operatives in Denmark. They undertake the functions of feeding the cattle's, distributing good quality bulls to farmers etc.

### **Creameries**

It is the unit attached to dairy societies in Denmark. These units collect the milk from farmers and pasteurizations and other processing are carried out.

### **USSR and cooperative movements**

- In Russia cooperative movement was by government.
- Important type of cooperation in Russia are collective farms.
- Labour artless are associated with Russia.

### **Kolkhozes (Collective farms)**

The collective farms in cooperative sector are called kolkhozes. It is a form of agricultural production cooperative.

### **Sorokozy**

Sorokozy was the government owned farms of Russia.

### **Model by-laws/ Features/ Objectives of Kolkhozes**

1. Membership was open to citizens above the age of 16.
2. Farm should apply scientific method of production.
3. All jobs in farm shall be performed by members themselves.
4. Farm shall improve living standard of members.
5. Affairs of the farms are managed on principles of democracy.
6. Surplus income directly sold to consumers or consumer cooperative.

### **Difficulties experienced by collective farms**

1. These are not voluntary organizations.
2. Proper training is not given to workers.
3. Selection of chairman is subject to criticism.
4. Practical help given by the government is not up to mark.
5. It feel shortage of workers.

### **MTS**

MTS is the machinery and tractor sections. It providing necessary facilities for carrying on work in connection with farming.



### **Brigades**

The members of Kolkhose are organized into working groups are known as brigades.

### **Field brigade**

Field brigades are the members of collective farm. It is one among three types of brigades. Who are mainly concentrated on field.

### **Centrosoyus**

Consumer cooperative movement have a pyramidical structure.

**Selpos:** Primary consumer stores procure and distribute essential consumer articles to members.

**Territorial union:** Middle level cooperative stores. It procure articles from centrosoyus and distribute it to selpos.

**Centrosoyus:** It is the top level and it control territorial unions and selpos.

### **Labour Artels**

The earliest form of cooperative society in Russia is called labour artels. It is an association formed to carry on certain industries or render personal services on joint responsibility of the members of the artel and on their joint account.

### **USA and cooperative movement**

- Agriculture play important role in development of cooperative USA.
- The first cooperation in USA known as 'bees'.
- Cooperative marketing societies in USA are originated in commodity basis.
- Cooperative dairies were the first cooperative marketing association in USA.

### **China and cooperative movement**

- The cooperative movement was started in 1912.
- The father of Chinese cooperative movement was Sun Yat Sen.
- Cooperation in China is said to be product of advertisers.
- National cooperative bank in China was set up in 1919.

### **Induscos**

Industrial cooperatives in china is called Induscos. It was established in China in order to aid the production during the Sino Japanese war.

### **Features and functions of Induscos**

1. The minimum number of person for organizing society was seven.
2. Membership was open to all workers.
3. The member must have attain the age of maturity.
4. The member must be of good character and honest.
5. The member must reside within the area of operation of society.
6. The management was based 'on one man one vote' principle.
7. Limited interest was paid on shares.
8. The payment of dividend was discouraged.
9. Members were paid wages for work done by them.
10. The liability of members was limited.

### **Japan and cooperative movement**

- It is popularly known as multipurpose cooperative movement.
- The father of Japanese cooperative movement Toyohiko Kagawa.
- Cooperative credit organisation-KOH
- Central organisation of KOH- called KOH TOKU.

### **Multi-purpose cooperative societies (MPCS)**

Japanese farmers have established cooperative association for improving the agricultural activity. Multi-purpose societies are engaged in marketing input supply, mutual insurance, processing of goods etc.

### **Functions of multi-purpose societies**

1. Supply of credit
2. Collection of deposits
3. Marketing of crops
4. Farm gaudiness
5. Supply of farm and household commodities

## **Module-II (Cooperatives and employment in Africa)**

### **Co-operative employment in Africa**

- Co-operatives plays a very important role in Africa.
- It plays major role in socio-economic development of Africa.
- More than 40%of families in Africa are members of cooperatives.
- Cooperatives provides large number of self-employment opportunities and salaried job in Africa.

### **Types of Employment**

#### **1. Cooperatives as a common work place**

This is the case when cooperative members work together in a joint production unit.

