

- (h) Automatically credit cash distributions of dividends on stock and patronage refunds to members savings accounts or open new accounts for those members who do not have deposit accounts.

iv. Production Loans to Farmers

Credit administration can be strengthened by the following:

- (a) Provide the credit person(s) with a Credit Manual and adequate training as described in i. above.
 - (b) Develop and maintain adequate loan records which will provide the credit person(s), management and Credit Committee with a report at least monthly on past due loans.
 - (c) Vigorously pursue delinquent borrowers on a timely and consistent basis through personal contact and or the use of peer pressure which can be very effective especially in smaller cooperatives.
 - (d) Develop a loan guarantee fund through a small compulsory deduction of 1 or 2% from each crop production loan granted. If justified, members could obtain "supplementary/temporary" loans from the fund to repay crop production loans.
- (4) Measures to promote the education and guidance activity

The following measures are required for primary cooperatives in this category: i. those which allow for the provision of training services at acceptable costs; ii. those which allow for the carrying out of educational and guidance activities based on diagnoses of operations; iii. those which allow for the further expansion of activities aimed at non-members.

- i. Measures which allow for the provision of training services at acceptable costs

A: Measures which primary cooperatives must conduct on their own:

- ① Regarding measures mentioned in Category I and II, activities should be implemented on a slightly greater scale and at a slightly higher level. Emphasis will be placed on officers and employees.

- ② Encourage the subscription of periodicals (newspapers, magazines) suitable for members and officers and work toward their wider dissemination.

B: Measures which local level unions/federations should support

- ① Regarding measures mentioned in Category I and II, activities should be implemented on a slightly greater scale and at a slightly higher level. Emphasis will be placed on officers and employees.
 - ② Disseminate periodicals (newspapers, magazines) suitable for members and officers.
 - ③ Take appropriate measures to support portions of the educational and guidance activities being conducted by advanced federations ("Designated Training Program").
 - ④ Develop facilities for short-term training. Also, take appropriate measures to support a part of the training facilities of advanced federations and government institutions ("Designated Training Facility Program").
 - ⑤ Provide for improvements in fixtures and equipment used in education and training, including Overhead projectors (OHP), Slides, Videos, Xerox machines, Word processors, Personal computers, etc.
- ii. Measures which allow for the carrying out of educational and guidance activities based on diagnoses of operations

A: Measures which primary cooperatives must conduct on their own:

- ① Conduct self-evaluations regarding educational and guidance activities.
- ② Conduct surveys of the wishes of members, or have such surveys conducted by outside contractors.
- ③ Undergo operational diagnosis.
- ④ Plan and execute education and guidance activities based on the evaluations, surveys and diagnoses.

B: Measures which local level unions/federations should support

- ① Promote self-evaluations regarding education and guidance activities. Prepare a standard evaluation table and evaluate results.
- ② Conduct surveys of members' wishes. Based on an analysis of results, advise and make proposals for improvements.
- ③ Conduct operational diagnoses. Based on an analysis of results, advise and make proposals for improvements.
- ④ Conduct follow-up guidance and consultation activity.

These functions of the local level unions/federations shall be promoted by a "Management Auditor." The national level union/federations of agricultural cooperatives shall develop and operate a "Training Program for Management Auditors (long-term training)".

iii. Measures which allow for the further expansion of activities aimed at non-members

A: Measures which primary cooperatives must conduct on their own:

- ① Same as Category I (4) vi-A.
- ② Support the organization and operation of laboratory-coops.

B: Measures which local level unions/federations should support

- ① Same as Category I (4) vi-B.
- ② Enlighten members with regard to organization of laboratory-coops and work toward their wider acceptance.
- ③ Coordinate more closely with schools and seek better mutual cooperation with the schools (establishment of a "Round Table Discussion on Education for Agriculture and Agricultural Cooperatives").

Category IV

(1) Guidelines for managing the organization

The cooperatives in this category must be cautious most about members losing the opportunity to participate directly in cooperative operations, about links between members and the cooperative weakening, and about the rate of patronage of business declining. We propose the following policies.

i. Abiding by a policy of holding membership gatherings based on small areas

Basically the same as (1)i in Category III. Moreover, these cooperatives will aim to build facilities which, in addition to being used for such meetings, would stimulate joint activities by members involved in the improvement of production and livelihoods within these small areas. It would be effective to establish such facilities alongside consumer stores and other business facilities of the cooperative.

ii Developing leaders for groups

The activities of member groups, women's groups, and farm-management related member groups in each small area must be run independently by members. Moreover, these groups must be guided in a way that these activities lead to patronage of cooperative businesses. Emphasis will be placed on unearthing personnel for leadership roles and on education. Cooperatives in Category IV will be counted on in this respect.

iii Strengthening consulting activity aimed at members

In addition to the directions spelled out in Category III (1)iv, these cooperatives shall consider establishing within the personnel structure sections which control and evaluate consulting activities for members and which, if necessary, plan policies for improving the business operations of the cooperative. It would be advisable for this section to report directly to the general manager.

iv. Organizing farm-management related members

Basically the same as in Category III. Taking it a step further, these cooperatives shall concern themselves primarily with supporting the independent operations of groups of farm-management related members and with providing

education for leaders and opportunities for gatherings and research to these groups.

Furthermore, although these cooperatives often own production and marketing-related facilities, they shall bear in mind that, with respect to special types of production facilities (for breeding and raising livestock), having the cooperative own the facilities while membership organizations run them can lead to a marked impact by such facilities. Also, to the extent possible it would be advisable for cooperatives to seek to raise incomes by using members and their families as workers in these facilities.

v. Executive structure

When necessary in response to changes in farm management engaged in by members, cooperatives must reinforce their executive structures by creating new committees based on major crop categories.

(2) Guidelines for management and administration

The primary cooperatives in this category are extremely large and their ratios of net member assets to total assets are high. Moreover, the current ratio, which indicates the stability of short-term funds for the settling of accounts, is also high. On the other hand, the ratio of total liabilities to net member assets is generally low, indicating stability of operations. However, efficiency and stability are not very high. We believe this reflects the difficult competitive relationships that exist with merchants; how to prevail in this competitive relationship must be the touchstone of policies to strengthen operations.

1) Because the primary cooperatives belonging to this category meet conditions which enable them to pursue economies of scale, effecting the diversification of business is the highest priority. For this purpose, a comprehensive development of facilities, means of transportation, and data telecommunications systems is indispensable. By accomplishing this, it will be possible to foster a comprehensive development of business through the manufacturing of processed foods: rice-related products in rice-growing regions; ham, bacon and milk products in livestock raising regions; jams, juices, and oils in horticultural regions. There are already a few cases of cooperatives undertaking investigations of specific possibilities; we would look for these efforts to make progress. Further, some cooperatives are seeking to create cooperative brands for agricultural pro-

ducts and processed items--there is a need to try to cooperate in this regard. Disseminating information about cases from advanced situations in Japan and providing the necessary managerial and administrative know-how related to them will also likely become issues. These efforts could also be effective as measures which attempt to bring about a greater usage of the cooperative by its members.

2) However, managerial and administrative techniques which enable these enterprises to be carried out will be required: the introduction of special accounting systems for each business unit; the provision of assistance which makes it possible for cooperatives to gather and accumulate know-how for this purpose.

3) Our judgement is that cooperatives in this category are endowed with qualities that can measure up to the demands of the managers of private enterprises; more effort should go into furthering the introduction of managerial and administrative systems that can meet these demands.

Category IV Operational Indices for Primary Cooperatives (Fiscal 1991)

	Ratio of net member assets to total assets	Current ratio	Ratio of total liabilities to net member assets	Net profit margin	Return on total assets	Average wages	Ratio of labors' share
LMCI	42.0	228.3	64.4 %	0.3	1.2	P74,933	68.5
PFMCI	56.2	365.8	15.0 %	34.6	17.3	P38,402	36.3
DFFCI	38.5	374.6	1.1 times	1.8	1.2	P29,903	18.5
NICI	33.4	141.0	1.9 times	9.1	1.9	P38,337	34.1

(3) Measures to promote the business

1) Marketing, supply and utilization business

Category IV cooperatives had an average sales of P154,263,000 in 1991 of which 96% represent sales of farm products, 3% farm inputs and 1% consumer goods. Category IV cooperatives are dominated by a very progressive and profitable livestock cooperative.

i. Marketing

The sale of swine and poultry constitute 49% and 42% respectively of total sales, while the combined sales of rice, palay and corn is 5%. About 72% of farm products were purchased from members, 21% from non-members, and 3% each from private dealers and cooperatives. These were sold at 86% over cost, 95% of which were sold to wholesalers and the remainder to primary cooperatives. About 61% of the purchases were paid in cash and 39% on consignment. 63% of sales were paid in cash, 33% on demand and 4% on installment.

Given the above conditions, a plan for the strengthening of farm product marketing of Category IV cooperatives should include the following elements:

- ① Feeds supply should be stabilized. Forward contracts between livestock producers and corn growers represented by their primary cooperative or federation must be negotiated 3~5 months in advance of harvest.
- ② Procurement from and sales to other cooperatives, particularly federations must be increased.
- ③ Cash purchases must be minimized.

ii. Supply

The combined value of farm inputs, such as fertilizer and agricultural chemicals (excluding the value of feeds) is P15,867,000 or 3% of the total sales of Category IV cooperatives. Almost all were purchased from private dealers. About seventy-one percent were sold to members and 29% to non-members. About 79% of purchases were paid in cash, 20% on demand and 2% on consignment. 69% of sales were paid on consignment 26% in cash and 5% on demand.

Given the above conditions, a plan to strengthen the marketing of farm inputs must include the following elements:

- ① Procurement of farm inputs should be through federation or directly through importers, manufacturers or whole-sale distributors.
- ② Sales to other cooperatives and non-member farmers should be increased.

- ③ Cash purchase must be minimized or avoided but cash sales must be increased.

iii. Utilization

Listed below are facilities owned by four Category IV cooperatives included in the survey.

Facilities	Qty	Percent Utilization	Age in Years	Condition
Trucks	10	90	7	need repair
Stores	3	100	11	need repair
Warehouses	14	80	12	need repair
Offices	8	100	12	need repair
Mills	14	100	10	need repair
Dryers	5	NA	3	good
Thresher	1	NA	NA	NA

Facilities of Category IV cooperatives are relatively old but serviceable. A financing plan for the replacement of these facilities must be included in the overall development plan.

(Competition)

Private dealers are the biggest competitors of Category IV cooperatives in the purchase and sale of farm products and farm inputs. The private dealers pay promptly for farm products purchased from the farmers, and sell farm inputs on credit.

Category IV cooperatives compete by providing prompt and efficient service, offering higher prices for farm products and charging lower prices for farm inputs. This strategy seem to be effective since only 15% of members conduct business with private dealers.

In the formulation of competitive strategies, the Category IV cooperatives must continue to emphasize prompt and efficient service and appeal to loyalty of the members. To maintain loyalty, Category IV cooperatives must provide to their members, staff, officers and employees, if their financial position permits,

certain amenities such as insurance coverage, scholarships and death benefits to immediate family members of officers and employees.

2) Credit business

i. Management strengthening

Management of credit activities may be strengthened by the following:

- (a) Establish a Credit Department with an experienced credit person in charge who will report to the General Manager. If possible, the credit staff should consist of 5 to 10 persons, preferably experienced, depending upon the number of borrowers.
- (b) Provide the credit manager and staff with specialized training to continuously upgrade their skills either in an on-the-job or formal setting.
- (c) Provide the credit staff with a Credit Manual which might be adopted from a model manual developed by the federation or some other source. The manual should describe in simple language the general credit policies, procedures and techniques to evaluate loan requests and to supervise the disbursement and utilization of loans and with special emphasis on loan collections.

ii. Equity capital build-up

Capital build-up may be enhanced by the following:

- (a) Emphasize the need for continuous capital build-up at all membership meetings.
- (b) Initiate a compulsory program whereby at least 50% of all annual dividends on stock and patronage refunds are automatically retained and credited to members' share capital.
- (c) In agri-based credit cooperatives continue or initiate as necessary a compulsory program whereby members obtaining providential or commercial loans would be required to invest 5% of loan proceeds in additional share capital.

- (d) Undertake various incentive programs such as awarding plaques, cash, shares of capital, special discounts on purchases, free term life insurance (i.e. premiums paid by the coop), etc. which recognizes individual members's increase in share capital. Possibly make those awards the Annual General Assembly.
- (e) Maintain a continuous program to attract new members and capital.
- (f) Increase business activities to increase savings and retained earnings.

iii. Savings mobilization

Those cooperatives not already engaged in mobilizing savings should do so as a low cost source of working capital for the cooperative and/or as a low cost source of funds for lending or for additional collateral for loans. Such programs should be initiated with guidance and training from experienced sources. Some or all of the following strategies may be useful in accelerating deposits:

- (a) Continuous promotion at all membership meetings.
- (b) Organize thrift clubs especially amongst wives of members and/or female members. Promote savings programs such as one peso per day.
- (c) Assist in developing "laboratory" cooperatives with young people such as high school, college, university students to promote positive savings habits.
- (d) Promote savings deposits amongst non-members such as local merchants, traders, vendors and other business people.
- (e) When appropriate, promote the use of savings deposits as collateral for loans.
- (f) Initiate staff award programs e.g. to reward staff members for obtaining the largest number of new depositors during the year.
- (g) Pay slightly higher interest rate (1 or 2%) than competing depositories, if financially feasible.

- (h) Automatically credit cash distributions of dividends on stock and patronage refunds to members savings accounts or open new accounts for those members who do not have deposit accounts.

- iv. Production loans to farmers

Credit administration can be strengthened by the following:

- (a) Provide the credit person(s) with a Credit Manual and adequate training as described in i. above.
 - (b) Develop and maintain adequate loan records which will provide the credit person(s), management and Credit Committees with a report at least monthly on past due loans. Also it justified by the number of loans granted, the loan records should be computerized in order to increase accuracy and efficiency and to reduce costs.
 - (c) Vigorously pursue delinquent borrowers on a timely and consistent basis through personal contact and or the use of peer pressure which can be very effective especially in smaller cooperatives.
 - (d) Develop a loan guarantee fund through a small compulsory deduction of 1 or 2% from each crop production loan granted. If justified, members could obtain "supplementary/temporary" loans from the fund to repay crop production loans.
- (4) Measures to promote the education and guidance activity

In addition to the measures spelled out in Category III, those which would promote a high level of education and guidance activity are necessary for the primary cooperatives in this category. Among such activities, some instances of exposure to advanced examples from overseas are effective.

- i. Measures which promote a high level of educational and training activity

A: Measures which primary cooperatives must conduct on their own:

- ① Send personnel to training programs which seek to develop comprehensive and specialized management capabilities ("Training for General Managers (long-term training)" [advanced course]).

- ② Send employees responsible for guidance activities to the "Training Program for Farming and Better Living Advisors (long-term training)" [advanced course], and strengthen guidance activities qualitatively.
- ③ Send all employees to attitude training/morale training programs. Also, send their leaders in the work place to their advanced training programs.
- ④ Send personnel to training courses in the development and operation of wage systems, evaluation systems for personnel performance, computer systems, etc.
- ⑤ Participate in other developmental/application-oriented training programs.
- ⑥ Develop and operate by work place on-the-job training activities and job improvement activities using quality control circles.

B: Measures which local level unions/federations should support

- ③ Carry out "Attitude training/morale training" courses.
- ④, ⑤, ⑥ Become the secretariat for chapters of the "Nationwide Study Meetings for Large Scale Agricultural Cooperatives".

With respect to these measures, there is little that local level unions/federations can sponsor. It is realistic that national level union/federations of agricultural cooperatives establish the "Nationwide Study Meetings for Large Scale Agricultural Cooperatives" and otherwise provide direct support, while local level unions/federations perform an agent's function in this regard.

2. Unions and Federations

(1) Guidelines for managing the organization

1) Unions

i: Support of cooperative policies to expand membership

In order to support activities by agricultural cooperatives to encourage membership among those who have not yet joined -- farmers, women and those in line to take over farms -- the following kinds of involvement are necessary.

(a) Creating and distributing material, leaflets, etc. for use in education and enlightenment. Or, considering subsidizing the costs of preparing such material.

(b) Conducting activities to educate and enlighten using the mass media, including television and radio, during periods when all the cooperatives are campaigning at once. These activities would cover wide areas.

ii: Support of cooperative policies to expand volumes of business

In order to support the policies of cooperatives aimed at increasing volumes of business, the following kinds of involvement are necessary.

(a) With the cooperation of federations, providing material for education and enlightenment which incorporates actual examples of the economic effects on members of expansions of cooperatives' business volumes.

(b) Providing guidance on business diversification for cooperatives engaged in a single business.

