

**FOR THE PROMOTION OF THE FISHERIES  
COOPERATIVE ASSOCIATION  
OF THAILAND  
(RECOMMENDATION)**

**December, 1977**

**JAPAN INTERNATIONAL COOPERATION AGENCY**

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## **I. PREMISES**

- 1. The agencies related to fisheries of the Thai Government seize the basic problems of the fisheries of Thai (including production, processing and distribution) to be as set forth below.**
  - 1-1 The present state of the marine product resources in the Thai Bay is in a serious condition, and, having the issue of 200 nautical miles on hand, the basis for the development of Thai fisheries is in a critical state.**
  - 1-2 The administrative, supervisory, and guiding agencies related to fishing industries and the fisheries cooperative associations being separate in terms of their activities, no uniform policies, including organizations of fishermen can be established. Therefore, policies and countermeasures to cope with such a critical state lack proper coordination.**
  - 1-3 Middlemen and brokers have the basis of their business activities established on their own landing places and related facilities, and furnish fishermen with funds, as means of taking the reins over fishermen.**
  - 1-4 Fishermen are mostly low in terms of the level of education, and have virtually no sense of cooperation among themselves. Furthermore, extreme lack of financing ability on their part makes it difficult to be organized in an effective manner. The measures to be taken by the Thai Government to cope with the situation are as enumerated below.**
    - 1) Revision of the Fisheries Act and the Cooperative Association Law, for the purpose of control of resources and regulation of fisheries**
    - 2) Reform of administrative structure, for the purpose of unifying policies related to fisheries**
    - 3) With regard to middlemen and brokers, self-renewal of themselves through the cooperative activities of the three organizations, including the Fisheries Market Organization, the Cold Storage Organization, and the Bank of Agriculture and Agricultural**

Cooperative Associations, without excluding middlemen and brokers

- 4) Establishment of the Federation of Fisheries Cooperative Associations as a nucleus of organization of fishermen, with the backup of the Government on its part, too.

2. However, materialization of the said measures by the Thai Government seems to involve a couple of key problems.

The first one is the fact that shortage of funds, both on the Government side and on the non-Government side, constitutes the most serious obstacle to pushing forward the measures of 3) and 4) among others.

The second one is the fact that, while fishermen of the middle scale or over engaged in trawl fishery or round haul net fishery have a volition of cooperating with each other as a means of solving the problem of the shortage of funds and developing their own fishing production, smaller fishermen seem to have no much volition of this sort. The reason for thus having no much volition rests with the reality that, since those fishermen are virtually on the stage of self-sufficient economy, either they feel no need of establishing a cooperative association, or they feel satisfied to a certain degree (rather should it be expressed to be a sort of resignation?) in their subordinating themselves to middlemen or brokers for leading their lives. This reality has its root in the bare fact that the economic environments of those fishermen are considerably low, and it might be unavoidable to a certain degree, as pointed out "The cooperative association movement depends upon the degree of development of national economy" in the "Structural and Institutional Reforms" (by the Cooperative Promotion Department).

3. With regard to the first problem, it goes without saying that necessary funds should be introduced through international cooperation, and funds have been already appropriated by the Asian Development Bank (A.D.B.); however, it still seems that more funds will be needed.

For all that, so far as no effective administrative measures are taken for basically checking the progress of aggravation in terms of resources

that both the total haul and the unit haul decrease, a prospect will be such that the foreseeable future trend will trace a route of introduction of funds → increase in fishing effort → decline in resources → breakdown of fishing management, and reckless investment might possibly result in an adverse effect, until introduction of funds is regarded problematical. Therefore, the first thing to be taken into account is that the measure 1) should be taken up as the premise. With regard to the second problem, measures to be taken include promotion of organization of the bracket of the middle scale of fishermen and over that are the bearer of the fishing productivity of Thailand, thereby strengthening the guidance in a manner of having those fishermen manage economic business activities, especially sales and credit activities. Needless to say, this means establishment of a bridgehead for the cooperative association movement, as the matter has been already promoted by the Thai Government. To put it otherwise, some measures to be taken, for the time being, will include selection of several advanced fishing villages, wherein guidance and assistance are to be given in a concentrated manner, thereby creation of model fisheries cooperative associations. As to the fishermen of the bracket of the middle scale or lower, it will be appropriate, for the time being, to work out some protective policies based on the viewpoint of social policies.

