

Performance and Impact of Agri-based Cooperatives

A Review and Suggestion for Research Agenda

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Outline of Presentation

Status of Cooperatives
Structure & Growth

Impact of Cooperatives
Macro
Micro

Building on Success
Success Factors

Key Issues and Challenges
Constraints

Research Agenda for Action

Status of Cooperatives

Growth CDA, 2011: 20,792 cooperatives
37.6% higher than 2010



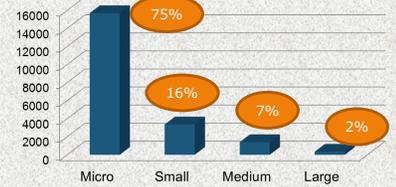
1. Growing interest on coop

2. RA 6938
Min no. to organize a coop = 15
RA 821 (250)

Figure 1. Distribution of newly registered cooperatives by type, Philippines, 2011

Status of Cooperatives

Fig. 2. Number of registered cooperatives, by category, 2011



Importance of MSMEs

- employs 65% to 70% of the labor force
- contributes about one-third of the country's economic growth
- 60% of all exporters
- 25% of the country's total exports revenue

Advantages of Cooperatives

(Castillo, et al., 2003)

1. founded on need
 - kind of services delivered suits the needs of its members
2. espouses self-help and self-reliance
 - cooperative can still function effectively and efficiently even if the government is short of resources
3. democratically controlled
 - cooperative patronage as a basis of control and reward

Impact of Cooperatives

Macro

Employment (CDA, 2011)
Directly employed:
201,225
Indirectly employed: 141,260

GDP (2010)
Php 280.9B

Micro

- modernization of agriculture
- productivity enhancement & income generation
- automation of support facilities
- capital build up
- savings mobilization

Success Factor(s) of Cooperatives

Strong membership support

Preconditions:

- good performance
- two-way flow of information system
- mobilization of the initiatives of local talents and resources

Other factors:

- government assistance (technical, financial, marketing)
- good governance (professional management, transparency)

Key Issues and Challenges

- 1) weak enabling policy
- (2) lack of government support
- (3) weak capability building systems
- (4) weak financial, production, and marketing systems

Agenda for Action of Cooperatives

Documentation of success stories and their effective dissemination/sharing

Lessons learned (local & international cases)

Pursuit of strong corporate and fiscal management

- competitiveness
- sustainability
- natural disaster risk reduction

Thank you very much