(c) Taking increasing initiative to provide information needed for the development of new businesses, including the processing of agricultural products, etc.

iii: Support of drives to merge cooperatives

It is necessary to support the merger of agricultural cooperatives, in accordance with the following.

(a) Preparing "merger guidelines" which touch on the objectives and the effects of mergers among cooperatives, the procedures taken during mergers, including adjustment of finances and treatment of fixed claims, and the way cooperative businesses should be managed after the merger; when necessary, to guide concerned agricultural cooperatives toward merger.

(b) Conducting on-the-spot surveys, establishing study meetings of concerned cooperatives (federations), and conducting guidance aimed at merger in cases where, in a given area, scale of cooperative membership is small, and moreover multiple cooperatives or federations exist which are involved in the same types of businesses, and further there are overlaps in operational area. In such instances, the organization shall request the advice of the CDA.

iv: Supporting drives to increase participation by members in cooperative businesses and drives to incorporate the wishes of members in the operation of agricultural cooperative businesses

Regarding the supporting of drives to increase participation by members in cooperative businesses and drives to incorporate the wishes of members in the operation of cooperative businesses, the following kinds of involvement are necessary.

(a) Preparing guidelines, which include actual examples, regarding the necessity of organizing members and the procedures of such organization, and providing guidance in this regard.

(b) Contributing to the advancement of activities through the establishment of settings where announcements of joint activities by member organizations can be made and where an exchange of ideas can take place; preparing compilations of excellence in these activities and making these available to members.

(c) Preparing compilations of excellence in the running of general meetings and making these available to members.

v: Establishing an ability to provide comprehensive guidance to the cooperatives

In order to succeed in the matters discussed above, it is necessary to devote a special amount of effort to bringing about the following.

(a) Establishing regional and provincial branches of the central union of cooperatives at regional and provincial levels. The aim is to have regional branches perform the function of promotion regarding the policy of the central union and provincial branches fulfill the role of practical guidance regarding education on cooperative organization, management and business to the primary agricultural cooperatives.

(b) Having the central union of cooperatives give special consideration to stationing personnel, particularly in the provincial branches, who are capable of providing an outstanding level of instruction to member agricultural cooperatives and federations. For this purpose, it is desirable that the right people be sought from a wide variety of sources, including organizations other than cooperatives; or the central union could seek to enter into personnel exchange programs with other national cooperative organizations, etc.

(c) Securing financial stability. For this purpose, in addition to independent sources of revenue, such as the collection of membership fees from member cooperatives and federations, the central union should investigate the possibility of establishing a system of funds where earnings would be applied to policy-related expenses for the strengthening of local level agricultural cooperatives.

(d) Strengthening the link with local level federations. For this purpose, the regional level and provincial level offices of the central union shall, in principle, be located in the same buildings as the offices of local federations.

(e) In provinces where CBs are not yet established, cooperating for their early establishment.

(f) Attempting to strengthen the links with the CDA and local government institutions, and establishing regular meetings for this purpose.

2) Federations

It is necessary for federations to provide support to agricultural cooperatives in the following respects.

(a) Federations should review the way their businesses are pursued in light of the principle that businesses of federations exist to supplement those of agricultural cooperatives.

Marketing and supply federations should reassess the products they handle and the methods used in promoting their businesses, and should carry out national campaigns urging all agricultural cooperatives to avail themselves of products which generate economic advantages when purchased through their organizations.

The CRBs (CR) should strengthen their guidance regarding deposit-taking activities by agricultural cooperatives.

(b) Steps should be taken to promote integration among federations. In particular, with respect to marketing and supply federations, those which have been in existence for some time without being able to commence businesses should be integrated into federations with ongoing operations at the same level. Their member cooperatives should become new members of the integrating federation.

Moreover, in principle, mergers will be sought when multiple federations handling similar businesses exist within a given area.

(c) Federations should seek to strengthen their links with the CDA and local governmental institutions.

(2) Guidelines for management and administration

1) Unions

At bottom, policies to strengthen the management and administration of unions can be practically reduced to strengthening operating capital. As the table below shows, the financial conditions of unions are extremely tight. There were also three regions among those we surveyed where unions did not exist.

Those in the leadership of unions, for the most part, have household incomes from sources other than the union; it is rare for anyone to be dependent on his livelihood on the income earned from the union with which he is affiliated. It would not be an exaggeration to say that an understanding of the cooperative movement and individual passion are supporting the operations of the unions. It is not that these leaders do not possess the skills for management of cooperatives; many of them have been involved for numerous years in the management of primary cooperatives and have a deep understanding of the ideals of the cooperative movement. However, the reality is that opportunities to demonstrate this

experience and passion within the context of union management are extremely limited.

The CETF, which is supposed to be the source of revenue for unions, is not providing the funds that were expected. Although one reason is that the unions which are its members do not have the economic breathing space, the fundamental reason lies in the unions' inability to make a single specific contribution to the members. Because there are no concrete benefits, members do not pay their CETFs; because there is no income, the unions cannot function. This vicious circle is the reason that union operations cannot break free from the current situation.

Strengthening the operations of unions stuck in such circumstances requires specific, tangible actions--grand theories are no longer viable.

Here, the establishment of a "Fund to Foster the Independence of Central Unions" will be proposed. Its role will be to get the activities of the union off to a start and to stabilize such activities, functioning only for as long as it takes each union to achieve independence based on income from its members. The fund will be established within the Central Union of Cooperatives and, limiting its involvement to activities engaged in by the central unions branches, will play the role of allocating profit from the fund to cover all or part of the capital required for those businesses and/or activities as well as all or part of the capital for the management and administration of those businesses and/or activities.

	Number of full-time employees	Total revenues (P)	Surplus (P)
Union A	0	91,178	49,986
B	0	0	0
C	4	400,000	▲ 300,000
D	5	370,718	15,162

2) Federations

As can be seen in the table below, although called federations, the twenty-one such organizations we surveyed in detail were in many cases either hardly any more than primary cooperatives or of a smaller scale. Their current financial situations are also extremely tight. Federations ending up bankrupt in the near future will probably be more than a small handful. Assuming that bankruptcies

arise, will that mean that remaining federations will be able to expand market share and strengthen their operations. To that, the answer is no. That these comments apply as well to federations in regions outside our survey probably is beyond a doubt. Not only is it virtually impossible for the federations to supplement the operations of primary cooperatives but their very survival as an institution is even felt to be endangered.

Given all this, the following measures dealing with management and administration are required.

1) The introduction of systems of management and administration used in private enterprise; more specifically, these would include the following: systems which allow directors and employees as well as members to propose improvements covering any and all fields of operation (for example, quality circles); systems for maintaining appropriate levels of inventory; systems for controlling quality of items purchased for inventory; systems for the inspection and standardization of agricultural products sold; developing market-research capabilities and systems of data management; improving methods of analyzing operational costs, etc.

2) Making it a point to adopt a system of business tieups. These could include, for example, relationships with the federation of consumer cooperatives in Manila-Cebu-Davao, the great final market for agricultural products; relationships with private companies which understand the cooperative movement, or with the NFA, regarding the greatest bottleneck facing cooperatives that of transportation methods and post-harvest facilities; the establishment of facilities for joint use by cooperatives over a wide area, etc.

3) The pursuit of economies of scale: specifically the merging of federations; the building of new large-scale federations, etc.

4) Conducting a reassessment of all businesses currently engaged in; selecting the businesses and the product categories which are relatively strong and concentrating limited capital into these areas.

	Number of full-time employees	Total revenues (P)	Surplus (P)
Federation A	4	72,030	27,776
B (CRB)	8	57,906	▲67,597
C (CRB)	21	3,559,519	382,280
D	6	394,499	58,368
E	2	256,703	10,269
F	0	206,600	178,471
G (CRB)	NA	1,576,165	227,432
H	8	401,770	74,168
I	10	552,589	43,945
J	15	1,329,159	86,535
K	0	27,544	14,834
L (CRB)	10	2,524,014	291,043
M	NA	8,260	2,727
N	7	162,027	45,581
O (CRB)	10	770,624	▲1,042,317
P	26	14,763,521	▲1,493,405
Q	3	27,136	▲15,388
R	4	560,620	107,084
S (CRB)	33	9,465,438	1,106,096
T	43	5,844,086	454,385
U	0	0	0

(3) Measures to promote the business

1) Marketing, supply and utilization business

The average sales of each federation included in the survey was P10,031,456, consisting of farm products, 12%; farm inputs, 87%; and consumer goods, 1%. The federations incurred a combined loss of .86% of purchase cost.

i. Marketing

Rice constitutes 5% and poultry, 7% of total sales in 1991. About 88% were purchased from private dealers, 10% from primary cooperatives and 2% from members. In turn, 85% were sold to primary cooperatives, 7% to non-members and 3% each to members and private dealers and the rest to other outlets. 90% of purchases were paid by installment; cash, 8%; and consignment, 2%. About 36%

of sales were paid in cash, 36% on demand and 14% each on installment and consignment.

Given the above conditions, a plan to strengthen farm product marketing by federation should involved the following elements:

- ① Federation should commit more resources to the marketing of farm products. Primary cooperatives have a more difficult time finding market outlets for their products than to find sources of farm inputs. Also, there are more technical, logistical and economic problems associated with farm product marketing for which the federations are in best position to address.
- ② The federations should be more involved in the procurement, drying, storage, financing and market development of palay at the provincial, regional and national levels. They are in the best position to access the post harvest facilities of NFA and the financing facilities of LBP, Quedancor and provincial cooperative Rural Banks.
- ③ Federations should procure farm products from primary cooperatives and the same should also be used as sales outlets of farm inputs.

ii. Supply

Agricultural chemicals and fertilizer constitute, respectively, 47% and 40% of the total sale. All of these are purchased directly from private dealers of which 75% are sold to members and 24% to primary cooperatives About 33% of purchases are paid on consignment, 46% on demand, 12% on installment and 9% in cash. Sales are paid entirely in cash.

In formulating a plan for strengthening the marketing of farm inputs, the federation should;

- ① Purchase directly from importers, manufacturers and processor on consignment or installment bases.
- ② Federations should finance their trading operations from loans obtained from banks. Alternatively, in the absence of adequate funding, federations should act as brokers or as agents of primary cooperatives.

- ③ Federations should use installment or consignment payment for purchases and cash payment for sales.

iii. Utilization

Below is a list of the facilities of 6 federations which participated in the survey.

Facilities	Qty	Percent Utilization	Age in Years	Condition
Trucks	3	100	3	good
Store	1	100	2	good
Warehouses	4	100	2	good
Offices	5	100	1	good
Mill	1	100	1	good
Dryer	1	100	1	good

All facilities are relatively new, all in good condition, all are fully utilized. Plan for upgrading facilities is not necessary at this time.

(Competition)

Private dealers are the biggest competitors of federation. Because of their strategic location along the marketing chain, they ① have access to local offices of national government agencies, ② maintain forward linkages with other provincial, regional and even national federations, and ③ are conveniently located at major trading, industrial and commercial centers. These make the federations ideal institutions to help primary cooperatives compete with private dealers.

In view of the above, the development of federation should be focused in its ability to help primary cooperatives compete against private dealers. Accordingly:

- ① The federation should be competently staffed and adequately funded.
- ② The federations should be adequately linked to local offices of the national and local government agencies, financial and commercial centers.

- ③ The federation should undertake commercial, financial and technical assistance programs and provide all types of support services to its members.

2) Credit business

i. Although in most cases they are not capable at the present time, the provincial and/or regional Cooperative Banks (CBs) need to be developed so they become capable of providing primary cooperatives, either directly or in collaboration with others, all of the necessary training, guidance and support for the credit activities of primary cooperatives. At least initially the CBs should develop the capability to provide technical and training assistance to primary cooperatives based upon their respective levels of development in the following important areas:

- ① Assistance in establishing a Credit Department (staff) including model job descriptions and training of credit staff on their responsibilities.
- ② Development of one or more Credit Manuals which can be adopted to primaries at different levels of development and sophistication and equally important provide adequate training to management and designated staff to assure effective implementation.
- ③ Guidance on various techniques for increasing equity capital including origination and sponsorship of appropriate provincial or regional campaigns.
- ④ Guidance to management and Board on constructive asset/liability management, internal financial systems and controls, mergers, etc.
- ⑤ Assistance in establishing or expanding savings mobilization programs including the design of necessary forms, accounting records, computer systems, cash controls and other controls, job descriptions, etc, and provide adequate training for the management and designated staff.
- ⑥ Guidance on various techniques to promote thrift/savings including origination and sponsorship of appropriate provincial or regional campaigns.

- ⑦ Assistance, guidance and/or on-the-job expertise as appropriate, to provide direct assistance to cooperatives having difficulties with credit administration especially loan collections.

ii. Additionally, the CB's should develop the capability to be the prime financial intermediary for primary cooperatives within the province or region whereby they would become the principal source of loans for relending to farmers for crop production purposes as well as loans to primaries for their short, intermediate, and long-term loan needs whether the principal source of such loan funds is the LBP, a National Cooperative Bank, some other apex wholesaler or some foreign donor/lender.

IV. Analysis of the Results of the Questionnaire for Agricultural Cooperative Members and Non-members

IV. Analysis of the Results of the Questionnaire for Agricultural Cooperative Members and Non-members

1. Analysis of the Results of the Questionnaire

The following are the results of the questionnaire which was carried out with 560 people who are members and non-members of 16 primary cooperatives in 7 provinces.

(1) The purpose of the questionnaire

The purpose of the questionnaire is to know what the agricultural cooperative members and non-members, living in the area where a detailed survey was carried out before, are thinking about the agricultural cooperatives.

In detail, the questionnaire for members was mainly aimed at what they are thinking about and how they are utilizing agricultural cooperatives activities as well as what they want from the agricultural cooperatives. For non-member farmers, the questionnaire was geared to learn how they are looking at the agricultural cooperatives in their areas as well as whether they have any intention to take part in cooperatives.

The questionnaire is intended to supplement the detailed survey mentioned above (on 16 agricultural cooperatives), and by learning farmers' intentions, it will also help in mapping out future plans to reinforce the Philippine agricultural cooperatives structure.

(2) Details of the questionnaire

- Implementation: December, 1992 ~ January, 1993
- Areas (Provinces): Benguet, Nueva Ecija, Batangas, Laguna, Iloilo, Leyte, Davao Del Norte.
- Distribution: 560
- Ways of distribution: We asked agricultural cooperative members and non-members, who visited the cooperative offices, to fill in the question-

naire on the spot. In some areas, cooperative officials visited people who were selected through random sampling and asked them to fill in.

- Collection: 539 (96.3%)
- Collected number on a provincial basis: Benguet 99, Nueva Ecija 108, Batangas & Laguna 103, Iloilo 78, Leyte 78, Davao Del Norte 73.
- Collected numbers on cooperative basis: BSDCI (Written as BSDC in the cumulative total chart, same in other parentheses) 27, PPPKMCI (PPPK) 26, BFMCI (BFMC) 46, PPMKBI (PPMKS) 35, GNP MCI (GNPMC) 38, GIP MCI (GIPMC) 35, LMCI (LMC) 34, SIDCI (SIDC) 33, DIMCI (DIMC) 36, PCDCI (PCDC) 42, PFMCI (PFMC) 36, UMCI (UMC) 20, BAMCI (BAMC) 30, CMCI (CMC) 28, DFFCI (DFFC) 38, NICI (NIC) 35.
- Number of members and non-members among respondents: members -- 383 (71.1%), non-members -- 148 (27.5%), unidentified -- 8 (1.5%)
- Number of respondents according to age groups: Teens -- 3 (0.6%), People in their 20s -- 61 (11.3%), People in their 30s -- 142 (26.3%), People in their 40s -- 114 (21.2%), People in their 50s -- 120 (22.3%), People in their 60s -- 67 (12.4%), People in their 70s -- 21 (3.9%) (Respondents in their 30s and 40s comprise nearly 50 percent of the total, which shows that relatively young farmers create the core of Philippines agricultural cooperative members).

(3) Questionnaire results

1) Major age groups of respondents of each agricultural cooperative (Table 1)

The largest age groups of each agricultural cooperative are as follows: BSDCI -- 40s, PPPKMCI -- 30s, BFMCI -- 30s, PPMKBI -- 40s, GNP MCI -- 40s, GIP MCI -- 50s, LMCI -- 30s, SIDCI -- 30s, DIMCI -- 50s, PCDCI -- 50s, PFMCI -- 50s, UMCI -- From 40s to 60s, BAMCI -- 40s, CMCI -- 50s, DFFCI -- 30s, NICI -- 30s. In other words, the number of cooperative whose largest age group is in their 30s comes to 6, in their 40s comes to 4, in their 50s comes to 5, and in other age group was only one. This shows that relatively young farmers are in the majority in most cooperatives.

