



Weekly Digest

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SEASON'S GREETINGS AND BEST WISHES FOR 2005 FROM ICA

Happy Holidays!
Bonnes Fêtes!
Felices Fiestas!



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From the Editor's Desk

Welcome to this expanded issue of the Weekly Digest, our last for 2004.

As you can see our front page this week carries season's greetings. We are taking the opportunity of the forthcoming festive season to distribute the digest to people and organisations we have worked with during 2004.

The Weekly Digest started life in February this year. It has proved very popular with ICA members and other supporters of co-operation throughout the world. We hope you have enjoyed reading it and that you will continue to see it as a valuable and useful service. We are planning a number of other communications initiatives in 2005, including our new website, so stay tuned.

In the meantime enjoy the festive season over the coming weeks. See you again in 2005.

Garry Cronan (Editor)



ICA Board meets in Africa



The ICA Board met in Nairobi, Kenya on 9-11 December 2004. This was the second time that the Board has met in Africa in its 109 history. The choice of an African venue for the meeting demonstrates the ICA's ongoing commitment to serving and expanding its African membership. *The above photo shows ICA Board members, staff and sectoral organisation representatives with Peter Ndwiga, the Minister responsible for co-operatives in Kenya.*

The meetings were hosted by ICA member, the Co-operative Bank of Kenya. The ICA would like to thank Stanley Muchiri and all the staff of the Bank for their assistance and hospitality. Also, thanks to the Co-operative Insurance Company (CIC), the Co-operative College and the staff of ICA's African Regional and Project offices for helping to make this historic meeting a success.

Board members were able to hear first hand about the role and activities of the ICA in Africa from Vice President, Stanley Muchiri and Regional Director Ada Kibora. They also had the opportunity to visit the Co-operative College as well as several local co-operatives, attend the opening of the CIC's new building, (*see separate report*) and finally to meet with the Kenyan Minister for Co-operative Development who formally opened the meeting. The key outcomes of the Board meeting included:

- Discussion and approval of three year multi-annual budget, 2005-2007
- Approval of the new Financial Control Handbook
- Agreement to establish a working party to monitor developments in relation to the new International Accounting Standards
- Agreement to establish a working group to review ICA membership criteria
- Elections Committee established for 2005 General Assembly
- Discussion on theme and format for 2005 General Assembly
- Proposal for the establishment of a Youth Fund

Board Meeting Offers Opportunities for Discussing Bilateral Co-op Trade

ICA Board meetings are not only opportunities for Board members to deal with the statutory business of the international co-operative movement. They provide a venue for discussing bilateral co-operative to co-operative trade. Earlier this year at the Board meeting in Beijing, (see [Weekly Digest 12](#).) representatives from the All China Federation of Supply and Marketing Co-operatives (ACFSMC), the ICA's Chinese member took the opportunity to have bilateral discussions with fellow co-operators from the Kenyan movement about possible trade initiatives.



These discussions have been followed up by both sides during the year. A number of trade deals are now being pursued. Whilst in Kenya ICA Board member and Asia Pacific Vice President, Mu Li (ACFMSC) also met with Peter Ndwiga, the Kenyan Minister for Co-operative Development. Mu Li extended an invitation to the Minister to visit China and discuss expanding these new trading arrangements. *(Photo above shows Mu Li, back to camera, discussing trade matters with the Minister, Peter Ndwiga while fellow ICA Vice President, Stanley Muchiri and ICA President, Ivano Barberini, partly obscured, look on.)*

Youth Fund - President Appeals for Support



The ICA President, Ivano Barberini has called on ICA members to support a new Youth Fund which the ICA is proposing to establish. The fund will be used to help support the activities of the ICA's Global Youth Network. Mr Barberini said "if each ICA member could contribute a small amount, perhaps 500 Swiss Francs then we would have enough funds to make a real difference for advancing the cause of youth within the international co-operative movement". The monies would be used to support the activities of the network, including assisting young co-operators travel and attend youth conferences. It could also be used as seed money for projects involving youth. The fund would be administered by the ICA's Head Office in Geneva.

Claire Brenner, *(pictured left)* the Youth Network representative replacing Jo Bibby-Scullion for this meeting, welcomed the support of the Board. "This is the type of practical support young people need to help them participate more fully in the youth network's activities" she said. Ms Brenner also reported to the Board on recent youth network activities.

Opening of New CIC Building

ICA Board members and other international co-operative representatives attending the Nairobi meetings were invited to participate in the opening of the new Co-operative Insurance Company's office.