#### **2. Cooperatives as employers**

The case of client owned cooperatives which employ salaried staff for not necessarily cooperative members.

#### **3. Cooperative promoting or enabling self-employment**

This is the case when client owned cooperatives strengthen the businesses or households of their members.

#### **4. Cooperatives inducing wage employment**

This includes governmental cooperative departments, cooperative training institutions and cooperative audit company.

#### **5. Spill-over effects**

It is a cooperatives create jobs in those enterprise with which to maintain commercial relations.

### **The Comparative Advantages of Cooperatives in the Field of Employment Creation and Stabilisation**

1. Economies of scale.
2. Economies of scope.
3. Increased bargaining power.
4. Member participation and motivation.
5. Membership value.
6. Representation of interest.
7. Stability.

8. Innovation.

9. Legal protection.

### **Women and cooperatives in Africa**

- Women are rarely represented in African cooperatives.
- Women actively participated in the mixed rural cooperatives.
- Cooperatives are created exclusively by women to develop, organize and manage rural economic activities such as horticulture, handicraft, animal husbandry etc.
- Female members are more in handicraft cooperatives in Africa.
- Female cooperative members have greater access to permanent salaried post. (Shopkeepers, accountant. Managers)

### **Prerequisites for job creation through cooperatives**

1. Proper economic viability study
2. Good commitment and practices
3. Good technical support services
4. Efficient working and investment capital
5. Existence of a favorable climate for cooperative development

### **Donor policies**

During the period 1960 to 1985 many multilateral and bilateral donors have granted substantial technical and financial assistance to cooperative development in Africa, especially in agricultural sector with two objectives

- Cooperatives as agents of change
- Cooperatives as instrument to boost production

### **Tripartism**

Tripartism refers to collaboration among trade union, government and employers. It is the active participation of workers and employers together with governments in all ILO activities.

### **Cocoa Cooperatives in Sierra Leone's**

In three of the country's eastern districts – Kailahun, Kenema and Kono farmers have formed three independent cooperatives that pool cocoa bean exports and help them compete with large companies.

## **ACCOSCA (African Confederation of Cooperative Savings and Credit Associations – Nairobi – Kenya)**

ACCOSCA is a non-governmental Pan African confederation of national associations of saving and credit cooperative societies. Its headquarters is in Nairobi, Kenya.

### **Activities of ACCOSCA**

1. Capacity building
2. Carries out annual training SACCO.
3. Promotes policy and legislation.
4. Research and business development.
5. Technical assistance to member organisations.

## **TFC (Tanzania Federation of Cooperatives)**

TFC is a national cooperative umbrella organization that promotes, serves and coordinates the development and prosperity of all cooperative societies in mainland Tanzania.

### **Objectives of TFC**

1. Facilitating the establishment of democratic cooperatives.
2. Coordinating development of sustainable cooperatives.
3. Providing consultancy services for members.
4. Initiating participatory cooperatives education to members.
5. Initiating participatory cooperative training among members.
6. Providing publicity on all forms of cooperative activities in the country.

## **KNCU (Kilimanjaro Native Cooperative Union)**

KNCU is a cooperative federation in Tanzania and the oldest cooperative in Africa. It was established in 1929. Coffee is the most important cash crop produced by the cooperative members in KNCU.

### **Community related activities of KNCU**

1. Community Health Insurance Scheme
2. KNCU Fair Trade Premium Project for Self Help Initiatives.
3. Fair Tourism Project
4. EPOPA (Export Promotion of Organic Product from Africa)

### **Kilimanjaro Arabica Coffee**

KNCU farmers produce Kilimanjaro coffee, which is a distinctive washed Arabica, finely balanced and prized for its body, acidity and flavor.

### **EPOPA**

Export promotion of organic products from Africa (EPOPA) is a program created by the Swedish international development cooperation agency in 1994. This program aims to give African smallhold farmers better condition through developing the export organic products from Africa.