2) Annual incomes of respondents of each agricultural cooperative (Table 2)

Annual incomes of members are far below the average of the Philippines.

Among the total we surveyed, respondents with an annual income less than P10,000 consist of 31.7%, while those with annual income between P10,000 and less than P30,000 consist of 30.4%. This means more than 60 percent of the total earn less than P30,000. If one's annual income comes to less than P10,000, he will have to have a hard time financially. Among urban workers, it's not unusual for their monthly income to surpass P10,000.

Judging from this fact, it's certain that many farmers have small incomes. But the percentage of low income farmers differ according to each cooperative as shown in the following list.

The ratio of respondents with an annual income of less than P10,000 of each cooperative is as follows: BSDCI -- 40.7%, PPPKMCI -- 57.7%, BFMCI -- 47.8%, PPKMBI -- 31.4%, GNPMCI -- 23.9%, GIPMCI -- 25.7%, LMCI -- 14.7%, SIDCI -- 45.5%, DIMCI -- 33.3%, PCDCI -- 28.6%, PFMCI -- 33.3%, UMCI -- 5.0%, BAMCI -- 66.7%, CMCI -- 3.6%, DFFCI -- 13.2% and NICI -- 31.4%.

3) Main farm products of respondents of each cooperative (Table 3)

Rice is the most popular product produced by 68.3% of the respondents, while vegetables are produced by 45.3% of them, followed by hens being produced by 38.6%, hogs by 34.8%, broiler chicken by 31.9%, bananas by 27.0%, and coconuts by 22.5%.

In the Philippines, there are regional differences in main products. This makes main projects of agricultural cooperatives differ according to region. In the north, vegetables and fruits are the main products, while in the south, grains centering on rice and stock-raising are the main products. The difference has a large influence on agricultural cooperatives projects, management and reinforcement plans.

Agricultural products with the largest producers of each cooperative are as follows: BSDCI -- vegetables (100, this number indicates producers/respondents, same as in other parentheses), PPPKMCI -- vegetables (69.6%), BFMCI -- vegetables (94.4%), PPMKBI -- rice (93.9%), GNPMCI -- rice (94.3%), GIPMCI -- rice (100%), LMCI -- hens (100%), SIDCI -- hens (100%), DIMCI -- rice (90.9%),

PCDCI -- rice (70.7%), PFMCI -- rice (100.0%), UMCI -- rice (68.8%), BAMCI -- rice (88.9%), CMCI -- rice (100.0%), DFFCI -- rice (88.2%),NICI -- rice (74.3%).

4) Land holding of respondents of each cooperative (Table 4)

There are few cooperative members who have enough land to enable them earn living independently. This is a problem which can be solved only by the progress of land reform. At present, the status of land holding by members is as follows:

In the cooperative surveyed, lease holder tenants comprise the largest group -- 31.0%, followed by owner operators -- 27.5%, then share holders -- 16.7 %.

The most common status of land holding of each cooperative is as follows:

BSDCI -- Owner operators (72.7%);

PPPKMCI -- Owner operators & Farm workers other than owner operators, or Share holders or Lease holder tenants (43.5%);

BFMCI -- Owner operators (66.7%);

PPMKBI -- Lease holder tenants (57.6%);

GNPMCI -- Lease holder tenants (51.4%);

GIPMCI -- Share holders (43.3%);

LMCI -- Owner operators (42.9%);

SIDCI -- Share holders(32.1%);

DIMCI -- Lease holder tenants (60.6%);

PCDCI -- Lease holder tenants (46.3%);

PFMCI -- Lease holder tenants (58.6%);

UMCI -- Share holders (50.0%);

BAMCI -- Lease holder tenants (38.9%);

CMCI -- Share holders & Farm workers other than owner operators, or Share holders or Lease holder tenants (21.4%);

DFFCI -- Owner operators (67.6%);

NICI -- Owner operators (57.1%)

5) Sizes of arable lands owned by respondents of each cooperative (Table 5)

The size of agricultural management of each cooperative member is finally decided by the size of his managerial arable land. In the cooperatives surveyed, those who have 1 to 3 ha of land hold the largest 38.4%, followed by 35.0% of those with less than 1ha, and 12.5% of those with 3 to 5 ha. Farmers with less than 5 ha arable land hold 86% of the total. Managerial size is apparently small.

The most common size of managerial arable land of each cooperative is as follows:

BSDCI -- Up to 1 ha (54.5%); PPPKMCI -- Up to 1 ha (73.9%); BFMCI -- Up to 1 ha (63.9%); PPMKBI -- 1 to 3 ha (54.5%); GNPMCI -- 1 to 3 ha (54.3%); GIPMCI -- 1 to 3 ha (56.7%); LMCI -- Up to 1 ha (71.4%); SIDCI -- Up to 1 ha (50.0%); DIMCI -- 1 to 3 ha (48.5%); PCDCI -- Up to 1 ha (53.7%); PFMCI -- 1 to 3 ha (51.7%); UMCI -- 3 to 5 ha (43.8%); BAMCI -- 1 to 3 ha (55.6%); CMCI -- Up to 1 ha (42.9%); DFFCI -- 1 to 3 ha (44.1%); NICI -- 1 to 3 ha (48.6%).

It's peculiar that, the further you go to the north in the Philippines, the smaller becomes the farming land size. This reflects conditions of geography and water supply.

6) Size of the land held by the respondents of each cooperative (Table 6)

The number of the farmers who have their own lands is limited, and the size of their land is as follows: In the cooperative surveyed, farmers who have only 1 to 3 ha land comprise the largest 31.5%, followed by 18.5% of the farmers with no land. Farmers with land of less than 0.5 ha hold 12.5%, then farmers with 3 to 5 ha comprise 11.4%, and those who have more than 5 ha of land only share 7%.

Nearly 60% of respondents have less than 3 ha of land.

In the Philippines, productivity of farm land is not low, because rice can be harvested twice a year. But the extremely small size of rice fields has hampered the progress of agricultural management by cooperative members. Difference is seen according to the areas and cooperatives.

The largest condition of land holding in each cooperative is as follows: BSDCI -- Up to 0.5 ha (36.4%); PPPKMCI -- No land (73.9%); BFMCI -- No land and 1 to 3 ha (27.8%); PPMKBI -- 1 to 3 ha (69.3%); GNP MCI -- 1 to 3 ha (45.7%); GIP MCI -- 1 to 3 ha (53.3%); LMCI -- Up to 0.5 ha (57.1%); SIDCI -- Up to 0.5 ha (42.9%); DIMCI -- 1 to 3 ha (51.5%); PCDCI -- No land (43.9%); PFMCI -- 1 to 3 ha (41.4%); UMCI -- 10 ha (25.0%); BAMCI -- No land (44.3%); CMCI -- 3 to 5 ha (35.7%); DFFCI -- 1 to 3 ha (38.2%); NICI -- 1 to 3 ha (37.1%).

7) Interest in cooperative by non-member farmers (Table 7)

In the Philippines, unlike Japan, farmers who are agricultural cooperative members are relatively few in number. This means that the Philippines agricultural cooperative can be expected to develop in the future. The acquisition of new members will determine the development of the agricultural cooperative in the future. The following is the interest level of outsiders in the local agricultural cooperatives.

Among 148 non-member respondents, 81.1% answered that they are interested in the agricultural cooperative. There are the differences among agricultural cooperatives, but in cases of BFMCI, GIP MCI, SIDCI, CMCI, NICI, all the non-member respondents showed their interest in the cooperatives. We will recommend that the cooperatives mentioned above, if they are willing, appeal the farmers to participate.

8) Interest in agricultural cooperative participation by non-member farmers (Table 8)

We are certain that non-member farmers have a high interest in the agricultural cooperative. We also asked 120 non-member respondents with interest in the agricultural cooperative whether they want to take part in the agricultural cooperative. The survey revealed that 91.7% of them would participate. It's uncertain why those farmers have not become members despite their interest. But in any case, we can expect their future participation, although it may depend

upon how to persuade them of the merits of participation.

Their interest in participation differs according to agricultural cooperatives, but except in the cases of PPPKMCI and BAMCI, almost all respondents want to join a cooperative. In any cooperative, small farmers have great expectations from the agricultural cooperative.

9) Investment (paid up) to cooperative (Table 9)

In the cooperatives surveyed, investment of more than P1,000 holds the largest 35.4%, less than P300 is 16.1%. Investment more than P500 shares 46.9%. Investment per member differs according to cooperatives, reflecting differing economic abilities and activities.

In particular, four agricultural cooperatives, namely SIDCI, DIMCI, PCDCI, PEMCI, have many members with small investment. On the other hand, 10 cooperatives, namely PPPKMCI, BFMCI, PPMKBI, GNPMCI, GIPMCI, LMCI, UMCI, CMCI, DFFCI, NICI, have many members with large investment.

When we examine the relations of the founding year of each cooperative and the size of investment, we can see that the older is the cooperative, the smaller becomes the size of the investment paid to it. This shows that there was not a continued increase of investment after the foundation, which indicates that investment has been regarded as a kind of membership fee by both agricultural cooperatives and their members. (Table 10)

10) Reasons to have become agricultural cooperative members (Table 11)

The reasons why current members obtained membership are as follows (Plural reasons were allowed):

In the cooperatives surveyed, "To obtain a loan" was given as a reason by the greatest number -- 49.9%. The second most common reason was "To purchase agricultural chemicals and fertilizers", given by 49.7%. "To market farm products was given by 46.9%". "To use a store dealing in consumer goods" was given by 40.3% and 34.0% gave "To utilize a farm products processing facility" as a reason for obtaining agricultural cooperative membership.

In general, to obtain a loan from the agricultural cooperative was the biggest reason for participation, but the problem has been than the agricultural coopera-

tive has not answered enough to the requests.

The most common reason to have become a member according to each cooperative is as follows:

BSDCI -- To market farm products (51.9%);

PPPKMCI -- To obtain a loan and To utilize a farm products processing facility (46.2%);

BFMCI -- To obtain a loan(63.0%);

PPMKBI -- To purchase agricultural chemicals and fertilizers & To use a store dealing in consumer goods (62.9%);

GNPMCI -- To obtain a loan and To purchase agricultural chemicals and fertilizers (57.9%);

GIPMCI -- To purchase agricultural chemicals and fertilizers (54.3%);

LMCI -- To use a store dealing in consumer goods (55.9%);

SIDCI -- To use a store dealing in consumer goods (57.6%);

DIMCI -- To purchase agricultural chemicals and fertilizers (55.6%);

PCDCI -- To purchase agricultural chemicals and fertilizers (83.3%);

PFMCI -- To obtain a loan and To purchase agricultural chemicals and fertilizers (41.7%);

UMCI -- To market farm products (50.0%);

BAMCI -- To purchase agricultural chemicals and fertilizers (43.3%);

CMCI -- Following advice from others (25.0%);

DFFCI -- To market farm products (84.2%);

NICI -- To obtain a loan (82.9%)

11) The most utilized agricultural cooperative business (Table 12)

Among the most utilized agricultural cooperative business by the respondents, "To obtain a loan" topped others with 52.5%. "To purchase agricultural chemicals and fertilizers" (51.2%) came next followed by "To market farm products" (46.4%).

The most utilized business at each cooperative is as follows.

BSDCI -- To obtain a loan (63.0%);

PPPKMCI -- To obtain a loan (38.5%);

BFMCI -- To market farm products and To purchase agricultural chemicals and fertilizers (63.0%);

PPMKBI -- To purchase agricultural chemicals and fertilizers and To use a store dealing in consumer goods (71.4%);

GNPMCI -- To purchase agricultural chemicals and fertilizers (65.8%);

GIPMCI -- To purchase agricultural chemicals and fertilizers (68.6%);

LMCI -- To use a store dealing in consumer goods (64.7%);

SIDCI -- To use a store dealing in consumer goods (63.6%);

DIMCI -- To market farm products and To purchase agricultural chemicals and fertilizers (63.9%);

PCDCI -- To purchase agricultural chemicals and fertilizers (81.0%);

PFMCI -- To purchase agricultural chemicals and fertilizers (52.8%);

UMCI -- To market farm products (55.0%);

BAMCI -- To obtain a loan and To purchase agricultural chemicals and fertilizers (30.0%);

CMCI -- To obtain a loan (46.4%);

DFFCI -- To market farm products (81.6%);

NICI -- To market farm products (74.3%)

12) Improvements on agricultural cooperative business requested by the respondents (Table 13)

Among requested improvements on agricultural cooperative business, "Methods of improving living" placed top of with 45.8% requesting, followed by "Improvement in production techniques" (41.2%), "Acquisition of better knowledge about cooperative" (36.9%), and "Loan services" (35.6%). Even though requests on loan services are not many, it should not be assumed that members are satisfied with loan services of agricultural cooperatives. To the contrary, it's more realistic to think that, even when they are in need of more funding or lower interest rates, members have become realistic about the agricultural cooperative businesses so that they have stopped expecting too much.

"Methods of improving living" tops the requests, but it can include a wide range of improvements, and it is necessary to realize that this request can include improvements of their economic problems.

The most requested improvement at each agricultural cooperative is as follows:

BSDCI -- Loan services (59.3%);

PPPKMCI -- Farm products processing (57.7%);

BFMCI -- Improvement in production techniques (71.7%);

PPMKBI -- Methods of improving living (62.9%);

GNPMCI -- Acquisition of better knowledge about cooperative (47.4%);

GIPMCI -- Improvement in production techniques and Methods of improving living (51.4%);

LMCI -- Methods of improving living (20.6%);

SIDCI -- Selling consumer goods (36.4%);

DIMCI -- Improvement in production techniques and Methods of improving living (33.3%);

PCDCI -- Acquisition of better knowledge about cooperative (81.0%);

PFMCI -- Acquisition of better knowledge about cooperative (36.1%);

UMCI -- Improvement in production techniques (35.0%);

BAMCI -- Methods of improving living (43.3%);

CMCI -- Acquisition of better knowledge about cooperative (35.7%);

DFFCI -- Methods of improving living (84.2%);

NICI -- Acquisition of better knowledge about cooperative (62.9%);

13) Satisfaction with agricultural cooperative businesses according to age groups (Table 14)

Table 14 shows in what kind of cooperative businesses and activities the responded members find satisfaction. In total, "low interests" (57.2%), "buying price" (52.2%), "products price" (50.2%) are common answers.

There are some differences according to age groups. For example, agricultural cooperative's facilities are evaluated highly by the members in their 20s and 70s in particular. Products prices are highly valued by those in their 40s and 70s, buying price by those in their 40s and 50s, low interest by those in their 50s, 70s and 40s, and dividends by those in their 50s. Members in their 40s and 50s seem to be satisfied with the prices of agricultural products dealt by the cooperative. This shows that farmers who are the core of the agricultural cooperative membership have a strong interest in prices.

14) Required improvements on agricultural cooperative according to age groups (Table 15)

Among major requests for improvement are "Projects to improve living"

(45.8%), "Projects to teach farm management" (41.2%), "Professional knowledge of cooperative executives" (36.9%) and "Loan landings" (35.6%). There is not much difference in requests according to age groups. But among those in their 40s and 50s, requests to improve "Projects to teach farm management" were as many as those requests to improve "Projects to improve living". Requests for improvement in "Loan landings" were many among those in their 40s or over. There are also many requests for mutual insurance business which, at present, the agricultural cooperative in the Philippines are not dealing in. This should be regarded as requests for starting such projects rather than for improving such projects.

15) Facilities that should be improved (Table 16)

In order to activate agricultural cooperative businesses, the respondents want to see improvements in the following facilities. "Warehouses" placed top with 52.5% requesting, followed by "Trucks" (50.6%), "Farm products collecting and marketing facilities" (45.8%), "Mills" (42.5%) and "Driers" (38.0%).

The facility which was most requested to improve by each cooperative is as follows.

BSDCI -- Trucks (70.4%);

PPPKMCI -- Warehouses & Meeting facilities for cooperative members (61.5%);

BFMCI -- Trucks (80.4%);

PPMKBI -- Farm Products collecting and marketing facilities (80.0%);

GNPMCI -- Mills (78.9%);

GIPMCI -- Driers (57.1%);

LMCI -- Mills (17.6%);

SIDCI -- Communication equipment (33.3%);

DIMCI -- Mills (69.4%);

PCDCI -- Farm products collecting and marketing facilities and Trucks and Stores dealing in consumer goods (81.0%);

PFMCI -- Farm products collecting and marketing facilities (44.4%)

UMCI -- Trucks (55.0%);

BAMCI -- Warehouses (56.7%);

CMCI -- Mills (46.4%);

DFFCI -- Trucks (84.2%);

NICI -- Mills (88.6%)

16) Utilization rates of cooperative businesses (Table 17)

Utilization rates by members of cooperatives differ individually, and also according to businesses. Such differences come from the differences between systems and, how each business is being carried out.

