



Weekly Digest

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Editorial

Welcome to the thirty first issue of the Weekly Digest. The ICA is the oldest and largest international co-operative organisation in the world. We have 228 members in 90 countries. We believe however, that it is important that all the world's national co-operative movements are represented in our membership. We are currently redoubling our efforts to ensure this is the case. This week we focus on recent initiatives to increase our membership in the Pacific. We also report on recent conferences from around the world. As usual we would welcome your comments on the content and style of the digest. Remember, it's your ICA so let's hear from you!

ICA Seeking Stronger Links with Australia/New Zealand

The ICA's Director-General, Iain Macdonald and Communications Manager, Garry Cronan recently visited New Zealand and Australia. The purpose of the visit was to explore opportunities for new members in both countries.

The Director-General said "the New Zealand co-operative movement is very imposing. I was impressed with the work of the New Zealand Co-operatives Association (NZCA) and its Executive Officer, Ian Reid. This is a very business minded movement focused on delivering real economic benefits to its membership" Mr Macdonald added.

The Director-General had been invited by the NZCA to address its AGM. The visit gave him an opportunity to talk to representatives from a wide range of NZ co-operatives. Iain Macdonald also met with Margaret Wilson, Minister of Commerce, responsible for co-operatives in NZ. *The photo above shows Ian Reid, Margaret Wilson and Iain Macdonald.*



Issues discussed with NZ co-operative representatives included capital restructuring options for co-operatives, the international accounting standards and new forms of co-operative enterprise in other countries.

Australia, on the other hand, was along with India, one of only two Asia Pacific countries represented at the formation of the ICA in London in 1895. So its co-operative links go back a long way. Although it has many strong individual co-operatives, Australia lacks strong unifying movement wide structures. The Director-General was able to hear first hand about these issues, from the ICA's only Australian member, ACCORD. He also met with NSW Government officials from the Registry of Co-operatives and with Helen McCall from the Co-operative Federation of NSW. "We will be working with all the relevant parties to help build a stronger co-operative base in Australia and subsequently stronger ICA members" he said.

DG launches Survey of Australian Co-op CEO's

While in Sydney, Iain Macdonald launched ACCORD's latest research paper. The paper was prepared by Andrew Passey, Senior Research Fellow at ACCORD. It examined the attitudes and expectations of Chief Executive Officers (CEOs) and their views on the co-operative advantage. The paper will soon be available from www.accord.org.au/



The ICA will be shortly announcing a major global CEO initiative. The details of the project will be discussed at the next Board meeting in December. The initiative is being lead by Hans Dahlberg, CEO of ICMIF. For more information please contact Garry Cronan cronan@ica.coop *Photo shows Iain Macdonald and Andrew Passey discussing the research findings.*

Co-operatives Dominate NZ Economy!

Six of NZ's top 20 companies are co-operatives. Fonterra co-operative www.fonterra.com is NZ's largest company. It is also the world's largest dairy exporter. Other large NZ co-operatives include the Foodstuffs group see www.foodstuffs-wgtn.co.nz, and two meat processors the Alliance Group and PPCS. NZCA estimate that in 2002 its 46 member co-operatives generated annual turnover of \$25 billion (NZ) using \$17 billion (NZ) of assets. This is 22% of the GDP of the whole of NZ! One of the highest co-operative shares of GDP anywhere in the world.

Formation of Accounting Experts Group being considered by ICA

While in NZ Iain Macdonald held discussions on the new International Accounting Standards for co-operatives. This issue has been causing concern to co-operatives around the world. The ICA has been working along with its members to raise concerns with the global International Accounting Standards Board (IASB).



The NZCA has also been working on this issue. They have made direct representations to the IASB as well as working with their local NZ Financial Reporting Standards Board (FRSB). Iain Macdonald said "In many ways NZCA has achieved a very good outcome for their local co-operatives. I am sure that this will be of interest internationally." Mr Macdonald went on to say "to help ensure the best international accounting expertise is available to deal with this and similar issues the ICA will be establishing a working party of co-operative experts. I will be asking our members to join this new group. It will include representatives from the sectors and movements, including NZ who have been leading this issue. I am determined that we take the initiative on this and related issues." he said. *Photo shows Iain Macdonald discussing this issue with Dr Joanna Yeoh, Accounting and Standards, Institute of Chartered Accountants of NZ.*



Paul Hazen New Chair of Overseas Co-operative Development Council

Paul Hazen, CEO of the USA's National Co-operative Business Association, is the new chair of the U.S. Overseas Co-operative Development Council. OCDC is an association of eight international co-operative development organisations. Its mission is to promote and advocate for international co-operative development. In addition to NCBA, these are: ACDI/VOCA, the Americas Association of Co-operative and Mutual Insurance Societies, CHF International, the National Telecommunications Co-operative Association, NRECA International Ltd., the World Council of Credit Unions, Inc., and Land O'Lakes, Inc.

Paul Hazen has been head of NCBA for six years. Under his direction, NCBA's international co-operative development programme has grown to more than \$20 million (US) in annual funding, with approximately 30 projects in 18 countries. Paul Hazen has also long been involved with the ICA, a relationship he said will help strengthen OCDC and link it to other co-op developers around the world.

ICA Welcomes Six New Members

Prüfungsverband deutscher Konsum- und Dienstleistungsgenossenschaften e.V. (PdK) www.pdk-berlin.de of Germany joined on 9 November 2004. PdK is a national confederation of co-operative consumer and auditing unions bringing together two federations and 130 societies. It provides auditing, management, legal and fiscal counselling services to its members. It also operates a training facility. PdK is the 4th ICA member from Germany.