The opening of the new CIC headquarters is a very clear symbol of the success of co-operative insurance in Kenya. The official opening was performed by the President of Kenya His Excellency, the Hon. Mwai Kibaki, C.G.H., M.P. ICA President, Ivano Barberini and the CEO of ICMIF, Hans Dahlberg also made congratulatory speeches. Hans Dahlberg outlined his long association with co-operative insurance in Kenya and highlighted how CIC was a model for co-operatives in many other African countries to follow. The Kenyan President was also very supportive of the achievements of CIC and of the role co-operatives can play in Kenyan society. He noted that co-operatives in Kenya account for 45% of the GDP of the country. He commented however, that co-operatives must make every effort to improve their corporate governance. *(Photo shows the Kenyan President officially opening the CIC headquarters. Ivano Barberini and Hans Dahlberg are looking on.)*



ICA Governance Group adopts guiding principles for its work

ICA's newly formed Governance Group held its first physical meeting in Nairobi on 9 December 2004. The Governance Group also took the opportunity to meet with representatives of the ICA Audit and Control Committee. Both groups are concerned with establishing good governance procedures within the ICA. *(Photo shows members of both groups at the start of their meeting.)*



One of the first tasks of the Governance Group was to establish guiding principles for its work. A preliminary list has been drawn up and reported to the Board. They are:

- As custodian of the statement on co-operative identity the ICA must demonstrate co-operative values and principles in its governance practice
- Governance must be based on our specific member based character – good co-operative governance
- As a global organisation the ICA must be able to demonstrate to members, governments and donors that it works to the highest standards of governance
- Transparency and accountability are paramount to maintain the confidence of members, donors and the wider community
- Recommendations should strengthen democracy and participation in the ICA
- Governance processes should be simple and readily understood by members

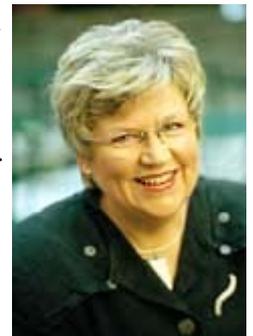
The Governance group would welcome comments on the above list as well as any specific comments on governance generally within the ICA. Please forward any comments to the group's co-ordinator Garry Cronan cronan@ica.coop

Background to Establishment of Governance Group

The ICA General Assembly of September 2003 in Oslo unanimously adopted the Task Force Report as agreed by the Board. The Task Force itself had been set up at the previous General Assembly in Seoul, 2001, to undertake a fundamental review of the ICA. Despite its intensive work, the Task Force recommended that some issues should be continued by an independent Governance Working Group which in turn would report to the 2005 General Assembly. Given the increasing importance of good corporate governance the ICA Governance Group activities could well become a regular feature of the ICA as it recognises the need to constantly review, update and revitalise its constitution, processes and structure.

Membership of Governance Group

The current members of the Governance Group are: Gun-Britt Mårtensson, on behalf of ICA Board, (Convenor), *see photo opposite*, Mervyn Wilson, Co-operative College, UK, Mauro Gori, Legacoop, Italy, Anne Reynolds, NCBA, USA, Dante Cracogna, Intercoop, Argentina, Joseph Mukasa, Ugandan Co-operative Alliance, Toshifumi Yamashita, JCCU, Japan and Garry Cronan, ICA (Co-ordinator of Governance Group)



Following the joint ICA/Sectoral Organisations meeting in Nairobi invitations will be issued for two representatives from ICA's sectoral organisations to also join the Governance Group.

Gabriella Sozanski – ICA's new Director for Knowledge Management

The ICA Board meeting also marked the formal beginning of a new role for Gabriella Sozanski. Gabriella, formerly ICA Regional Director for Europe, will be the ICA's first Director for Knowledge Management. She is excited about the prospects of her new job./5

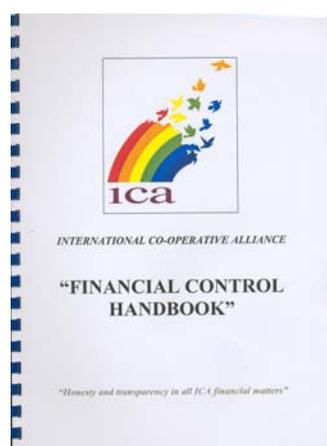
“The ICA is a vast global network of knowledge and information. It is probably unique in the access it has through its membership to this social and economic knowledge. My job will be to find ways of ensuring our members have access to this network of knowledge, when they need it. I look forward to discussing with members their information and knowledge requirements” she said. *(Photo opposite of Gabriella Sozanski)*



New Financial Control Handbook Endorsed

The ICA Task Force, see above, recommended the setting up of an Accounting Working Group, (AWG). This recommendation was adopted by the Oslo General Assembly in 2003. The task given to the AWG was to prepare a Financial Control Handbook aimed at establishing good and consistent financial and administrative practices throughout the ICA. The AWG was to report to the ICA’s Audit and Control Committee and complete the handbook by the end of 2004.

The composition of the AWG included Guy Malacrida, Director of Finance, ICA and Co-ordinator of the group, Phil Holmes, Co-operatives UK, Edmondo Belbello, Coopfond, Italy, and Niklas Widebeck, HSB, Sweden.