First, on farm products processing, 17.7% of the respondents use the cooperative 100%. This is high utilization. But in projects such as buying, selling and loan services, less than 10% of members had 100% utilization. The highest rates of utilization in each business and corresponding percentage of the respondents are as follows: In the food processing project, the highest percentages of farmers using the cooperative were found in the 1 to 29% usage category and in the 50 to 79% usage category -- 21% of the respondents in each category. In the marketing business, the highest percentage of respondents (24.7%) was found in the 50 to 79% usage category. As for the supply business, the 1 to 29% usage category received the largest number of users (24.4% of respondents). For both loan services and deposits, the 1 to 29% category had the largest percentage of respondents: 30.6% of the respondents for the loan services and 22.8% for the deposits business.

In food processing and marketing business, those who frequently use cooperatives are rather many, but in supply, loan service and deposit, members tend to be sharply divided into frequent users and infrequent users.

Table 1 Age

	Total	10s	20s	30s	40s	50s	60s	70s	N.A.
TOTAL	539 100.0	3 0.6	61 11.3	142 26.3	114 21.2	120 22.3	67 12.4	21 3.9	11 2.0
BSDC	27 100.0	-- --	4 14.8	7 25.9	8 29.6	8 29.6	-- --	-- --	-- --
PPPK	26 100.0	1 3.8	5 19.2	10 38.5	5 19.2	3 11.5	1 3.8	-- --	1 3.8
BFMC	46 100.0	-- --	12 26.1	18 39.1	8 17.4	4 8.7	3 6.5	1 2.2	-- --
PPMKS	35 100.0	2 5.7	4 11.4	5 14.3	10 28.6	4 11.4	5 14.3	5 14.3	-- --
GMPMC	38 100.0	-- --	4 10.5	5 13.2	10 26.3	8 21.1	6 15.8	4 10.5	1 2.6
GIPMC	35 100.0	-- --	4 11.4	5 14.3	6 17.1	10 28.6	7 20.0	2 5.7	1 2.9
LMC	34 100.0	-- --	7 20.6	11 32.4	4 11.8	4 11.8	2 5.9	1 2.9	5 14.7
SIDC	33 100.0	-- --	4 12.1	11 33.3	8 24.2	4 12.1	6 18.2	-- --	-- --
DIMC	36 100.0	-- --	1 2.8	7 19.4	8 22.2	11 30.6	8 22.2	1 2.8	-- --
PCDC	42 100.0	-- --	1 2.4	12 28.6	10 23.8	16 38.1	3 7.1	-- --	-- --
PFMC	36 100.0	-- --	1 2.8	7 19.4	6 16.7	13 36.1	6 16.7	3 8.3	-- --
UMC	20 100.0	-- --	1 5.0	4 20.0	5 25.0	5 15.0	5 25.0	-- --	-- --
BAMC	30 100.0	-- --	4 13.3	9 30.3	11 36.7	4 13.3	2 6.7	-- --	-- --
CMC	28 100.0	-- --	2 1.7	6 21.4	4 14.3	10 35.7	6 21.4	-- --	-- --
DFFC	38 100.0	-- --	5 13.2	12 31.6	3 7.9	11 28.9	4 10.5	1 2.6	2 5.3
NIC	35 100.0	-- --	2 5.7	13 37.1	8 22.9	5 14.3	3 8.6	3 8.6	1 2.9

Table 2 Household income

Total	10,000 30,000 50,000 100,000 150,000 300,000							N.A.	
	10,000 P	30,000 P	50,000 P	100,000 P	150,000 P	300,000 P	P		
TOTAL	539 100.0	171 31.7	164 30.4	86 16.0	34 6.3	20 3.7	4 0.7	2 0.4	58 10.8
BSDC	27 100.0	11 40.7	10 37.0	4 14.8	2 7.4	--	--	--	--
PPPK	26 100.0	15 57.7	7 26.9	1 3.8	1 3.8	--	--	--	2 7.2
BFMC	46 100.0	22 47.8	18 39.1	2 4.3	2 4.3	1 2.2	--	--	1 2.2
PPMKS	35 100.0	11 31.4	14 40.0	6 17.1	1 2.9	1 2.9	--	--	2 5.7
GMPMC	38 100.0	9 23.7	9 23.7	13 34.2	2 5.3	2 5.3	1 2.6	--	2 5.3
GIPMC	35 100.0	9 25.7	8 22.9	11 31.4	1 2.9	--	--	--	6 17.1
LMC	34 100.0	5 14.7	1 2.9	2 5.9	1 2.9	--	--	--	25 73.5
SIDC	33 100.0	15 45.5	5 15.2	3 9.1	2 6.1	1 3.0	--	--	7 21.2
DIMC	36 100.0	12 33.3	7 19.4	6 16.7	5 13.9	1 2.8	--	--	5 13.9
PCDC	42 100.0	12 28.6	25 59.5	2 4.8	1 2.4	--	--	--	2 4.6
PFMC	36 100.0	12 33.3	13 36.1	6 16.7	2 5.6	1 2.8	1 2.8	--	1 2.8
UMC	20 100.0	1 5.0	3 15.0	4 20.0	6 30.0	2 10.0	2 10.0	2 10.0	--
BAMC	30 100.0	20 66.7	5 16.7	2 6.7	--	--	--	--	3 10.0
CMC	28 100.0	1 3.6	2 7.1	8 28.6	8 28.6	9 32.1	--	--	--
DFFC	38 100.0	5 13.2	17 44.7	12 31.6	--	2 5.3	--	--	2 5.3
NIC	35 100.0	11 31.4	20 57.1	4 11.1	--	--	--	--	--

Table 3 Main products

	Total	Wheat, Barley, etc.		Corn	Rice	Bananas	Pineapple	Coconut	Mango	Veget- ables	Sugar cane	Broiler chicken	Hens	Hogs	Beef cattle	Dairy farming	Others	N.A.
		4	0.9															
TOTAL	539 100.0	88 19.6	4 0.9	121 27.0	21 4.7	101 22.5	62 13.8	203 45.3	35 7.8	143 31.9	173 38.6	156 34.8	69 15.4	32 7.1	54 12.1	6 1.3		
BSDC	27 100.0	-	-	-	-	-	-	22 100.0	-	-	6 27.3	11 50.0	-	1 4.5	2 9.1	-	-	-
PPPK	26 100.0	5 21.7	2 8.7	5 21.7	12 52.2	2 8.7	2 8.7	16 69.6	-	-	1 4.3	10 43.5	-	-	5 21.7	1 4.3	-	-
BFMC	46 100.0	2 5.6	2 5.6	1 2.8	-	-	-	34 94.4	1 2.8	-	4 11.1	13 36.1	13 36.1	10 27.8	2 5.6	1 2.8	-	-
PPMKS	35 100.0	31 93.9	-	5 15.2	-	10 30.3	11 33.3	16 48.5	2.8	-	21 63.6	-	15 45.5	3 9.1	1 3.0	-	-	-
GMPMC	38 100.0	33 94.3	2 5.7	9 25.7	-	7 20.0	8 22.9	12 34.3	-	-	22 62.9	5 14.3	10 28.6	1 2.9	2 5.7	1 2.9	-	-
GIPMC	35 100.0	30 100.0	-	15 50.0	-	9 30.0	7 23.3	10 33.3	1 3.3	-	23 76.7	14.3	8 26.7	3 10.0	4 13.3	-	-	-
LMC	34 100.0	1 14.3	-	2 28.6	-	2 28.6	2 28.6	2 28.6	-	-	4 57.1	1 14.3	-	-	-	-	-	-
SIDC	33 100.0	5 17.9	1 3.6	11 39.3	1 3.6	5 17.9	9 32.1	18 64.3	1 3.6	-	14 50.0	13 46.4	2 7.1	3 10.7	2 7.1	-	-	-
DIMC	36 100.0	30 90.9	2 6.1	7 21.2	1 3.0	7 21.2	6 18.2	10 30.3	1 3.0	-	14 51.5	5 15.2	3 9.1	2 6.1	9 27.3	1 3.0	-	-
PCDC	42 100.0	29 70.7	40 97.6	20 48.8	-	4 9.8	2 4.9	16 39.0	-	-	14 34.1	24 58.5	10 24.4	1 2.4	8 19.5	-	-	-
PFMC	36 100.0	29 100.0	1 3.4	3 10.3	-	3 10.3	2 6.9	7 24.1	-	-	6 20.7	10 34.5	-	-	2 6.9	-	-	-
UMC	20 100.0	11 68.8	-	-	-	5 31.3	1 6.3	1 6.3	12 75.0	-	-	-	2 12.5	2 37.5	-	-	-	-
BAMC	30 100.0	16 88.9	2 11.1	3 16.7	-	7 38.9	1 5.6	6.3	-	-	3 16.7	7 38.9	6.3	1 37.5	-	-	-	-
CMC	28 100.0	28 100.0	2 7.1	6 21.4	3 10.7	5 17.9	4 14.3	4 14.3	10 35.7	-	10 35.7	9 32.1	-	-	-	-	-	-
DFFC	38 100.0	30 88.2	8 23.5	21 61.8	3 8.8	17 50.0	6 17.6	20 58.8	5 14.7	-	6 17.6	19 55.9	6 17.6	1 2.9	8 23.5	-	-	-
NIC	35 100.0	26 74.3	18 51.4	13 37.1	1 2.9	18 51.4	7 20.0	15 42.9	4 11.4	-	6 17.1	27 77.1	1 2.9	-	9 25.7	-	-	-

Table 4 Relation with land

	Total	Owner operator	Share holder	Leaser holder tenant	farm worker, etc.	Others	N.A.	not relevant
TOTAL	539 100.0	123 27.5	75 16.7	139 31.0	43 9.6	9 2.0	59 13.2	91 —
BSDC	27 100.0	16 72.7	— —	2 9.1	1 4.5	— —	3 13.6	5 —
PPPK	26 100.0	10 43.5	1 4.3	1 4.3	10 43.5	— —	1 4.3	3 —
BFMC	46 100.0	24 66.7	— —	2 5.6	4 11.1	— —	6 16.7	10 —
PPMKS	35 100.0	1 3.0	7 21.2	19 57.6	1 3.0	— —	5 15.2	2 —
GMPMC	38 100.0	2 5.7	10 28.6	18 51.4	1 2.9	— —	4 11.4	3 —
GIPMC	35 100.0	— —	13 43.3	12 40.0	— —	1 3.3	4 13.3	5 —
LMC	34 100.0	3 42.9	2 28.6	1 14.3	— —	— —	1 14.3	27 —
SIDC	33 100.0	2 7.1	9 32.1	1 3.6	1 3.6	1 3.6	14 50.0	5 —
DIMC	36 100.0	1 3.0	7 21.2	20 60.6	— —	2 1.6	3 9.1	3 —
PCDC	42 100.0	7 17.1	1 2.4	19 46.3	9 22.0	1 2.4	4 9.8	1 —
PFMC	36 100.0	9 31.0	1 3.4	17 58.6	— —	— —	2 6.9	7 —
UMC	20 100.0	1 6.3	8 50.0	1 6.3	4 25.0	1 6.3	1 6.3	4 —
BAMC	30 100.0	— —	3 16.7	7 38.9	4 22.2	3 16.7	1 5.6	12 —
CMC	28 100.0	4 14.3	6 21.4	5 17.9	6 21.4	— —	7 25.0	— —
DFFC	38 100.0	23 67.6	4 11.8	5 14.7	— —	— —	2 5.9	4 —
NIC	35 100.0	20 57.1	3 8.6	9 25.7	2 5.7	— —	1 2.9	— —

Table 5 Land area

	Total ha	~ 1 ha	1~3 ha	3~5 ha	5~10 ha	10~30 ha	30~50 ha	50~ ha	N.A.	not relevant
TOTAL	539 100.0	157 35.0	172 38.4	56 12.5	23 5.1	6 1.3	2 0.4	2 0.4	30 6.7	91 -
BSDC	27 100.0	12 54.5	7 31.8	- -	1 4.5	- -	- -	- -	2 9.1	5 -
PPPK	26 100.0	17 73.9	1 4.3	2 8.7	- -	- -	- -	- -	3 13.0	3 -
BFMC	46 100.0	23 63.9	8 22.2	1 2.8	2 5.6	- -	- -	- -	2 5.6	10 -
PPMKS	35 100.0	7 21.2	18 54.5	5 15.2	1 3.0	- -	- -	- -	2 6.1	2 -
GMPMC	38 100.0	2 5.7	19 54.3	10 28.6	2 5.7	1 2.9	- -	- -	1 2.9	3 -
GIPMC	35 100.0	1 3.3	17 56.7	5 16.7	4 13.3	- -	- -	- -	3 10.0	5 -
LMC	34 100.0	5 71.4	- -	- -	- -	- -	- -	- -	2 28.6	27 -
SIDC	33 100.0	14 50.0	6 21.4	- -	- -	- -	- -	- -	8 28.6	5 -
DIMC	36 100.0	5 15.2	16 48.5	9 27.3	2 6.1	- -	- -	- -	1 3.0	3 -
PCDC	42 100.0	22 53.7	16 39.0	2 4.9	- -	- -	- -	- -	1 2.4	1 -
PFMC	36 100.0	8 27.6	15 51.7	3 10.3	2 6.9	- -	- -	1 3.4	- -	7 -
UMC	20 100.0	- -	- -	7 43.8	2 12.5	4 25.0	2 12.5	1 6.4	- -	4 -
BAMC	30 100.0	6 33.3	10 55.6	1 5.6	1 5.6	- -	- -	- -	- -	12 -
CMC	28 100.0	12 42.9	7 25.0	6 21.4	3 10.7	- -	- -	- -	- -	- -
DFFC	38 100.0	9 26.5	15 44.1	5 14.7	1 2.9	1 2.9	- -	- -	3 8.8	4 -
NIC	35 100.0	14 40.0	17 48.6	- -	2 5.7	- -	- -	- -	2 5.7	- -

Table 6 Hold area

	Total	なし	~0.5 ha	0.5~1 ha	1~3 ha	3~5 ha	5~10 ha	10~ ha	N.A.	not relevant
TOTAL	539 100.0	83 18.5	56 12.5	38 8.5	141 31.5	51 11.4	24 5.4	7 1.6	48 10.7	91 -
BSDC	27 100.0	3 13.6	8 36.4	6 27.3	4 18.2	1 4.5	- -	- -	- -	5 -
PPPK	26 100.0	17 73.9	2 8.7	- -	- -	1 4.3	2 8.7	- -	1 4.3	3 -
BFMC	46 100.0	10 27.8	5 13.9	5 13.9	10 27.8	1 2.8	1 2.8	- -	4 11.1	10 -
PPMKS	35 100.0	- -	3 9.1	1 3.0	23 69.7	2 6.1	1 3.0	- -	3 9.1	2 -
GMPMC	38 100.0	- -	2 5.7	- -	16 45.7	9 25.7	2 5.7	1 2.9	5 14.3	3 -
GIPMC	35 100.0	- -	- -	- -	16 53.3	7 23.3	2 6.7	- -	5 16.7	5 -
LMC	34 100.0	- -	4 57.1	- -	- -	- -	- -	- -	3 42.9	27 -
SIDC	33 100.0	5 17.9	12 42.9	5 17.9	2 7.1	- -	- -	- -	4 14.3	5 -
DIMC	36 100.0	- -	1 3.0	- -	17 51.5	8 24.2	2 6.1	- -	5 15.2	3 -
PCDC	42 100.0	18 43.9	7 17.1	8 19.5	6 14.6	1 2.4	- -	- -	1 2.4	1 -
PFMC	36 100.0	9 31.0	- -	4 13.8	12 41.4	2 6.9	2 6.9	- -	- -	7 -
UMC	20 100.0	- -	- -	2 12.5	2 12.5	2 12.5	1 6.3	4 25.0	5 31.3	4 -
BAMC	30 100.0	8 44.4	- -	1 5.6	1 5.6	- -	- -	1 5.6	7 38.9	12 -
CMC	28 100.0	- -	3 10.7	1 3.6	6 21.4	10 35.7	6 21.4	- -	2 7.1	- -
DFFC	38 100.0	4 11.8	5 14.7	3 8.8	13 38.2	7 20.6	2 5.9	- -	- -	4 -
NIC	35 100.0	9 25.7	4 11.4	2 5.7	13 37.1	- -	3 8.6	1 2.9	3 8.6	- -

Table 7 Interest to coop (non-member)