**RCPRP-** Rehabilitation and Community based Poverty Reduction Project

**AAFCOOP-** Association des Auditeurs et Formatters des Cooperatives

**ESOP-** Employees Stock Ownership Plan

**SIDO-** Small Industrial Development Organisation

**ACCZ-** Association de Chariots du Zaire

**DASICO-** Dares Salaam Small Industrial Cooperatives

**AMS-** Agricultural Marketing and Supply Cooperatives

**HIC-** Handicrafts and small Industrial Cooperatives

### **Contribution to Cooperative Movement**

#### **Robert Owen contribution**

- Full name: Robert Owen
- Born on: 14<sup>th</sup> May, 1771
- Born place: Newton, Wales
- According to him, men were neither “too good nor too bad”.
- He believed circumstances made them good or bad and their character can be moulded by surroundings.
- He reduced working time of his workers.
- He abolished child labour in his mill.
- He stopped heavy fines on employees for indiscipline.
- He started school and hospital for his employees.
- His contribution towards cooperative movement is valuable.
- Started co-operative colonies.

- Introduced Labour exchange.

### **Labour exchange**

It was a society with mixed membership of both producers and consumers. An exchange for direct transfer of products according to the amount of labour expended in making them without the intervention of money.

### **Cooperative colonies**

It was a kind of colonization scheme. The workers were come together voluntarily on the basis of equality as a producers and consumers. The aim of cooperative colony was to produce in common and elimination of middle man.

### **Louis Blanc**

- Full name: Louis Blanc
- Born on: 28<sup>th</sup> October, 1813
- Born place: Madrid
- Main contribution: Social workshops-Voluntary organisations of producers.
- Social workshops eliminates the need of capital
- Social workshops will divide profit among labour as well.

### **D.R Gadgil**

- Full name: Dhananjay Ramachandra Gadgil
- Born on: 10<sup>th</sup> April, 1901
- Born place: Nasik, Maharashtra
- Father: Ramachandra Bhargav
- Early education: Ancestral city of Nagpur
- Graduation: Mumbai University
- Post-graduation: Cambridge University
- Known for: Indian economist, institution builder and the vice chairman of the planning commission of India.
- He was the author of Gadgil formula.

- He had depth in-depth knowledge in the field of economic policies, planning and development, Indian democracy, wage control, labour issues, agricultural economics and cooperation.
- He studied urban planning and prepared developmental plans of the cities of Mumbai and Pune.

### **Gadgil formula**

It is the set of guidelines which provides the pattern of allocation of central assistance to states in five year plans.

The formula were based on parameters as below

Population (60%)

Per capita income (10%)

Tax effort (10%)

Ongoing irrigation and power projects (10%)

Special problems (10%)

### **DGICM**

Dhananjaya Rao Gadgil Institute of Co-operative Management is known as DGICM. It was established in 1972 at Nagpur to cater the personnel requirements in cooperatives of Maharashtra.

### **Programmes of DGICM**

1. Management development programme
2. Higher Diploma in cooperative management
3. Diploma in management of industrial cooperatives.
4. Master of business administration
5. Diploma in urban cooperative banking management
6. Seminar
7. Workshop

### **V.L. Mehta**

- He was the pioneer of Indian cooperative movement.
- He was the chairman of cooperative credit committee.



### **Major recommendations of Mehta committee**

1. Reduce the areas of primary credit cooperation.
2. Promotion of viable units.
3. Detailed guidelines for determining perks of cooperative banks.
4. Special concessions to be given to SC and ST.
5. State provides initial assistance to cooperatives.
6. Constitution & strengthening of agricultural credit stabilization fund.

### **Module-III (International co-operative alliance)**

#### **International co-operative alliance (ICA)**

ICA is an independent non-governmental organization in international sphere. It is considered as the world wide confederation of co-operative organization. It was established in 1985.

#### **Objects/ Principles of ICA**

1. To promote concept of cooperation in all countries.
2. To propagate cooperative principles throughout the world.
3. To promote and defend cooperative values and principles.
4. To promote economic relation between cooperatives.
5. To assist socio-economic progress of people in all countries.
6. To safeguard interest of cooperative movement in all forms.
7. To ensure legal framework for cooperative growth.
8. To maintain friendly relations between its affiliated organizations.

#### **Role of ICA**

1. To promote and strengthen cooperatives.
2. Exchange of information and coordination of people.
3. Creating an enabling environment for sustainable cooperative development.
4. Fight against poverty.
5. Function as a facilitator for cooperative development.
6. Support cooperative policies and legislation reforms.
7. Collect information and statistics for best practice of cooperation.