The group completed its work and presented the Handbook to the Audit and Control Committee meeting in Nairobi which endorsed it. A formal presentation of the Handbook and its detailed financial procedures was made to the Board by Phil Holmes on behalf of the AWG. He stressed in his presentation that the principle informing the preparation of the handbook was **“honesty and transparency in all ICA financial matters”**. The ICA Board meeting welcomed the Handbook and congratulated the group on its work.

A meeting of key ICA financial and regional personnel will be held in early 2005 to discuss the implementation of the procedures contained in the Handbook. *(Photo shows from left, Phil Holmes, Terje Halvorsen and Roy Pedersen, Chair of the ICA’s Audit and Control Committee.)*

Other Nairobi Meetings

Several other ICA meetings were held in Nairobi. These included a meeting of the ICA’s President’s Committee, an ICBA Board meeting and an ICA Housing-UN Habitat meeting.

The Development Committee of the Board also met as did the ICA Regional Directors. Regional Directors, Ada Kibora, (Africa) Manuel Mariño, (Americas), and Shil Kwan Lee, (Asia Pacific) all gave detailed reports. Pauline Green, ICA Vice President, Europe reported on behalf of Europe and explained the new organisational arrangements which had been proposed to the European Council.

There was also a meeting of the Dot Coop Board. The ICA’s representation on the Board of Dot Coop (DCLLC) has increased to three – Pauline Green, (DCLLC Vice-Chair), and Jean-Claude Dettleux are already members. The newly elected member is Tan Kian Chew, CEO of NTUC Fairprice Co-operative, Singapore.



Meeting with Sectoral Organisations

One of the key recommendations of the ICA Task Force was for more regular meetings between the ICA Board and ICA sectoral organisations. A joint meeting of the ICA Board and the sectoral organisations was arranged for Nairobi on 11 December 2004.

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The ICA has nine global sectoral organisations – seven were represented at the joint meeting. They were:

- International Co-operative Agricultural Organisation (ICAO)
- International Co-operative Banking Association (ICBA)
- Consumer Co-op International (CCI)
- International Co-operative Fisheries Organisation (IFCO)
- International Co-operative and Mutual Insurance Federation (ICMIF)
- ICA Housing
- International Organisation of Industrial, Artisanal and Service Producers' Co-operatives (CICOPA)



A range of issues were covered in discussion including, strategies for strengthening inter-sectoral co-operation and governance issues relating to the role of sectoral organisations within the overall framework of the ICA. Following this latter discussion, it was decided that the ICA's Governance Group, see earlier report would be expanded to include representatives from sectoral organisations. *(Photo opposite is of ICA Director-General, Iain Macdonald and ICMIF, CEO, Hans Dahlberg. Hans Dahlberg was one of the main contributors to the debate in the joint meeting of the ICA Board and sectoral organisations.)*

There was also a detailed membership analysis presented by ICA Deputy Director-General, Maria Elena Chávez Hertig. It included for the first time an account of the financial contribution of ICA member organisations to not only the global ICA, but also the sectoral organisations. This issue will be further pursued within the new membership criteria group. Discussion also took place on how the next General Assembly in Cartagena, Colombia in September 2005 could include sectoral organisations directly in the programme.

New Lanark Venue for next ICA Board Meeting

The venue of the next ICA Board meeting is in New Lanark, Scotland on 18/19 May 2005. New Lanark has a special place in co-operative history. The village became internationally famous under the enlightened management of Robert Owen, the social and educational pioneer. Between 1800 and 1825, he introduced ideas and opportunities for his workers that were at least a hundred years ahead of their time. He abolished child labour and corporal punishment, provided free medical care and progressive education for the whole community, and founded the *Village Store*, now regarded as one of the roots of the international co-operative movement. The Board meeting will be held just prior to the 2005 UK Co-operative Congress in nearby Glasgow.

Generosity of Japanese Co-operators for Victims of Iranian Earthquake

The Japanese Agricultural Co-operative Movement (JA Group) and JA Zenchu have donated an amount of 412,000 Swiss Francs to help the victims of the devastating Iranian earthquake in December 2003. The money will be remitted by the Iranian Government to the Central Organization of Rural Co-operatives of Iran (CORC) who will administer the fund.

Mr. Isami Miyata, President of JA Zenchu and ICA Board member said "we sincerely hope that this contribution by farmers and people of our JA Group will be effectively used particularly for rehabilitation of agricultural co-operatives damaged by earthquake as well as for the members of agricultural co-operatives in the Islamic Republic of Iran". *(The photo shows Isami Miyata handing the Note Verbal of the donation to the Iranian Ambassador, H.E. Mr. Mohsen Taleai at the Iranian Embassy in Tokyo on 21 December 2004.)*