	Total	Yes	No	N.A.	not relevant
TOTAL	539 100.0	120 81.1	6 4.1	22 14.9	391 -
BSDC	27 100.0	7 70.0	3 30.0	- -	17 -
PPPK	26 100.0	11 91.7	- -	1 8.3	14 -
BFMC	46 100.0	20 100.0	- -	- -	26 -
PPMKS	35 100.0	7 70.0	- -	3 30.0	25 -
GMPMC	38 100.0	10 83.3	1 8.3	1 8.3	26 -
GIPMC	35 100.0	10 100.0	- -	- -	25 -
LMC	34 100.0	1 50.0	- -	1 50.0	32 -
SIDC	33 100.0	8 100.0	- -	- -	25 -
DIMC	36 100.0	6 60.0	1 10.0	3 30.0	26 -
PCDC	42 100.0	7 70.0	- -	3 30.0	32 -
PFMC	36 100.0	5 55.6	- -	4 44.4	27 -
UMC	20 100.0	- -	- -	- -	20 -
BAMC	30 100.0	4 40.0	- -	6 60.0	20 -
CMC	28 100.0	10 100.0	- -	- -	18 -
DFFC	38 100.0	6 85.7	1 14.3	- -	31 -
NIC	35 100.0	8 100.0	- -	- -	27 -

Table 8 Intend to join coop (non-member)

	Total	Yes	No	N.A.	not relevant
TOTAL	539 100.0	110 91.7	3 2.5	7 5.8	419 --
BSDC	27 100.0	6 85.7	1 14.3	-- --	20 --
PPPK	26 100.0	7 63.6	-- --	4 36.4	15 --
BFMC	46 100.0	19 95.0	-- --	1 5.0	26 --
PPMKS	35 100.0	7 100.0	-- --	-- --	28 --
GMPMC	38 100.0	9 90.0	-- --	1 10.0	28 --
GIPMC	35 100.0	10 100.0	-- --	-- --	25 --
LMC	34 100.0	1 100.0	-- --	-- --	33 --
SIDC	33 100.0	8 100.0	-- --	-- --	25 --
DIMC	36 100.0	6 100.0	-- --	-- --	30 --
PCDC	42 100.0	7 100.0	-- --	-- --	35 --
PFMC	36 100.0	5 100.0	-- --	-- --	31 --
UMC	20 100.0	-- --	-- --	-- --	20 --
BAMC	30 100.0	2 50.0	2 50.0	-- --	26 --
CMC	28 100.0	10 100.0	-- --	-- --	18 --
DFFC	38 100.0	5 83.3	-- --	1 16.7	32 --
NIC	35 100.0	8 100.0	-- --	-- --	27 --

Table 9 Subscription

	Total	~ 300P	300~ 500P	500~ 1,000P	1,000P ~	N.A.
TOTAL	539 100.0	87 16.1	44 8.2	62 11.5	191 35.4	155 28.8
BSDC	27 100.0	4 14.8	1 3.7	2 7.4	8 29.6	12 44.4
PPPK	26 100.0	3 11.5	1 3.8	1 3.8	9 34.6	12 46.2
BFMC	46 100.0	2 4.3	2 4.3	11 23.9	17 37.0	14 30.4
PPMKS	35 100.0	2 5.7	- -	- -	21 60.0	12 34.3
GMPMC	38 100.0	6 15.8	3 7.9	8 21.1	14 36.8	7 18.4
GIPMC	35 100.0	3 8.6	4 11.4	4 11.4	11 31.4	13 17.1
LMC	34 100.0	- -	- -	10 29.4	14 41.2	10 29.4
SIDC	33 100.0	13 39.4	1 3.0	5 15.2	6 18.2	8 24.2
DIMC	36 100.0	8 22.2	7 19.4	5 13.9	3 8.3	13 36.1
PCDC	42 100.0	18 42.9	8 19.0	3 7.1	4 9.5	9 21.4
PFMC	36 100.0	22 61.1	4 11.1	1 2.8	3 8.3	6 16.7
UMC	20 100.0	- -	2 10.0	2 10.0	15 75.0	1 5.0
BAMC	30 100.0	3 10.0	7 23.3	7 23.3	1 3.3	12 40.0
CMC	28 100.0	- -	1 3.6	- -	17 60.7	10 35.7
DFFC	38 100.0	2 5.3	1 2.6	1 2.6	24 63.2	10 26.3
NIC	35 100.0	1 2.9	2 5.7	2 5.7	24 68.6	6 17.1

Table 10 Subscription

	Total	~ 300P	300~ 500P	500~ 1,000P	1,000P ~	N.A.
TOTAL	539 100.0	87 16.1	44 8.2	62 11.5	191 35.4	155 28.8
~1970	11 100.0	5 45.5	1 9.1	— —	4 36.4	1 9.1
'70s	38 100.0	18 47.4	2 5.3	2 5.3	14 36.8	2 5.3
'80s	179 100.0	29 16.2	16 8.9	14 7.8	111 62.0	9 5.0
'90s	108 100.0	18 16.7	13 12.0	32 29.6	41 38.0	4 3.7
N.A.	47 100.0	7 14.9	8 17.0	8 17.0	15 31.9	9 19.1
Not relevant	156 100.0	10 6.4	4 2.6	6 3.8	6 3.8	130 83.3

Table 11 Objective

	Total	loan	market	feed	chemi- cals, etc.	proces- sing	store	advice	I don't know	N.A.
TOTAL	539 100.0	269 49.9	226 41.9	134 24.0	268 49.7	183 34.0	217 40.3	37 6.9	1 0.2	121 22.4
BSDC	27 100.0	13 48.1	14 51.9	2 7.4	10 37.0	3 11.1	1 3.7	1 3.7	-- --	10 37.0
PPPK	26 100.0	12 46.2	8 30.8	8 30.8	7 26.9	12 46.2	9 34.6	1 3.8	-- --	12 46.2
BFMC	46 100.0	29 63.0	27 58.7	16 34.8	26 56.5	20 43.5	17 37.0	13 28.3	-- --	6 13.0
PPMKS	35 100.0	20 57.1	19 54.3	20 57.1	22 62.9	21 60.0	22 62.9	-- --	-- --	7 20.0
GMPMC	38 100.0	22 57.9	18 47.4	17 44.7	22 57.9	21 55.3	16 42.1	-- --	-- --	7 18.4
GIPMC	35 100.0	15 42.9	14 40.0	15 42.9	19 54.3	11 31.4	12 34.3	-- --	-- --	12 34.3
LMC	34 100.0	3 8.8	2 5.9	-- --	2 5.9	2 5.9	19 55.9	-- --	-- --	11 32.4
SIDC	33 100.0	13 39.4	1 3.0	1 3.0	14 42.4	2 6.1	19 57.6	-- --	-- --	8 24.2
DIMC	36 100.0	18 50.0	18 50.0	19 52.8	20 55.6	17 47.2	18 50.0	-- --	-- --	10 27.8
PCDC	42 100.0	33 78.6	25 59.5	2 4.8	35 83.3	22 52.4	31 73.8	4 9.5	1 2.4	5 11.9
PFMC	36 100.0	15 41.7	3 8.3	-- --	15 41.7	6 16.7	2 5.6	1 2.8	-- --	4 11.1
UMC	20 100.0	4 20.0	10 50.0	-- --	2 10.0	-- --	-- --	6 30.0	-- --	-- --
BAMC	30 100.0	11 36.7	4 13.3	-- --	13 43.3	-- --	6 20.0	4 13.3	-- --	12 40.0
CMC	28 100.0	2 7.1	3 10.7	-- --	6 21.4	6 21.4	-- --	7 25.0	-- --	10 35.7
DFFC	38 100.0	30 78.9	32 84.2	20 52.6	30 78.9	25 65.8	26 68.4	-- --	-- --	2 5.3
NIC	35 100.0	29 82.9	28 80.0	14 40.0	25 71.4	15 42.9	19 54.3	-- --	-- --	5 14.3

Table 12 Utilizing business

	Total	load	market	feed	chemi- cals, etc.	proces- sing	store	None	N.A.
TOTAL	539 100.0	283 52.5	251 46.6	133 24.7	276 51.2	137 25.4	185 34.3	44 8.2	114 21.2
BSDC	27 100.0	17 63.0	11 40.7	2 7.4	6 22.2	2 7.4	1 3.7	-- --	10 37.0
PPPK	26 100.0	10 38.5	5 19.2	7 26.9	5 19.2	9 34.6	9 34.6	-- --	12 46.2
BFMC	46 100.0	25 54.3	29 63.0	13 283	29 63.0	12 26.1	14 30.4	-- --	8 17.4
PPMKS	35 100.0	23 65.7	21 60.0	19 54.3	25 71.4	20 57.1	25 71.4	13 37.1	3 8.6
GMPMC	38 100.0	21 55.3	24 63.2	22 57.9	25 65.8	18 47.4	18 47.4	9 23.7	7 18.4
GIPMC	35 100.0	19 54.3	21 60.0	18 51.4	24 68.6	13 37.1	12 34.3	8 22.9	9 25.7
LMC	34 100.0	3 8.8	-- --	-- --	-- --	-- --	22 64.7	-- --	12 35.3
SIDC	33 100.0	11 33.3	1 3.0	-- --	12 36.4	-- --	21 63.6	3 9.1	5 15.2
DIMC	36 100.0	17 47.2	23 63.9	18 50.0	23 63.9	20 55.6	14 38.9	11 30.6	7 19.4
PCDC	42 100.0	33 78.6	31 73.8	-- --	34 81.0	-- --	-- --	-- --	5 11.9
PFMC	36 100.0	16 44.4	5 13.9	-- --	19 52.8	-- --	-- --	-- --	2 5.6
UMC	20 100.0	10 50.0	11 55.0	1 5.0	4 20.0	1 5.0	2 10.0	-- --	-- --
BAMC	30 100.0	9 30.0	2 6.7	1 3.3	9 30.0	-- --	3 10.0	-- --	17 56.7
CMC	28 100.0	13 46.4	8 28.6	-- --	5 17.9	5 17.9	-- --	-- --	10 35.7
DFFC	38 100.0	31 81.6	33 86.8	22 57.9	31 81.6	25 65.8	24 63.2	-- --	3 7.9
NIC	35 100.0	25 71.4	26 74.3	10 28.6	25 71.4	12 34.3	20 57.1	-- --	4 11.4

Table 13 Improvement

	Total	Knowledge	Production techniques	Improving living	Marketing	Consumer goods	Processing	Loan	Deposit	Life insurance	Non-life insurance	Others	N.A.
TOTAL	539	199	222	247	158	166	148	192	130	145	66	20	125
	100.0	36.9	41.2	45.8	29.3	30.8	27.5	35.6	24.1	26.9	12.2	3.7	23.2
BSDC	27	12	15	14	12	4	5	16	14	1	-	2	11
	100.0	44.4	55.6	51.9	44.4	14.8	18.5	59.3	51.9	3.7	-	7.4	40.7
PPPK	26	9	13	11	11	12	15	12	10	9	-	1	10
	100.0	34.6	50.0	42.3	42.3	46.2	57.7	46.2	38.5	34.6	-	3.8	38.5
BFMC	46	20	33	31	30	24	25	19	9	13	2	2	1
	100.0	43.5	71.7	67.4	65.2	52.2	54.3	41.3	19.6	28.3	4.3	4.3	2.2
PPMKS	35	8	16	22	19	18	12	19	18	15	5	-	5
	100.0	22.9	45.7	62.9	54.3	51.4	34.3	54.3	51.4	42.9	14.3	-	14.3
GMPMC	38	18	13	15	12	9	10	12	10	9	5	-	7
	100.0	47.4	34.2	39.5	31.6	23.7	26.3	31.6	26.3	23.7	13.2	-	18.4
GIPMC	35	10	18	18	10	7	9	14	9	8	6	-	9
	100.0	28.6	51.4	51.4	28.6	20.0	25.7	40.0	25.7	22.9	17.1	-	25.7
LMC	34	2	1	7	-	-	-	4	5	4	1	-	20
	100.0	5.9	2.9	20.6	-	-	-	11.8	14.7	11.8	2.9	-	58.8
SIDC	33	2	4	11	3	12	4	10	4	10	3	-	13
	100.0	6.1	12.1	33.3	9.1	36.4	12.1	30.3	12.1	30.3	9.1	-	39.4
DIMC	36	2	12	12	5	3	7	9	10	9	2	-	14
	100.0	5.6	33.3	33.3	13.9	8.3	19.4	25.0	27.8	25.0	5.6	-	38.9
PCDC	42	34	31	22	14	21	14	24	12	17	12	2	5
	100.0	81.0	73.8	52.4	33.3	50.0	33.3	57.1	28.6	40.5	28.6	4.8	11.9
PFMC	36	13	9	9	4	11	6	5	5	11	7	2	-
	100.0	36.1	25.0	25.0	11.1	30.6	16.7	13.9	13.9	30.6	19.4	5.6	-
UMC	20	6	7	4	4	4	2	5	1	2	1	2	2
	100.0	30.0	35.0	20.0	20.0	20.0	10.0	25.0	5.0	10.0	5.0	10.0	10.0
BAMC	30	3	2	13	-	8	1	2	5.0	1	-	-	13
	100.0	10.0	6.7	43.3	-	26.7	3.3	6.7	-	3.3	-	-	43.3
CMC	28	10	4	6	-	-	-	2	-	-	-	-	10
	100.0	35.7	14.3	21.4	-	-	-	7.1	-	-	-	-	35.7
DFFC	38	28	26	32	22	21	23	22	13	16	15	8	3
	100.0	73.7	68.4	84.2	57.9	55.3	60.5	57.9	34.2	42.1	39.5	21.1	7.9
NIC	35	22	18	20	12	12	15	17	10	20	7	-	2
	100.0	62.9	51.4	57.1	34.3	34.3	42.9	48.6	28.6	57.1	20.0	-	5.7

Table 14 Main satisfied

	Total	Facilities	Trans- portation	Price	Buying price	Low interest	Dividands	Officials	Located	Others	N.A.	not relevant
TOTAL	539 100.0	182 43.8	140 33.7	209 50.2	217 52.2	238 57.2	197 47.4	170 40.9	85 20.4	9 2.2	14 3.4	123 -
20s	3 100.0	- -	- -	1 50.0	- -	- -	1 50.0	- -	- -	- -	- -	1 -
20s	61 100.0	29 64.4	18 40.0	22 48.9	24 53.3	26 57.8	19 42.2	13 28.9	12 26.7	1 2.2	- -	16 -
30s	142 100.0	42 39.3	24 22.4	51 47.7	49 45.8	54 50.5	47 43.9	45 42.1	21 19.6	2 1.9	6 5.6	35 -
40s	114 100.0	33 37.1	32 36.0	50 56.2	47 52.8	52 58.4	38 42.7	37 41.6	18 20.2	3 3.4	1 1.1	25 -
50s	120 100.0	40 40.4	35 35.4	49 49.5	62 62.6	67 67.7	56 56.6	47 47.5	27 27.3	3 3.0	4 4.0	21 -
60s	67 100.0	23 46.9	20 40.8	21 42.9	25 51.0	25 51.0	25 51.0	19 38.8	6 12.2	- -	- -	18 -
70s	21 100.0	11 61.1	9 50.0	11 61.1	8 44.4	12 66.7	10 55.6	8 44.4	1 5.6	- -	1 5.6	3 -
(N.A.)	11 100.0	4 57.1	2 28.6	4 57.1	2 28.6	2 28.6	1 14.3	1 14.3	- -	- -	2 28.6	4 -

Table 15 Improvement

	Total	Knowledge	Production techniques	Improving living	Marketing	Consumer goods	Processing	Loan	Deposit	Life insurance	Non-life insurance	Others	N.A.
TOTAL	539 100.0	199 36.9	222 41.2	247 45.8	158 29.3	166 30.8	148 27.5	192 35.6	130 24.1	145 26.9	66 12.2	20 3.7	125 23.2
10s	3 100.0	- -	1 33.3	1 33.3	- -	- -	1 33.3	- -	- -	- -	- -	- -	1 33.3
20s	61 100.0	15 24.6	20 32.8	27 44.3	18 29.5	12 19.7	12 19.7	17 27.9	8 13.1	15 24.6	3 4.9	2 3.3	18 29.5
30s	142 100.0	51 35.9	54 38.0	64 45.1	43 30.3	41 28.9	35 24.6	40 28.2	27 19.0	31 21.8	13 9.2	4 2.8	39 27.5
40s	114 100.0	41 36.0	50 43.9	53 46.5	27 23.7	37 32.5	31 27.2	46 40.4	28 24.6	31 27.2	16 14.0	4 3.5	20 17.5
50s	120 100.0	53 44.2	59 49.2	59 49.2	42 35.0	48 40.0	39 32.5	50 41.7	38 31.7	38 31.7	17 14.2	7 5.8	25 20.8
60s	67 100.0	25 37.3	23 34.3	27 40.3	15 22.4	16 23.9	17 25.4	22 32.8	17 25.4	19 28.4	8 11.9	2 3.0	17 25.4
70s	21 100.0	9 42.9	11 52.4	11 52.4	11 52.4	9 42.9	9 42.9	12 57.1	9 42.9	9 42.9	6 28.6	- -	1 4.8
(N.A.)	11 100.0	5 45.5	4 36.4	5 45.5	2 18.2	3 27.3	4 36.4	5 45.5	3 27.3	2 18.2	3 27.3	1 9.1	4 36.4