## **ICA membership**

Organizations are eligible for 3 types of membership in ICA

### **1. Members**

Members get membership with full participatory powers. It includes National unions, National confederation of cooperative union, National cooperative business organisations etc.

### **2. Associate**

These are the organisation which support cooperatives or are owned and controlled by cooperatives.

### **3. Sectoral**

These are the members of sectoral organisations, which are branches of ICA.

## **Specialized organisations of ICA**

- IHCO
- ICFO
- CCW
- ICAO
- ICBA

## **International health cooperative organization (IHCO)**

IHCO is a specialised agency for health matters under ICA. This is the sectoral organisation of the ICA and it is started in accordance with Article 28 of the ICA.

## **Objectives of IHCO**

1. To promote development of health cooperatives.
2. To provide information on nature and role of health cooperatives.
3. To provide forum for discussion and exchange on issue of HCO.
4. Carry out functions arise from object of the ICA.

### **International cooperative fisheries organisation (ICFO)**

ICFO is a sectoral organization of ICA. It was established to promote the development of fisheries cooperatives around the world. It was previously known as ICA Fisheries committee.

#### **Aims/ Objectives of ICFO**

- To create new cooperative fisheries organisation.
- To promote cooperative training and education.
- To promote of trade.
- To exchange technical information on global basis.
- To develop fisheries cooperatives all over the world.

#### **Activities of ICFO**

- Organize seminar and conference
- Promote fisheries cooperative movement in developing countries
- Study conducted for solving problems of fisheries cooperatives
- Provide assistance for establishment of fisheries cooperatives
- Provide advice and guidelines for creating fisheries cooperatives

### **Consumer cooperative worldwide (CCW)**

CCW is a sectoral organisation of the international cooperative alliance, which brings together consumer cooperatives within the ICA membership.

#### **Objectives/ Role of CCW**

1. To initiate discussion on crucial problems of consumer cooperatives.
2. To communicate information to ICA members.
3. To collaborate with other appropriate ICA structures.
4. To represent on behalf of ICA, consumer cooperative interest.
5. To submit report of its activities to ICA.
6. To contribute effective implementation of objectives of CCW.

### **International cooperative agricultural organisation (ICAO)**

ICAO is a specialized organisation of ICA, founded in 1951. This organisation represent 43 agricultural cooperative from over 36 countries.

#### **Aim/ Objectives/ Role of ICAO**

- To promote establishment of agricultural cooperatives.
- To improve the distribution of agricultural products.
- To take concrete action for preserving the environment.
- To exchange experience on specific activity by hosting seminars.
- To survey problems of agricultural cooperatives different countries.
- To set up comprehensive documentation on agricultural cooperatives in all countries.

### **International cooperative banking association (ICBA)**

ICBA is a sectoral organisation of ICA. It was founded in 1895 with the mission of sound development and comprehensiveness of cooperative banks.

#### **Objectives of ICBA**

- To promote cooperation among cooperative banks.
- To assist and advice development of new cooperative banks.
- To encourage inter cooperation with other cooperatives.
- To facilitate promotion of international and regional level values of cooperative banks.
- To carry out studies and research on matters relating to cooperative banks.

#### **Activities of ICBA**

- Organisations of statutory meetings
- Holding of a yearly seminar
- Collaboration with other cooperatives

### **Inter coop**

It is an association of consumer cooperative central organisations in Eastern and Western Europe, Israel and Japan.

### **International organisation of industrial artisanal and service producer's cooperatives (CICOPA)**

It is a sectoral organisation of the ICA. It has a membership of 46 national and regional cooperative federation or support organisations.

### **International association of cooperative tourism (TICA)**

It is a type of international cooperative organisation established with the aim of encourage cooperation among holiday and travel organisations in the cooperative sector.

### **International cooperative housing organisation (ICA Housing)**

It is a type of cooperative organisation engaged in providing necessary help the housing cooperatives in eastern central European countries.

## **Module-IV (Role of international organisations in co-op movement)**

### **International Labour Organisation (ILO)**

ILO is the UN specialised agency which seeks the promotion of social justice and internationally recognized human and labour rights.

#### **Aims/ Mission of ILO**

- To promote social justice.
- To promote internationally recognized human and labour rights.
- To promote rights at work.
- To encourage decent employment opportunities.
- To enhance social protection.