CHF International, www.chfhq.org is the fifth organisation in the United States to become a ICA member. A private, non-profit foundation, CHF activities focuses on policies and practices that increase access to affordable housing, community services and finance. It has been active in co-operative housing development since its founding in 1952. CHF is already participating in the ICA with its CEO, Michael Doyle, being President of ICA Housing. CHF International became a member on 20 September.



Cooperativa de Ahorro y Crédito de Médicos y Otros Profesionales de la Salud (MEDICOOP) www.medi-coop.net is the 7th ICA member from Puerto Rico. Founded in 1968, this savings and credit co-operative provides financial services to health professionals. Its membership status was activated on 18 November 2004.



Panal Compañía de Seguros Generales S.A. (Propiedad Cooperativa) on 18 November 2004 as an associate member. Owned by two co-operative societies Cooperativa Universitaria and Cooperativa Binacional de Servicios Cabal, Panal provides a wide variety of insurance services as well as technical assistance to co-operative centrals who provide insurance coverage to their members. It was founded in December 2002 and began its activities in February 2003. Panal is the sixth organisation from Paraguay to join the ICA.



The Co-operative Union of Serbia (CUS) became a member on 19 November 2004. Founded in the same year as the ICA, 1895, the Union under its previous name, was one of the founding members of the ICA and presented a report on the Serbian co-operative movement to the first ICA Co-operative Congress. Today, CUS regroups primarily agricultural co-operatives and financial institutions serving agricultural co-operatives. It has 2, 073 member societies. More information on CUS is available at: www.zssrbije.co.yu



The National Union of Co-operative Banks www.kzbs.pl (Krajowy-Związek Banków Spółdzielczych – KZBS) joined on 19 November. KZBS represents co-operative banks to government and others in Poland. It aims to create a new system of banking co-operation in Poland based on capital principles while maintaining co-operative traditions and ideas.



With these additions, ICA has 228 member organisations (223 Members and 5 Associate Members) from 90 countries.

International visits by ICA help raise media profile of local movements

Visits by ICA officials can be used by local co-operative movements to help raise their profile in the media. The recent Australia/New Zealand trip, (*see page 1*), was no exception. ICA Director-General, Iain Macdonald was interviewed by journalists from a number leading national media outlets in both countries. “Such interviews enable us to position the local movement in a wider global context”, he said. “It often takes the presence of an international visitor to spark local media interest. We are always glad to assist the local movement raise its profile”. *Photo shows the DG being interviewed by a business journalist from Radio NZ, the country’s national public broadcaster.*



Learning about Co-operative Legislation

From 18 – 29 October 2004 the International Training Centre of the ILO in Turin offered a course on Co-operative Policy and Legislation. The course was attended by 12 government and co-operative movement representatives from 11 countries, ranging from Bolivia to Sri Lanka and from South Africa to Palestine. The course concentrated on co-operative policy issues as contained in ILO Recommendation No.193 on the promotion of co-operatives and on salient points of co-operative legislation. The interactive approach allowed for the presentation and discussion of country specific problems.



The ITC/ILO will offer this course from Nov.10-21, 2005 for French speaking participants and is considering offering it regularly in English, French and possibly also in Spanish at a later stage. In order to cover a wider range of co-operative policy and legal issues it might also be addressed to other participant groups. *The photo above shows participants at the recent course.*

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ICA Strengthening Consumer Co-operatives in Asia



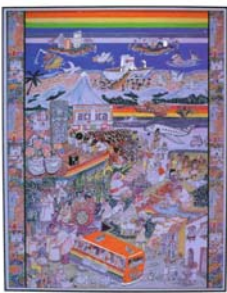
The ICA's Asia Pacific office has been conducting critical studies on consumer co-operatives in their region. The objective is to implement strategies to help strengthen consumer co-operatives and enable them to face increased global competition.

After conducting the studies a number of workshops were planned to further develop these strategies. Two have been held so far. The first in Colombo, Sri Lanka, 18-20 October, 2004, had more than 30 delegates. The second in Ho-Chi Minh City, Vietnam, 26-28 October, 2004, was attended by 35

delegates. For more information contact Jiro Ito jiroito@icaroap.org.sg *The photo shows participants at the Ho-Chi Minh seminar.*

Special Offer on Co-operative Publications

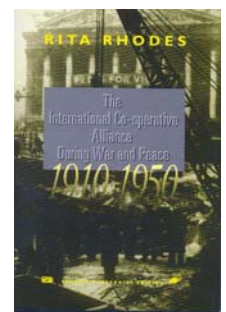
The international
co-operative movement



JOHNSTON BIRCHALL

The ICA has a limited number of copies of two of its most popular publications for sale. Dr Johnston Birchall's, *The International Co-operative Movement* and Dr Rita Rhodes's, *The International Co-operative Alliance During War and Peace 1910 – 1950*.

Dr Birchall's book first published in 1997 is the most detailed recent account of the development of the international co-operative movement and its representative organisation, the ICA. For anyone seriously interested in understanding how our movement has grown from the original 27 Rochdale pioneers to embrace a sixth of the world's population this is essential reading. Dr Rhodes's book draws extensively on ICA archives



to examine why the ICA was one of the few international movements not to split during the Cold War years. For a limited period we are offering a special ICA member discount of only CHF 30 including postage, to obtain the two books. To order please contact Patricia Vaucher info@ica.coop

Copies of the Weekly Digest are archived on the ICA's website www.ica.coop