Table 16 Wanting facilities

	Total	Mills	Dryers	Warehouse	Collecting & marketing	Trucks	Communi- cation equipment	Stores	Meeting	Others	N.A.
TOTAL	539 100.0	229 42.5	205 38.0	283 52.5	247 45.8	273 50.6	195 36.2	148 27.5	127 23.6	42 7.8	96 17.8
BSDC	27 100.0	- -	- -	14 51.9	13 48.1	19 70.4	16 59.3	1 3.7	10 37.0	- -	5 18.5
PPPK	26 100.0	3 11.5	2 7.7	16 61.5	13 50.0	14 53.8	9 34.6	15 57.7	16 61.5	1 3.8	4 15.4
BFMC	46 100.0	7 15.2	8 17.4	34 73.9	28 60.9	37 80.4	23 50.0	26 56.5	26 56.5	13 28.3	- -
PPMKS	35 100.0	13 37.1	23 65.7	24 68.6	28 80.0	23 65.7	14 40.0	3 8.6	- -	- -	1 2.9
GMPMC	38 100.0	30 78.9	24 63.2	27 71.1	25 65.8	21 55.3	17 44.7	4 10.5	- -	- -	3 7.9
GIPMC	35 100.0	14 40.0	20 57.1	13 37.1	17 48.6	12 34.3	6 17.1	5 14.3	- -	- -	9 25.7
LMC	34 100.0	6 17.6	- -	3 8.8	2 5.9	5 14.7	2 5.9	1 2.9	- -	- -	20 58.8
SIDC	33 100.0	2 6.1	- -	4 12.1	3 9.1	5 15.2	11 33.3	2 6.1	- -	- -	14 42.4
DIMC	36 100.0	25 69.4	21 58.3	20 55.6	22 61.1	18 50.0	13 36.1	6 16.7	- -	- -	6 16.7
PCDC	42 100.0	33 78.6	31 73.8	34 81.0	34 81.0	34 81.0	33 78.6	34 81.0	28 66.7	17 40.5	4 9.5
PFMC	36 100.0	10 27.8	8 22.2	10 27.8	16 44.4	9 25.0	11 30.6	14 38.9	8 22.2	1 2.8	- -
UMC	20 100.0	1 5.0	- -	8 40.0	1 5.0	11 55.0	1 5.0	- -	- -	1 5.0	2 10.0
BAMC	30 100.0	12 40.0	1 3.3	17 56.7	2 6.7	- -	- -	3 10.0	- -	1 3.3	12 40.0
CMC	28 100.0	13 46.4	12 42.9	11 39.3	1 3.6	9 32.1	- -	- -	7 25.0	1 3.6	10 35.7
DFFC	38 100.0	29 76.3	30 78.9	30 78.9	29 76.3	32 84.2	30 78.9	22 57.9	21 55.3	7 18.4	6 15.8
NIC	35 100.0	31 88.6	25 71.4	18 51.4	13 37.1	24 68.6	9 25.7	12 34.3	11 31.4	- -	- -

Table 17 Utilization rate of cooperative projects by members

	Utiliza- tion rate	Food processing	Purchas- ing	Market- ing	Loan Services	Deposits
(I)	0%	26	31	44	28	35
	1~29%	70	57	72	107	57
	30~49%	52	51	53	59	48
	50~79%	70	79	43	55	47
	80~99%	56	78	65	72	56
	100%	59	24	18	29	7
	Total		250	414	449	443
(II)	0%	7.8	9.7	14.9	8.0	14.0
	1~29%	21.0	17.8	24.4	30.6	22.8
	30~49%	15.6	15.9	18.0	16.9	19.2
	50~79%	21.0	24.7	14.6	15.7	18.8
	80~99%	16.8	24.4	22.0	20.6	22.4
	100%	17.7	7.5	6.1	8.3	2.8
	Total		100.0	100.0	100.0	100.0

Note (I) The number of the respondents (II) Percentage of the respondents.

Q14 Of the following cooperative businesses, what are the undertakings you usually utilize (circle the relevant categorys) ?

1. Loan 2. Market farm products 3. Purchase feed crops 4. Purchase agricultural chemicals and fertilizers 5. Utilizing farm products processing facilities 6. Utilizing store dealing in consumer goods 7. None

Q15 Are you satisfied with cooperative businesses (circle the relevant figure) ?

1. Rather satisfied 2. Rather dissatisfied 3. I don't know

→ Q16 Which points are you mainly satisfied with ?

1. Facilities are well-furnished
2. There are various means of transportation
3. Price of production materials are low
4. Buying price of this cooperative are favorable
5. Interest on loans is low
6. Dividends are paid
7. Cooperative officials are competent
8. Cooperative office and facilities are conveniently located
9. Others

→ Q17 Which points are you mainly dissatisfied with ?

1. Facilities are scarce and obsolete
2. Means of transportation are scarce and obsolete
3. Prices of production materials are high
4. Selling prices of products are low
5. Interest on loans are high
6. There are little or no dividends
7. Capital subscriptions are high
8. Business handling capability is low
9. Cooperative officials are incompetent
10. Cooperative office and facilities are far away
11. Others

Q18 What are the cooperative undertakings that you think need to be improved (circle the relevant figure) ?

1. Acquisition in better knowledge about cooperative 2. Improvement in production techniques 3. Methods of improving living 4. Marketing production materials 5. Selling consumer goods 6. Farm products processing 7. Loan service 8. Deposit service 9. Life mutual insurance

Q19 What materials do you want this cooperative to sell that members can use (circle the relevant figure) ?

1. Packing materials used in selling farm products 2. Seeds 3. Feeder stock 4. Feed crops 5 Agricultural chemicals 6 Fertilizers 7. Consumers goods 8. Farming equipment 9. Others

Q20 What facilities do you think this cooperative should provide in particular (circle the relevant figure) ?

1. Mills 2. Dryers 3. Warehouse 4. Farm products collecting and marketing facilities 5. Trucks 6. Communication equipment 7. Stores dealing in consumer goods 8. Meeting facilities for cooperative members 9. Others

Q21 To what extent do you utilize in your cooperative undertakings (circle the relevant figure) ?

Farm products processing facilities

1. 0% 2. 1~ Less than 30% 3. 30~ Less than 50% 4. 50~ Less than 80% 5. 80~ Less than 100% 6. 100%

Farm products marketing

1. 0% 2. 1~ Less than 30% 3. 30~ Less than 50% 4. 50~ Less than 80% 5. 80~ Less than 100% 6. 100%

Purchasing feed crops

1. 0% 2. 1~ Less than 30% 3. 30~ Less than 50% 4. 50~ Less than 80% 5. 80~ Less than 100% 6. 100%

Purchasing fertilizers

1. 0% 2. 1~ Less than 30% 3. 30~ Less than 50% 4. 50~ Less than 80% 5. 80~ Less than 100% 6. 100%

Loans

1. 0% 2. 1~ Less than 30% 3. 30~ Less than 50% 4. 50~ Less than 80% 5. 80~ Less than 100% 6. 100%

Deposit

1. 0% 2. 1~ Less than 30% 3. 30~ Less than 50% 4. 50~ Less than 80% 5. 80~ Less than 100% 6. 100%

Please write your over role impression or opinion of this cooperative in the column below.

Thank you so much for completing this questionnaire. Keep it until a cooperative staffer visits you to collect it.

V. Results of the Detailed Survey

V. Results of the Detailed Survey

1. Benguet Province

(1) Socio-economic condition

Benguet occupies the southern portion of the Cordillera mountains. It has a total land area of 2655.4 square kilometers covering one (1) city (Baguio), 13 municipalities and 138 barangays. It is bounded by Mt. Province in the north; Ifugao and Nueva Ecija in the east; La Union and Ilocos Sur in the west; and Pangasinan in the south. Its provincial income in 1986 was P19.415 million, thus, in terms of income classification it is considered a 3rd class province.

In 1986, Benguet has a population growth rate of 3.27%. By 1990, its total population was recorded at 485,546 coming from a total of 95,018 households. There were more females (51%) than males (49%) in the province. The average household income in 1983 was P3,558 and 66.7% were earning less than P5,000 per year.

Of its total land area of 265,538 hectares: 45.35% were unclassified forest lands; 37.84% were classified forest lands; and only 16.8% were alienable and disposable.

Among its major establishments were: agriculture, fishery and forestry, mining and quarrying; manufacturing; electricity; gas and water; construction; wholesale and retail trade; transportation; storage and communication; finance, insurance, real estate business; and community, social and personal services.

The provinces' major support services include: ① 1,853.2 kilometers of road networks; ② 1 national and 1 private airport; ③ 5 TV Stations; ④ 8 radio stations; ⑤ 2 local newspapers and ⑥ 5 telegraph stations. The city and all of its 13 municipalities have electricity and community water system. It has 1 thrift bank, 8 rural banks, 1 coop bank, 7 pawnshops, 2 savings and loan associations, 22 commercial banks and 2 development banks.

(2) Agricultural condition

Benguet has a total of 40,916 hectares of arable land, 42.83% of which were under temporary crops; 7.9% under permanent crops; 19.93% under permanent

meadows and pastures; 5.87% were covered by forest growth; 16.39% lying idle; and 7.05% were classified as other lands.

Considered the salad bowl of the country, Benguet devoted 5,610 hectares to palay; 3,460 hectares to cabbage; 3,400 hectares to sweet potato; 3,250 hectares to white potato; 1,580 hectares to mustard; 1,380 hectares to bananas; 1,330 hectares to corn; 740 hectares to coffee; 543 hectares to sweet peas; and 283 hectares to chayote. One-third to two-thirds of the country's total production of cabbage, chayote and sweet peas came from Benguet.

Livestock raising in Benguet is mainly backyard. In 1986, it has a total inventory of 14,230, 35,420, 8,040 and 6,640 heads of cattle, hogs, carabao and goats, respectively. Although, poultry raising in the province appeared to be limited, a number of commercial growers account for almost one-third of the province total production. In 1986, 276,010 heads of chicken and 13,210 heads of ducks were recorded in the province.

The agri-based establishments in the province include: mango processing; jam making; food preservative production; peanut brittle making; broom making; bamboo basket weaving and floriculture/cutflower production. Orange, banana, white potato, cutflowers, coffee and tiger grass are considered crops with greatest potential. Vegetable production, mushroom processing and strawberry processing, on the other hand, were considered most promising agri-business ventures.

In addition to road networks, communication facilities and financial institutions, Benguet has the following agriculture support services: 342 irrigation systems covering 5,004.6 hectares, one ice-plant and one NFA warehouse. The province has its own Benguet State University College of Agriculture and a National Agricultural Training Center.

Most farmers in Benguet till their own lands as these were treated as ancestral lands. Despite this, agrarian reform is vigorously implemented in the province because of the influx of migrants who encroached on private, government and forest lands. Farmers hired for farming received daily wages from P50 to P100.

In the northern part of Benguet, vegetables cropping pattern is most popular, while, in areas where rice is grown, palay is usually followed by baguio beans or other types of vegetables.

Recently, cooperative organization was pursued vigorously in the province. However, its impact has not yet been felt in terms of marketing. Private traders and middlemen remained to be the main channel of agricultural produce from farmers to consumers.

Meanwhile, the local government units in the province have strong positive policies and measures to promote agricultural development.

(3) Condition of primary cooperatives

A. BALACBAC FARMERS MULTI-PURPOSE COOPERATIVE, INC. (BFMCI)

1) Outline

Established just recently on January 6, 1992, this is a cooperative with a brief history. Paid-up capital amounts to a mere p16,800. There are 32 members, of which 7 are female. There are no associate members. The cooperative's area of operation is Balangay Balacbac (about 1,000 households, of which 200 are farmers), located in a steeply area in the mountains 1,500 meters above sea level. The large majority of cooperative members are full-time farmers who reside in the lower area of this balangay. These are people living in the most disadvantageous area in terms of transportation and water facilities.

The farmers grow vegetables as their basic crop, but members have begun to introduce dairy farming (with 10 households raising 19 dairy cows), cattle fattening (with 15 households raising 27 head of cattle), and cut flowers (8 households) into their operations. The average income of members is P1,500 per month. Compared to the income of farming families in the upper area of the same balangay (the large proportion of whom are engaged in other jobs besides farming) of P6,000 per month, this is a large difference.

With almost no agricultural machinery employed, work is performed entirely by hand. Production loans from the LBP form the "nucleus" of business activities. The cooperative is putting its efforts behind preparations that will enable farmers to carry out more substantial business activities, behind education and training and behind guidance in farm management.

2) Characteristics of organization and operations

The union's rate of organization of farming families joined this cooperative is 16% and a large number of members are in their 30s. Although there are about 40 households now seeking membership, the cooperative has established a Membership Committee and is considering these applications carefully. In order to become a member of the cooperative, it is necessary to pass a review by this Committee, undergo PMES (3 times, 2 hours each time) by the manager, and furthermore to make an equity investment of P700 (for 7 units).

All operational matters of the cooperative are decided on "General Meeting" at which the entire members are present. It is held every month, and has average attendance rate of 95%. The Board of Directors is currently involved solely in the preparations of this "General Meeting."

The selection of candidates for director is conducted based upon the voluntary offer by interested members. The chairman of the cooperative is a former captain of the balangay, while the vice-chairman is a balangay councilor. A director serves as manager in a dual role. The 3 part-time employees (treasurer, secretary, bookkeeper) all serve voluntarily, without pay. The external auditor is a CPA belonging to INCAS. This cooperative has short and long-term plans approved by the general assembly.

The cooperative is requesting that repairs be made to the passageway through the balangay, which is the "lifeline" of members.

3) Characteristics of management

The average paid-up capital of members is P525. The ratio of paid-up capital to subscribed capital is 33.6%, while the ratio of net worth to total assets is 22.0%. There is a need to strengthen share capital and the cooperative has plans for this. The target is authorized capital of 1 million pesos and paid-up capital of 0.2 million pesos. The cooperative is attempting to achieve this by the following methods: (a) requesting of all cooperative members that they pay in their subscribed capital; (b) transferring P200 into share capital at the time of each harvest; (c) transferring an amount equivalent to 2% of beginning each loans into share capital; (d) refraining from paying interests on share capital or patronage refunds for at least 2 years.

Although there is a large element of uncertainty in this due to the cooperative's brief life span to date and to its small scale, we estimate that labor productivity (on the basis of gross savings) is p27,000/employee and net surplus to total assets is 9.2%. There is undoubtedly a need for attention to be paid to the efficiency of its business activities.

At present, fund raised from outside sources is limited to that from the LBP. However, the cooperative is counting on cooperation in this respect from NGOs.

4) Characteristics of business activities

This cooperative has decided on the following as priorities for its operations: (a) loans; (b) marketing; (c) supplying; (d) utilization; (e) savings; (f) insurance. The manager says that raising of the incomes of cooperative members is its top priority. He has concluded that the time is not yet ripe to begin savings or insurance operations.

This cooperative pays an annual rate of 12% for its loan from the LBP and lends to cooperative members at an annual rate of 18% (for terms of 6 months). However, this loan does not provide fund; instead, it provides actual farm inputs. The fund is given to the federation of which it is a member. The federation purchases inputs with this fund from private traders and distributes them to primary cooperatives. In this sense, the cooperative conducts a supply operation which utilizes the federation 100%, but this fact is not noted on the financial statements. The cooperative currently makes unsecured loans, but there is the possibility that loans will fall overdue, in which case it intends to hold a collateral. The problem with LBP loans is the excessive length of time that is required from approval of the loan to the release of funds. The manager says that the situation is arising in which fund (inputs) is not forthcoming in time for the planting season. The CBB (Cooperative Bank of Benquet) is being counted on as a source of fund hereafter.

Although many private financiers and traders are engaged in business within its operation area, the agricultural cooperative is not able to stand against effectively due to the lack of fund. It wants to establish as facilities for common use: (a) an irrigation system; (b) a green house (for cut flowers); (c) transportation facilities (including a "cable system"); (d) a headquarters; (e) storages; and (f) consumer stores.

Moreover, it is asking the federation to grant its extension of the settlement period for payments when damage is suffered as a result of typhoons, etc.