#### **Objectives of ILO**

1. Promotes and realize standards and fundamental principles.
2. Strengthen tripartism and social dialogue.
3. Enhance effectiveness of social protection for all.
4. Create greater employment opportunities for women and men.

### **International Bank for Reconstruction and Development (IBRD)**

It is an international financial institution. It offers financial products and policy advice to member nations. It is also referred as World Bank.

#### **Functions of IBRD/ World Bank**

1. It provides technical services to member nations.
2. Bank can grant loan to member countries up to 20% of paid up capital.
3. The quantities of loans, interest rate, terms and conditions are determined by bank itself.
4. Bank grant loan for particular project.
5. Provides loans to private investors of member nations.
6. It provides balanced growth of international trade.

#### **Organization structure of IBRD**

- **Board of governors**

One governor and one alternative governor appointed for five years by each member country.

- **Board of executive directors**

It consist of 21 members, 6 of them are appointed by the six largest shareholders, namely USA, UK, West Germany, France, Japan and India.

- **Advisory committee**

Advisory committee appointed by the board of directors.

- **Loan committee**

This committee is consulted by the bank before any loan is extended to a member country.

### **World Assembly of Youth (WAY)**

WAY is the international coordinating body of national youth councils and organisations. The full members of WAY are national youth councils. WAY works for promotion of youth and youth organisations.

#### **Duties of a WAY member**

1. To submit annual reports and statistics.
2. To update contact details and sent to WAT headquarters.

3. To attend national and international WAY events.
4. To promote interchange ideas between member countries.
5. To inform WAY about their events organized by them.

#### **Benefits to a WAY member**

- Receiving way events outcome documents.
- Involvement in the decision making at international level.
- Contributing in the solution of youth issues.
- WAY publications subscription.
- Invitation for all WAY events.
- Getting sponsor opportunity to attend WAY events.

#### **Afro Asian Rural Development Organisation (AARDO)**

AARDO is an autonomous inter-governmental organization comprising 31 members from Africa and Asia for promoting welfare and eradication of thirst, hunger, illiteracy, disease and poverty amongst rural people.

#### **Goal of AARDO**

“Sustainable agriculture and rural development of its member countries”.

#### **Vision of AARDO**

To improve the quality of life of the rural people in the Afro Asian member countries of AARDO.

#### **Mission of AARDO**

To help restructure the rural societies and reconstruct the economy of rural people.

#### **Area of concern of AARDO**

1. Poverty Alleviation.
2. Sustainable agricultural development.
3. Integrated rural development.
4. Women's empowerment.
5. Decentralization and community empowerment.

6. Environment and climate change in the context of rural development.

### **Functions of AARDO**

1. To develop understanding among members for sustainable agricultural rural development.
2. To facilitate accelerate agricultures and rural development in the members country.
3. To hold national and international conferences, seminars etc.
4. To organize national and international cooperative programs.
5. To provide technical support to member countries.
6. To provide financial support to member countries.
7. To initiate research and development programs.
8. To pursue environmental and climatic changes in rural development.

### **Activities of AARDO**

- Restructuring rural property
- Eradication of poverty
- Eradication of food and nutrition insecurity
- Women empowerment
- Increasing international trade in farm sector
- Collaboration in research and extension

### **Organisation structure of AARDO**

#### **• AARDO conference**

It is the supreme authority of AARDO. It determine policy and programs of the organisation.

#### **• The executive committee**

The president, vice president and ten members constitute the executive committee. It implement decisions and policies of the conference.

#### **• The liaison committee**

It is an advisory body whose main function is to guide the secretariat.



- **The secretariat**

It is located in New Delhi, India. The secretariat has qualified professional personnel to implement the policies and programs of the organisation under the guidance of secretary general.

## **Module-V (Inter cooperative relations)**

### **Inter co-operative relations**

It means relations found among various co-operative organizations at national and international level.

### **Advantages of inter co-operative relations**

1. Greater purchasing power resulting in lower price.
2. High standard of living and greater efficiency.
3. Greater accumulation of funds making it possible for financing other auxiliary activities.
4. Reduction in the number of brands.
5. Simplification of distributive process.
6. Proper organization of the economic process.
7. Elimination of various agencies.