## II. FOR THE PROMOTION OF THE FISHERIES COOPERATIVE ASSOCIATION OF THAILAND

For the purpose of furthering the fishermen's cooperative association movement, establishing and expanding also strengthening the organization of the fisheries cooperative associations in Thailand, on the basis of what is set forth above as the premise, it is deemed necessary to check and promote such points as are set forth below.

Of course, the Thai agencies related to fisheries have already either implemented or established plans for the implementations of key items of the said idea; and given below will be an enumerative statement thereof in spite of some redundancy.

1 The interrelations among, the duties and the authorities of, the F.M.O., the C.S.O., the B.A.A.C., and the Training Division which is an educational and training agency of the Federation of the Fisheries Cooperative Associations will be stated clearly below. The said four agencies are economical agencies, as well as main guiding and training agencies, assigned the task of organizing fishermen, giving the guidance for the organization of fishermen and supporting and assisting the organization in economic terms, at the present state the fisheries cooperative associations still remain rather undeveloped. Therefore, as far as the role of each one of the said agencies is assigned, mutual collaboration is reinforced, and all the agencies tackle the problem of organizing the fishermen's cooperative associations, remarkable results will be attained.

2 Public hauling places and auxiliary facilities will be installed pursuant to an established middle-period plan, and control and management thereof will be shared by fishermen's organizations. The substantial basis of the control over fisherment by middlemen and brokers rests with the fact that those middlemen and brokers own hauling places. Therefore, installation and construction of public hauling places give the fishermen the most important material means for their independence.

The said facilities may well be quite simple ones, or should rather be simple ones.

To put it otherwise, when the scale of fishing boats, hauling quantity per day, the soft ground, the level of fishery productivity of having no storms at all and so forth are all taken into consideration, hauling places of frame construction, prefabricated and simplified refrigerators, cold storage houses, and ice storages may be required. It goes without saying that permanent and modernized fishing port facilities will be required at such spots as are good enough in terms of conditions of location and have prospects of becoming fishery bases in the near future.

3 In rather advanced fishing villages, it will be necessary to give guidance and assistance to fishermen in their preparation of a



fisheries promotion plan of their own.

To put it in more concrete terms, a working team or the like will be established, with membership held by fishermen, administrators, and fisheries researchers, to make the center of activities, in conducting surveys of the social and economical conditions of each area, and of the natural conditions thereof clarifying the environments of fishing grounds and the actual state of use thereof, thus seizing a view of the present state in a precise and infallible manner. By so doing, the fishery promotion plan will be substantiated through picking out points at issue, orientation of counter-measures, setting of targets, and preparation of a plan including the business to be carried out therefor and a funds program. It goes without saying that the preparation of the fishery promotion plan will be effective enough to give instructions and training in the course of the preparation, seizing the joint target of fishermen by themselves, and clarifying the individual target of each fisherman, until the volition toward fishery will be reinforced.

- 4 As of the end of October, 1977, the number of fishermen's cooperative association is seven, and that of fishermen's group is approximately one hundred.

The fisheries cooperative association classified into two categories, including those engaged in main in culture and those engaged in main in coastal fishery of a small scale. The fishermen's groups are in many cases what are organized by fishermen of small scale engaged in trawling or round hauling. In other words, they are organized spontaneously into a classification based on the category of business and that based on the category of scale. This is a natural outcome of the fact that their demand in terms of production and their demand in terms of living are different. Therefore, with regard to the manner of giving them proper guidance, it is necessary to give guidance and training in a manner of corresponding thereto.

- 5 Working out a plan of how the fisheries cooperative associations and the fishermen's groups can be engaged in economic business, especially sales business, in an effective manner constitutes an

important problem to be tackled for the time being.