5) Characteristics of education/guidance activities

Among this cooperative's officers and employees are many with high levels of education. The manager has an MBA (Masters of Business Administration), while the treasurer, secretary, and bookkeeper have BSC degrees (Bachelor of Science in Commerce). They have participated in operational training seminars sponsored by the LBP and the TLRC (Technology Livelihood & Resource Center).

With regard to the education of cooperative members, the monthly "general meetings" have become occasions for education and learning, while the cooperative also sends representatives to lectures on farming technology given by the TCRC and the NMYC (National Manpower Youth Council). It does not carry out educational activities aimed at non-members.

According to the LGC (Local Government Code), some extension workers of DA are presently being newly registered with Baquio City. The specific details of the organization and its plans of action have not yet been formulated. The extension workers visit this cooperative only infrequently. There are also no employees as a farming and better living advisor. It is appropriate to say that the guidance activities of this cooperative are one and the same thing with education and training activities for cooperative members.

B. BANGAO SAVINGS AND DEVELOPMENT COOPERATIVE, INC.
(BSDCI)

1) Background

The Bangao Savings and Development Cooperative, Inc. (BSDCI) is primary cooperative organized by Northern Luzon Confederation of Cooperatives (NORLU) and was registered at BACOD/DA on May 20, 1987. Its registration was confirmed by CDA on March 14, 1991.

BSDCI was registered with only 37 members and paid-up capital of P5,000.00. Upon its confirmation, its members swelled to 215 and its paid-up capital reached P350,000.00.

Initially, BSDCI was only involved in distributing credit to members (i.e., a credit cooperative). However, in April 1991 it became a development cooperative upon approval of its amended by-laws and article of cooperation by CDA.

In addition to NORLU, BSDCI is affiliated with Benguet Agricultural Cooperative Federation (BACFED). Its principal office is located at barangay Bangao in the municipality of Buguias in the province of Benguet.

2) Current status

i. Present situation of members

At present, BSDCI has a total of 335 regular members, of which, 45.7 percent (153) are women. In Bangao, a total of 111 farm households exist, implying that at least 3 members of each farm household are members of BSDCI. This is not the case, however, because some members of BSDCI came from 4 other adjoining barangays, namely: Abatan, Calinagan, Bandili and Inihagan. Actually, in barangay Bangao alone, a total of 14 primary agribased cooperative exist.

In general, the BSDCI members are all vegetable farmers. Like the non-member farmers, they grow all types of vegetables normally grown in the province of Benguet such as: white potato, cabbage, chine pechay, baguio beans, carrots, green peas, sayote, broccoli and cauliflower.

Majority of the members of BSDCI are in their 40's which served as the main attraction for young farmers to join. However, the management felt that it would not be advisable to expand their members at present since they are experiencing difficulties coping with the services demanded by the present members.

ii. Administration of cooperative

The BSDCI normally conducts its general assembly in the month of February. On the average, each general assembly is attended by 65% of the general membership. It is not a practice in BSDCI to conduct a general membership meeting before a formal GA is held. Thus, the will of the members are decided and/or reflected upon vocation during the GA meetings. Usually, however, the different committees are ready with recommendations which will be discussed and be voted upon by the general membership during the GA formal meeting. In 1991, BSDCI did not conduct any special meeting.

iii Executive and audit system

① Board of directors

The Board of Directors (BOD) of BSDCI is composed of 7 members. In 1991, it conducted a total of 10 meetings attended by 90% of the members. Of the present members of the BOD, 2 has university degrees, 2 has college level of education, one is a high-school graduate and 2 are elementary graduates.

② Officers and staff

BSDCI has one full-time employee (the manager) and 3 part-time staff. Except for the Vice-Chairman, all the officers of the cooperative served as the staff. For instance, the elected chairman who is a certified public accountant (CPA) and a businessman, also serves as the part-time accountant. The secretary, who is a university graduate and the former Chairman, also serves as the full-time manager. The treasurer who is a high school graduate also serves as the part-time cashier. All the Officers/staff are male.

③ Committee

BSDCI has 4 major committees: Audit and Inventory Committee (AIC); Education and Training Committee (ETC); Credit Committee (CC); and Women Livelihood Committee (WLC). These committees have 3 members each, including the Chairman. 7 of these 12 committee members reached college, one is a high school graduate and 4 are elementary school graduates.

In-charge of internal audit and project evaluation, the AIC usually conducts one meeting per year. The ETC conducted 4 PMES in 1991, while, the CC met 13 times to conduct loan application evaluation. During the same year, WLC met 3 times also to screen loan applications for livelihood projects.

Usually, candidates for BOD and committees are nominated in the floor by any member during a GA meeting. So far, BSDCI had only elected 2 Chairmen. The past Chairman is now the full-time manager. He had served various private and government agencies as audit assistant and/or land management examiners. The current chairman also serves as the part-time accountant of the cooperative. He was previously an auditor employed by NORLU.

④ Outside auditors

NORLU audits the BSDCI. This was a previous agreement when the latter was organized by the former. NORLU conducts both financial and management audit. The only problem is related to "time schedule" of actual audit. BSDCI also wanted NORLU to conduct a training needs assessment of members. BSDCI is externally audited once a year by at least 2 people for 3 days. Payment of external auditor depends on income and negotiation.

⑤ Written plan

BSDCI has not written medium and long term plan, although, they have ideas as to where to go in the long run. Lack of time, budget and technical know-how were the reasons cited for not putting into paper their envisioned plans.

iv. Education and training activities

By itself, BSDCI has no education and training program for officers, members and employees. To improve the officers and staff competencies, they send them to trainings conducted by inviting organizations/agencies.

The manager revealed that their cooperative badly need a management training for BOD and Committee members; Project I.D.; and Development Planning and Budgeting. He complained that the trainings offered by NORLU and other training institutions are becoming expensive as their trainings are conducted off-site.

v. Relationship with Local Government

The manager revealed that BSDCI has better relationship with provincial than municipal government. This is because their vice-chairman was the losing mayoralty candidate in the last election. They already tried requesting assistance from municipal government but nothing happened.

vi. Management of cooperatives

BSDCI have existing program to increase its capital, namely: ① forced savings of 5% of the amount borrowed by each member from the cooperative; ② saving some amount from the marketing/facility loans borrowed from NGO's, NORLU and LBP; ③ non-distribution of dividends and patronage refunds for 5

years. The forced savings from members and non-distribution of patronage refunds and dividends had been carried out 100%. The savings program from facility/marketing loans was only 40% successful.

The dividend was based on the average share capital per year for 5 years, while, the patronage refund was based on the average patronage per year for 5 years. Their CETF was remitted to NORLU.

vii. Marketing and supply business

Since all members produce all types of vegetables, no sub-groups of members based on products were formed. In its product marketing business, BSDCI markets all types of products produced by members. However, it could not afford to buy all the produce of its members due to lack of capital and limited market outlets. It does not engage in consignment basis. In its supply business, the cooperative distributes inorganic fertilizers, chemicals and chicken dung. These supplies were bought from private sources as the BACFED had just been organized. BSDCI does its purchasing alone (i.e., with no member participation).

The major facilities of BSDCI include: potato seed storage center, marketing booth, savings and loan office, training room and truck. A new 2 storey warehouse is about to be completed. Except for the training room and house, all the facilities of the BSDCI are extensively utilized. BSDCI wanted to have a radio communication facilities and a multi-purpose building in their production site.

In 1991, BSDCI was able to generate a total savings of P106,579.69; extended a total loan of P1,023,978.00 to members; has gross sales volume valued at P245,853.64 and utilized a service income of P136,156 (i.e., plowed back to lending and other businesses). The chicken dung business was only started in 1992 together with fertilizer & chemicals.

BSDCI laid down P400,000 for its marketing business. It generated gross sales of P2,803,668.74. It did not sell anything to BACFED as it was still in its initial stages of organization. As mentioned earlier, its supply business started only in the middle of 1992, thus, there were no concrete figures given out. On credit business, BSDCI did not borrow any amount from BACFED. It has remaining loan balance of P550,000 from NORLU.

In 1991, BSDCI borrowed a total of P2,038,398 from various sources, namely: PBSP, NORLU, LBP, etc. These loans were due last March 1992, and according to the manager, all of the said loans had already been paid for during the time of interview.

The manager revealed that their marketing & supply business is faced with strong competition. They compete not only with private traders but also with other primary cooperatives. He said that, they expect BACFED to supplement or complement and not compete with the business of the primaries. It should serve as the provincial coordinator of businesses of primaries by acting as the provincial distributor of fertilizer, other inputs and consumer goods.

viii. Credit business

① Savings business

BSDCI is engaged in savings business. To encourage members to save, it offers higher interest rates on savings. It did not encounter a lot of problems in starting its savings business.

② Lending and borrowing

BSDCI provides loan to members for production and providential purposes. The former is given at 1.5% interest rate/mo. from 3-6 months, while, the latter is accessed with 1.5% interest rate/mo. for one day to 30 days. The major sources of funds for relending are: LBP (18% p.a.), PBSP (12% and 9% p.a.), and NORLU (12% p.a.). The loans from PBSP had 3 years maturity, while, those from LBP and NORLU had only 6 months maturity.

The loans from LBP and NORLU are used for relending while that from PBSP are used to build/purchase fixed assets (i.e., facilities and truck). The amount of loans borrowed was deemed inadequate. The collaterals used were real estates and/or chattel mortgage. The manager preferred loans from PBSP and NORLU since they have longer loan maturity periods and easy to negotiate with.

Voluminous documents and delayed releases of loans were the main problems in getting loans from LBP. As for NORLU, the problem was the availability of funds. In PBSP, the loan is based on the merits of the project proposal and submission of a feasibility study which they don't have technical knowledge of.

The BSDCI require additional borrowed funds to finance existing programs and for expansion purposes. Not enough funds are available for additional borrowing of the cooperative. The manager reported that the nearby Rural Banks and other primary cooperatives were the major competitors in increasing savings. According to him, the only way to confront the competitors is to offer higher interest rates, provide complementary facilities/services, and education and training of members. On the other hand, the LBP initiated coops and the LBP itself were the main competitors in increasing lending. Establishing linkages and offering complementary facilities/services were being used to confront the competitors.

The manager revealed that 15% of the loan lent to members were overdue. To get collections, the board and credit committee members personally visit delinquent borrowers. Sometimes, they call them to meetings. The main problem of NORLU in credit business is lack of capital, while, BACFED is not engaged in lending.

ix. Farming and better living guidance

BSDCI does not perform farming activities but conducts better living activities. In their livelihood activities, it has 1 full-time and 1 part-time staff. They usually get information from DA and NORLU extension workers.

x. Financial condition in 1991

Table 1 reveals the financial condition and status of business operation of BSDCI.

Table 1 : Bangao Savings and Development Cooperative, Inc.
(BSDCI) Financial Condition as of December 31, 1991

1	Paid-Up Capital of Regular Members ...	P493,373.90	=	P1,472.76
2	No. of Regular Members	335		
3	Total Paid-Up Capital	P493,373.90	=	29.48%
4	Total Subscribed Capital	P1,673,400.00		
5	Equity + Reserves	P762,515.99	=	25.42%
6	Total Assets	P2,999,007.56		
7	Equity + Reserves	P762,515.99	=	1.05:1
8	Fixed Assets	P762,286.64		
9	Current Assets	P2,105,169.61	=	0.94:1
10	Current Liabilities	P2,236,491.27		
11	Total Loans Payable	P2,038,398.00	=	267.33%
12	Equity + Reserves	P762,515.99		
13	Total Gross Profit/Savings	P222,717.08	=	36.03%
14	Gross Revenue/Income	P618,097.14		
15	Gross Savings on Sales	P3,804.79	=	1.55%
16	Net Sales	P245,853.61		
17	Net Surplus	P126,156.84	=	20.41%
18	Gross Reserves	P618,097.14		
19	Net Surplus	P126,156.84	=	4.21%
20	Total Assets	P2,999,007.56		
21	Total Gross Savings	P222,717.08	=	P31,816.73
22	Ave. No. of Employees	7		
23	Salaries/Wages/Allowances/Bonus	P171,400.00	=	P24,485.71
24	Ave. No. of Employees	7		
25	Salaries/Wages/Allowances/Bonus	P171,400.00	=	76.96%
26	Total Gross Savings	P222,717.08		

C. PAPPA · PALALI · POBLACION · KAMOG MULTI-PURPOSE · COOPERATIVE, INC. (PPPK-MCI)

1) Background

The Pappa · Palali · Poblacion · Kamog Multi-Purpose Cooperative (PPPK-MC) is a primary cooperative of members of irrigators associations. It was registered by BACOD/DA on September 4, 1989 and was confirmed by CDA on April 12, 1991. Upon registration, PPPK-MCI had 35 members, a total paid-up capital of P15,900.00 and total membership fee collection of P1,700.00. When it was confirmed, the total membership was 86, while, its paid-up capital was P34,518.00. Although, registered as a multipurpose cooperative, PPPK-MC initially concentrated on consumer store business. Only recently that it went into distributing production credit to its members. The members of the cooperative came mainly from barangays Pappa and Kamog and town proper (Poblacion) of the Municipality of Sablan.

2) Current status

i. Situation of members and organization

The members and non-members of PPPK-MCI produces diversified products such as: vegetables (beans, gabi/taro, garden peas, ginger, etc.), fruits (pineapple, santol and citrus), cut-flowers (chrysanthemums and anthrium) and tiger grass (used in making brooms).

With current membership of 86, who were on their 40's, the management felt that they need to expand their membership. Thus, they undertake information campaign, establish demonstration farms, intensify business activity and invite non-members to their coop trainings and seminars.

The members of PPPK-MCI came mainly from 3 barangays of the municipality of Sablan. The total number of farm households in the said 3 barangays was estimated at 669, implying that only 12 percent of the total farm households were members of the cooperative. Of the 86 regular members, 44 percent (38) were women. The coop also has 3 associate members. PPPK-MCI is affiliated with BACFED to which it has contributed P700 in capital investment.

ii. Administration of cooperatives

Below the General Assembly (GA), is the Board of Directors (BOD) composed of 9 members; 4 committees with 3 members each; and the Secretary and Treasurer. The Education and Training Committee (ETC) is located under the BOD, headed by the Vice Chairman. The management staff is composed of a manager, a bookkeeper and a sales clerk.

① General assembly

PPPK-MCI holds its regular GA every 15th of February. Around 98 percent of its members attend such regular meetings. In 1991, a total of 5 special GAs were held. These special GAs, however, were conducted like a regular GA, because they tackle topics normally taken during the GA's.

Usually, the PPPK-MCI conducts a meeting of members before a GA is formally conducted. The main purpose was to identify important matters to be discussed during the GA. For its lending activities, the BOD, credit committee and member-borrowers conduct a joint meeting prior to the G.A.

② Board of directors

By November 1992, the BOD of PPPK-MCI had already been increased to 9 members. 6 of these directors had college degrees, while, 3 were high school graduates. The BOD regularly conducts, monthly meetings plus special meetings. Regular meetings are held every last Sunday of the month. On the average, attendance in BOD meetings is 90 percent.

③ Committee

The cooperative has 5 major committees, namely: Audit and Inventory Committee (AIC), Education and Training Committee (ETC), Credit Committee (CrC), Collection Committee (C&C), and Election Committee (EC). Each of these committees has 3 members, for a total of 15 committee members. Of these 15 committee members 5 had college degrees, 4 were high school graduates and 6 had elementary school education.

In 1991, the AIC held 12 meetings to perform their regular quarterly audit of coop transactions. The ETC had 10 meetings to conduct PMES, attend BOD meetings and assist in the crop production seminars held by DA. The credit

committee conducted 25 meetings to perform loan appraisal/evaluation, site inspection and loan approval. The collection committee officially met 4 times but conducted many informal meetings to perform loan collections. The E.C. only met once prior to the GA and general elections.

Candidates for directors of the board and membership in different committees were nominated on the floor during the GA meetings.

The PPPK-MCI remained have 1 full time and 10 part time staff. The full time staff (sales clerk) is paid 24% of net income from the consumers store. The others were rendering services for free.

④ Outside auditors

The cooperative was externally audited by a private CPA decided by the GA and confirmed by the BOD. It is not utilizing bookkeeping service from the outside. It expects and is willing to be provided with full audit service the BACFED. The coop had been externally audited twice at a fee of P500 each. Audit, took 7 days each.

The cooperative has a 10 year development plan involving establishment of fruit and meat processing plant; construction of a warehouse; and establishment of broom-weaving facility utilizing the tiger grass produced by members.