### **Forms of inter co-operative relationship**

#### **1. Co-partnership**

It means the participation of one society or federation of one type in the management and sharing of profits of society or federations of the other type.

#### **2. Contractual relationship**

It means the contractual agreement existing between producers and consumers regarding the goods to be supplied or credited.

#### **3. Mutual understanding**

It may be done through mutual representations on the boards of management.

#### **4. Informal contact**

Informal contact may establish by appointing ad hoc committees for discussing common problems

## **National Co-operative Union of India (NCUI)**

NCUI is the apex organization representing the entire co-operative organisation in the country. It was established in 1961.

### **Objectives of NCUI**

1. To promote and develop co-operative movement in India.
2. To express opinion on matters of co-operative policy.
3. To organize co-operative education and training program.
4. To popularize the principles and practices of co-operation.
5. To formulate project for co-operative development.
6. To assist in carrying investigation of co-operative problems.
7. To maintain an information bureau and library.
8. To convene and hold national co-operative congress.
9. To conduct co-operative seminar, meetings, conference etc.
- 10 To facilitate promotion of co-operative institutions.
- 11 To promote international co-operative relation.
- 12 To provide consultancy services to the co-operatives.

### **Membership of NCUI**

Membership was open to

- National level cooperative organisations
- State level sectoral organisations
- Multi state cooperative organisations
- Parastatal cooperative organisations

### **Organization structure of NCUI**

- The supreme authority of NCUI is general body.
- General body decide policies and programs of co-operatives.
- General body elects governing council for a 5 years.
- The governing council meets once in every quarter.

## **AMUL**

Amul is an Indian state government cooperative under the ownership of Gujarat cooperative milk marketing federation based at Anand in Gujarat

### **Amul product range**

- Milk powders
- Milk butter
- Ghee
- Cheese
- Curd
- Chocolates
- Ice cream

### **Three tier Amul model**

1. Village dairy cooperative societies (VDCS)
2. District cooperative milk products union (Milk union)
3. State cooperative milk federation (Federation)

#### **1. Village dairy cooperative societies (VDCS)**

It is the primary society under the three tier structure. It has membership of milk producers of the village. It is governed by an elected management committee.

#### **Functions of VDCS**

- Collection of surplus milk from milk producers of the village.
- Selling liquid milk for local consumers of the village.
- Supplying milk to the district milk union.
- Providing support services to members like animal husbandary, dairying etc.

#### **2. District cooperative milk producers union (Milk union)**

Milk union is the second tier under three tier structure. It has membership of village dairy societies of the district and governed by a board of directors.

#### **Functions of milk union**

- Procurement of milk from village dairy societies.
- Arrange transportation of raw milk from VDCS to milk union.
- Providing management services to VDCS.
- Conducting training on cooperative development.
- Providing input services to the milk producers.

### **3. State cooperative milk federation (Federation)**

It is the apex tier under the three tier structure. It has membership of all the cooperative milk unions of the state and governed by a board of directors.

#### **Functions of milk federation**

- Marketing of milk and milk products.
- Establish distribution network for milk and milk products.
- Creating and maintaining brand for milk and milk products.
- Providing support services to milk union.
- Providing technical and management support to milk union.

#### **Marketing strategies of Amul**

- Low cost price strategy
- Brand image
- Product segmentation
- Amul outlets
- High profile locations
- Health and energy drink
- Expansion of foreign shores

### **Indian Farmers Fertilizer Co-operative Ltd. (IFFCO)**

IFFCO is the world's largest processed fertilizer co-operative, supplying nearly one-third of India's fertilizers need.

#### **Objectives of IFFCO**

1. To serve the cause of IFFCO mission as stated in the mission document.
2. To extent IT enabled services to farmers and co-operatives.
3. To promote IT penetration in rural India.
4. To improve IT comfort levels in rural area.
5. To evolve appropriate dissemination strategies for effective use of IT enabled services in rural India.

6. To provide latest and reliable information and extent other services to rural development.

**Mission of IFFCO**

1. To provide farmers high quality fertilizer in right time.
2. To make plants energy efficient and continually review.
3. To commitment social responsibilities for strong social fabric.
4. To ensure growth in core and non-core sectors.
5. To acquire, assimilate and adopt cost effective technologies.
6. To committed for fostering co-operative movement in India.

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