The object of this matter does not always rest with exclusion of middlemen, brokers, and fish agents. Rather it is important to utilize the functions of the said distribution business. However, of all the functions, determination of fish prices and financing can be, and must be, taken in the functions of the cooperative associations. Because those engaged in the distribution business can be modernized thereby.

As measures to cope with the situation, some items of the measures calling for proper check, including the ones materialized by the F.M.O., with cooperation of the C.S.O. will be enumerated below.

- 5-1 It will be regulated to the effect that fishermen's organizations are so arranged as to be capable of joining the management of the public hauling facilities, and that distributors making use of those hauling facilities must be approved by proper fishermen's organizations.
- 5-2 In consideration of some cases that the distributors do not make use of these facilities, or that fish price should fall suddenly due to a good haul, the buying function of the C.S.O. will be strengthened.
- 5-3 The F.M.O. or government agencies will be given an authority of supervision over transaction of the said distributors, especially quantities and price, thus ensuring realization of fair deal.
- 5-4 Now that it is deemed necessary to give instructions and training as to supervision, operation, and accountant's business, the Training Division will have a fishery course instituted therein for the specific purpose of giving necessary training for a specified period.

In this case, such a situation that fisheries cooperative associations and/or fishermen's groups cannot secure within staff members well qualified and capable of affording to have the training, or that competent members cannot be found within, will constitute a problem. To cope with the situation,

competent staffers of the F.M.O. or the government will be given necessary instructions and training, and posted as specialized personnel in respective areas, thus having them institute a training course in the area or dispatch them as circuit riders to respective places, as a means to substitute therefor.

- 6 Fishermen are complaining of shortage of funds with no exception. Especially considerable is lack of long-term funds needed for building fishing boats.

Needless to say, the matter is what is attributable to the reality that the route of having a loan from a financial agency is narrow and limited.

The cause therefor rests with a couple of facts, including, first, the fisheries cooperative associations and the fishermen's groups are short of credit, and, second, fishermen have virtually no security. First, with regard to the former, this does not always mean that the fishermen constituting fishery cooperative associations or fishermen's groups have no capability of repayment. The amount of their hauling per annum is, in a usual case, either almost equal to the expenses of building a fishing boat, or even in excess thereof, and, in the light of our experience in Japan, this fact reveals that they are well capable of repayment.

Therefore, this reality only reveals that they are still in the stage that they cannot thoroughly organize this capability of theirs.

Organization or systematization of their capability of repayment is, as one thing, what means not that individual fishermen should not sell their hauls at their own way to distributors but that they should either put their hauls on consignment sale or put their hauls on joint consignment through the fisheries cooperative association or the fishermen's groups, to put it otherwise, they should manage the sales business by themselves. Organization or systematization of their capability of repayment is, as another thing, what means that they should amass their sales returns with the fisheries cooperative associations or the fishermen's groups

in the form of deposits, which means that they should manage deposit business by themselves.

Second, with regard to the latter, it goes without saying that financial agencies do not loan without security in usual cases. Therefore, it is rather natural enough that fishermen having no such tangible fixed assets as land come to fall short of funds. A fishing boat, once wrecked, becomes valueless, true to the literal meaning, thus being devoid of the requirement in terms of a security.

It is quite probably necessary to institute a proper agency specifically assigned to supplement the security capability in the interest of fishermen having such a standing as this. To put it otherwise, this means that an agency assigned a task of securing as to loaning to fishermen should be instituted through joint investment from the government, financial agencies, fisheries cooperative association, and fishermen's groups.

Furthermore, for the purpose of strengthening the security capability of fishermen, a proper insurance system will be an item demanding study, with an eye set at giving security capability to fishing boats which are almost only property for fishermen.

## CONSTITUTION OF SURVEY TEAM

(7 November - 27 November 1977)

<b>Hiroichi Akiyama</b>	<b>Leader</b>	<b>National Federation of Fisheries Cooperative Associations</b>
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<b>Mituo Nakamura</b>	<b>Coodination</b>	<b>Japan International Cooperation Agency</b>