⑤ Officers and staff

The business of the cooperative is run by the BOD with 1 full-time staff. The present chairman, is a 32 year old female employed as DA agricultural technician. The Vice chairman is a 40 year old male, employed as municipal civil engineer. He assumed the post in 1991. The secretary is a 26 year old female, employed as municipal clerk. She assumed the post in 1990. The treasurer is a 50 year old elementary school graduate who had been performing the job since the very beginning. She is a full-time farmer. Bookkeeping is performed by a 27 year old elementary school teacher. She assumed the post since 1989. All of these officers and staff receive no enumeration from the cooperative. The chairman acts as manager.

iii. Education and training activities

The Chairman claimed that the coop has education and training plan for officers, members, staff and non-members of the cooperative, including the youth. For the staff, the coop gives on-the-job training: bookkeeping, project evaluation, crop production techniques and crop disease control. It also provides some funds to purchase learning materials. Trainings on collection strategies were given to members of collection committee, while, the ETC members were given trainings on participatory approach to community and project development. The officers and staff, in general, were given trainings on how to utilize available resources efficiently.

The Chairman disclosed that they require re-training on bookkeeping and auditing, staff training (trainers training) on fruit and meat processing; and technical training on fruit trees and cut flower production. The chairman expected BACFED to help in their training program most specially in the conduct of PMES and leadership seminar.

In 1991, PPPK-MCI conducted PMES for 4 directors (live-out) at a cost of P600. It sent 2 participants to a bookkeeping seminar hosted by LBP at a total cost of P1,500; and sent 12 participants to a crop production training conducted by DA-CAR at a total cost of P1,500. The last 2 trainings were both live-in.

During the same year, the cooperative conducted the following trainings for members:

- (1) PMES - 32 participants at a total cost of P2,800.00;
- (2) Pest Management Control - 69 participants at a cost of P3,750.00; and
- (3) Swine Management Training - 78 participants at a cost of P4,620.00.

For non-members, the cooperative conducted 2 major trainings in 1991. These were:

- (1) PMES - 16 participants at a cost of P500.00; and
- (2) Project I.D. - 36 participants at a cost of P380.00.

iv. Relationship with Local Government

The cooperative appeared to have very good relationship with the municipal government as it continue to have access to the latter's facilities and has received

financial assistance for its training programs. Its request for a "cooperative stall" in the public market has been approved in principle.

v. Management of cooperative

To increase its capital, the cooperative charge service fees from loans taken out by members from LBP. It also issue patronage refunds in certificates which the members can use to buy goods from their consumer stores. Dividends were issued based on the share capital deposited by members, while, patronage refunds were based on the individual purchases from the store and loan interest paid to LBP. The cooperative is remitting its CETF to one.

vi. Marketing and supply business

① Marketing

The members of the cooperative were organized in several commodity groups; namely: pineapple - 27; ginger - 22; beans - 32; cucumber - 18; and tiger grass - 35. Some members do practice multi-cropping, hence, are members of several groups. The cooperative markets the following products: pineapple, beans, and cutflowers. It does not buy all the members' produce due to lack of funds and space.

② Supply business

In its supply business, the coop deals with fertilizer, agricultural chemicals and basic commodities. It source these supplies from private dealers since BACFED had not started its business.

③ Facilities

The only facility that the coop has is its small consumers store. In fact, it holds office in the house of the treasurer. While the coop plans to construct a warehouse or a multi-purpose building in each of the barangays covered and to purchase a truck for use by members, their priority is to improve the existing rough roads in the barangays.

④ Situation of competition

The coop faces stiff competition from traders and middleman. In order to

compete, the coop needs to first establish a farm produce collection center and increase its capital.

In 1991, the cooperative had a savings of P557.98; loan balance of P391,480.00; marketing balance of P25,779.00; and utilized service income of P23,293.94. It capitalized its marketing activity (consumers store) by a total of P53,337.93. Its total volume of sales for 1991 was P66,365.50. It sold a total of 1,600 bags of fertilizers worth P688,000.00.

vii. Credit business

① Lending and borrowing

The coop borrows production loans from LBP for relending to members. It borrows at 12% and relends at 18%. The coop pays the 2% PCIC insurance. The borrowing members were required to offer collaterals such as: land, buildings, and movable properties.

The coops only source of loaning funds is LBP. The chairman claimed that LBP's funds may be adequate, but the members were having difficulties because of the short duration of LBP loans. Thus, the coop prefers soft loans from foreign countries. The major complaints from LBP aside from short duration of loans were: delayed releases of loans and voluminous documents required. Additional loans are needed not only for production but also for marketing and facility development. Long term loans appeared not to be available.

Commercial banks are the cooperatives' main competitor in increasing savings, while, private money lenders are their competitors in increasing lending. To confront the commercial banks, the Chairman felt that they need unity and stronger cooperation among members. They also need to offer competitive interest rates on savings. To increase lending, they need to offer lower interest rates and require less requirements.

The chairman claimed that all their borrowers paid on time, thus, they have not resorted to legal actions yet in collecting loans. On the other hand, they have already experienced sending collection letters to potentially delinquent members.

The chairman claimed that its federation has no credit business. She expects the federation to be involved in marketing only, however.

Financial Condition

As of June 30, 1991, the cooperative has 62 regular and 3 associate members. The total paid-up capital was P34,518.00, averaging P551.90/regular and P100.00/ associate member. The total paid-up capital is 50.76% of the subscribed capital of P68,000.00.

The total asset of the coop stood at P454,176 with fixed asset amounting to only P4,957. The equity and reserves comprise 10.83% of the total assets. The equity to fixed asset ratio was computed at 9.2:1 meaning that for every peso invested in fixed assets, there is P9.92 in equity and reserves. The coop's current asset was computed at P449,219.01 while the current liabilities was P404,955.17. This yielded a current ratio of 1.1:1. The total loan of the coop (P404,955) was computed to be 822.73% of its equity and reserves.

The total gross profit/savings of the coop (P36,321) was 40.51% of its gross revenue (P89,658.39) as of June 30, 1991. On the other hand, the gross profit on sales (P13,027) was found to be 19.63% of the total net sales (P66,365). The net surplus to gross revenue ratio was computed at 11.76%, while, the net surplus to total assets ratio was only 2.32 %

On the average, the 3 employees of the cooperative received a total of P460.07 each which was computed to be only 3.8% of the coops total gross savings. The productivity of the employees on the other hand, was computed at P12,107.02 each in terms of gross savings of the cooperative as of June 30, 1991.

(4) Condition of affiliated unions/federations

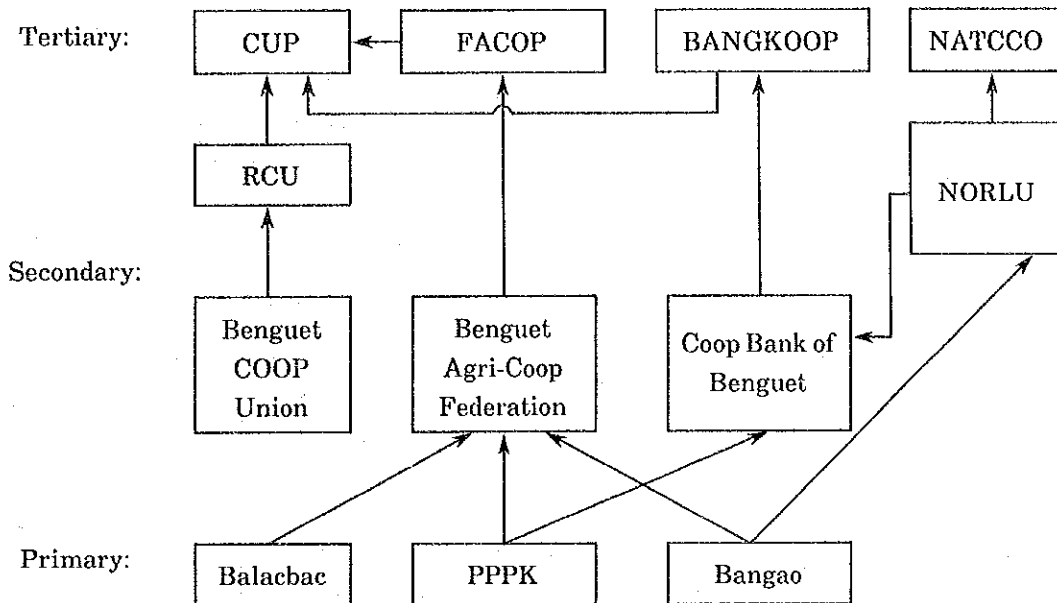
There are 211 agricultural cooperatives in Baquio City and Benguet Province (Table 1). The 3 primary cooperatives on which detailed surveys were conducted plus their relationships with unions/federations are as described in "Chart 1."

Table 1: The Number of Coops in Benguet (as of Nov. 30, 1992)

City/Prov.	Total	Confirmed	Registered	MP-Agri
Baquio City	68	20	48	16
Benguet Prov.	279	49	230	195
Total	347	69	278	211

(From CDA CAR. Extension Office)

Chart 1: Primary Coops and their Relationships with Unions/Federations



The primary cooperatives on which detailed surveys were carried out are in each case not members of unions. According to our interviews, there are no full-time employees either at the RCU or the PCU, only part-time volunteers. On the other hand, the opinion was also strongly held by the primary and secondary coops that one could not expect much in the way of benefits from union.

A. BENGUET AGRICULTURAL COOPERATIVE FEDERATION, INC. (BACFED)

This federation was registered on August 16, 1991. Its area of operations is Benguet Province, including Baquio City. It currently has 77 member cooperatives. It is eager to increase its members to 200 by the end of 1993. It has a warehouse for inputs with storage capacity of 5,000 bags and a warehouse for chicken dung with capacity of 7,000 bags. The amount transacted in its supply business is P10,575,730. All of the inventory is purchased from private dealers. It does not yet conduct a marketing operation. Although there is a call among members for (a) technology transfer (modernization), (b) supply, and (c) marketing, none of this can be provided for the lack of funds and facilities (means of transportation, packing facilities, etc.). This federation is affiliated to FACOP. It

has the opportunity to hold meetings when the roughly 10 federations of Region I gather.

B. NORTHERN LUZON COOPERATIVE DEVELOPMENT CENTER, INC. (NORLU)

NORLU was registered on May 5, 1988 and confirmed on January 8, 1991. Its operational areas are Regions I and II and CAR. Presently, the number of coops that are members are as indicated by Table 2.

Table 2: Number of Affiliated Coops (NORLU)

City/Prov.	Total	Of which Multi	Of which Credit	Of which Consumer
Baquo City	22	7	11	3
Benguet Prov.	49	26	12	11
Total	71	33	23	14
Grand Total	(222)	(105)	(74)	(27)

There are 46 full-time employees, including those at a single extension office. The operations conducted by NORLU are extensive, including training, marketing (rice), credit (deposits and loans), publishing, printing, auditing and others. In addition to "general meetings", directors committee meetings are held, and consultations are scheduled for January-February. Communication with members largely depends on a publication called "Timek" (Voice of the Cooperatives), which is put out on a bimonthly basis. Furthermore, regular meetings with NATCCO are held quarterly, or sometimes monthly.

Problems being confronted include: (a) the need for increased manpower (accounting clerk, coop auditor, etc.); (b) the need for more funds (coop rice trading system fund, fund for the agrarian reform development program, etc.); (c) the need to develop human resources (overseas staff development in ASEAN countries, etc.). The following policies have been established as measures to deal with these issues: (a) computerization of the accounting systems for coop affiliates; (b) strengthening of the CF (Central Fund) such that it functions as a regional coop bank; (c) establishment of a coop institute; (d) establishment of subsidiary

businesses such as marketing, inter-coop trading, etc. (from the "Five-Year Plan, 1993-1997").

With respect to problems in the area of educational and training activities, the following can be cited: (a) insufficient training equipment (overhead projector, video camera, xerox machine, etc.); (b) the difficulty small coops have in participating due to the high cost of training; (c) accessibility of coops to training sites, etc.

C. COOPERATIVE BANK OF BENGUET (CBB)

The CBB, which was registered on June 4, 1992, only began operations on October 1, 1992. Its area of operation is Benguet Province, including Baguio City. Its present members number 63 coops (of which 2 are federations). It has plans in 5 years to have 80% (about 250 coops) of coops in Benguet province become members. Regarding regular meetings with its members, nothing apart from the general assembly is being contemplated. As of November 30, the size of its operations was as follows: (a) deposits: P1,885,731; (b) credit: P300,000; (c) capital stock: P1,590,000. Agricultural credits remained at zero.

The LBP and BANGKOOP are currently training the employees of the CBB (which has full-time employees of eight). The CBB says that members are expecting to play roles in: (a) education and training; and (b) linkage and coordination with other cooperated institutions. Currently pending issues are the lack of motorcycles to make the rounds and the lack of a computer to process office-related details. It says that its manpower needs are being sufficiently met. At present, it is not making a profit (net loss: P67,597).

2. Nueva Ecija Province

(1) Socio-economic condition

Regarded as the rice granary of Central Luzon, Nueva Ecija lies in the northeastern tip of central plains of Luzon. It is bounded by Tarlac in the west and by Quezon in the east. Nueva Vizcaya and Bulacan cover the northeast and southeast, while, the Pangasinan & Pampanga cover the northwest and southwest of Nueva Ecija, respectively. The province has a total land area of 5,284.3 sq. km. covering 3 cities, 29 municipalities and 808 barangays. The provincial income in 1986 was P52.62 million, thus, it was classified as first class province in terms of income.

In 1990, the total population of the province was recorded at 1.312 million people coming from 250,968 households. The population growth rate in 1987 was 2.2% with almost equal representation between males & females. In 1986, 75.5% of the province total households earned an average income below P4,000.00 per annum.

Support services in the province include: ① 2,771.562 kilometers of road network; ② 1 private airport; ③ 27 telegraph stations; ④ 4 radio stations; ⑤ 1 thrift bank; ⑥ 2 savings & mortgage banks; ⑦ 26 rural banks; ⑧ 1 CRB; ⑨ 14 pawnshops; ⑩ 21 commercial banks; and ⑪ 3 development banks. All the 3 cities & 29 municipalities have electricity and community water systems.

There were a total of 9,701 major establishments in Nueva Ecija: 62.21% belong to wholesale & retail trade; 17.83% were engaged in manufacturing; 15.42% were community, social & personal services; 1.46% were into finance, insurance, real estate and business; 2.34% were into transportation, storage & communication; 0.50% were in agriculture, fishery & forestry; 0.09% were producing electricity, gas & water; and one (1) establishment was involved in mining and quarrying.

Of its total 528,433 hectares, 62.61% are alienable and disposable; 31.43% were classified forest land; and 5.96% were unclassified forest land.

(2) Agricultural condition

Nueva Ecija has 188,167 hectares of arable land: 92.12% were under temporary crops; 3.84% were lying idle; 0.86% were planted to permanent crops;

2.03% were in permanent meadows & pastures; 0.12% were covered by forest growth; and 1.03% were composed of all other land.

In 1986, 235,640 hectares were planted to palay; 6,360 has. to corn; 3,505 has. to onions; 1,424 has. to green and leafy vegetables; 1,350 has. to mongo; 1,255 has. to tomatoes; 1,165 has. to other vegetables; 1,045 has. to eggplant; and 577 has. to dry beans. In addition to producing 9% of the country's total palay production, Nueva Ecija produces all onions of Central Luzon Region - this is about 60% of the country's total onion production.

One-third of Region III's carabao inventory are located in Nueva Ecija, hence, its heavy dependence on the carabao as a work animal. The other types of livestock are also raised at significant inventory levels, although most of them are raised in the farmers backyards. In 1986, a total of 34,460 heads of cattle; 143,880 heads of hogs; 89,980 heads of carabao; and 45,500 heads of goats were recorded in Nueva Ecija. Like its livestock industry, the poultry industry of Nueva Ecuja comprise a significant proportion of the total production of Region III. In 1986, 1/3 (2,419,530 Heads) of the total chicken; and 1/4 (196,750 heads) of the total duck inventories of Region III were found in Nueva Ecija.

Rice and corn mills form the core of agribased establishments in the province. The other agribased business ventures with highest potentials were: tomato paste, onion and jute processing; fresh water fish hatchery and feed milling. Jute and asparagus were potential agricultural crops.

Among its agricultural support services are: 51 irrigation systems covering 11,733 has. and 9 private ice plants. NFA installed in the province 5 units of rice mills; 4 graders; 1 pre-cleaner; 4 threshers; 1 corn sheller; 1 stock conveyor; 18 dryers and 20 warehouses.

The province is hosting the Central Luzon State University (CLSU) Philippine Rice Research Institute; and National Farmers Training Center.

Nueva Ecija is the birthplace of agricultural cooperatives in the country. Inspire of numerous cooperative organizations, however, the private traders/middlemen continue to control the processing, storage and marketing of farm products. With the agrarian reform program of the government, the rice and corn farmers in the province had either already received their CLT's or converted to become lease holders. Thus, land rent payments were based on fixed amount of