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*THEME: The Future of Agribusiness and Cooperative Enterprises: Examining Local and Global Contexts*

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# The ASEAN Center for the Development of Agricultural Cooperatives (ACEDAC) and its Role in Promoting Competitiveness of Agricultural Cooperatives.

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BY DR. EULOGIO T. CASTILLO, PH.D.

ADMINISTRATOR, COOPERATIVE DEVELOPMENT AUTHORITY

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PANEL DISCUSSANT AT THE JOINT INTERNATIONAL CONFERENCE ON AGRIBUSINESS AND COOPERATIVES ON OCTOBER 14-17, 2015 AT WATERFRONT INSULAR HOTEL, DAVAO CITY, PHILIPPINES.

# What is ASEAN?

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It stands for Association of Southeast Asian Nations which consists of Brunei Darussalam, Cambodia, Indonesia, Lao PDR, Malaysia, Myanmar, Thailand, the Philippines, Singapore, and Vietnam.

# When was ASEAN established?

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The Association of Southeast Asian Nations, or ASEAN, was established on 8 August 1967 in Bangkok, Thailand, with the signing of the ASEAN Declaration (Bangkok Declaration) by the Founding Fathers of ASEAN, namely Indonesia, Malaysia, Philippines, Singapore and Thailand.

Brunei Darussalam then joined on 7 January 1984, Viet Nam on 28 July 1995, Lao PDR and Myanmar on 23 July 1997, and Cambodia on 30 April 1999, making up what is today the ten Member States of ASEAN.

# Objectives

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Among the objectives are:

To accelerate the economic growth, social progress and cultural development in the region through joint endeavors in the spirit of equality and partnership in order to strengthen the foundation for a prosperous and peaceful community of Southeast Asian Nations;

# Objectives (cont.)

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To collaborate more effectively for the greater utilization of their agriculture and industries, the expansion of their trade, including the study of the problems of international commodity trade, the improvement of their transportation and communications facilities and the raising of the living standards of their peoples;

# ASEAN Economic Community

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The AEC Blueprint will transform ASEAN into a single market and production base, a highly competitive economic region, a region of equitable economic development, and a region fully integrated into the global economy. (Source: ASEAN Economic Community Blueprint)

# What is ACEDAC?

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It stands for ASEAN Center for the Development of Agricultural Cooperatives. All ASEAN-member states are members of ACEDAC.



# History of ACEDAC

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In 1984 during the 6<sup>th</sup> Meeting of the ASEAN Ministers of Agriculture and Forestry in the Philippines, the Ministers signed two ASEAN Memorandum of Understanding, namely: ASEAN Cooperation in Agricultural Cooperatives and Plant Pest Free Zones.

# Objectives of ACEDAC

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The signatories to the MOU agreed to implement a Program of Action to promote the development of agricultural cooperatives in the ASEAN Region thru:

- ❖ exchanges of relevant information and experiences among member-countries;

# Objectives of ACEDAC

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- ❖ education and training of personnel and cooperators;
- ❖ research and development programs;
- ❖ other project/activities related to cooperative development; and
- ❖ establishment of an ASEAN Center for the Development of Agricultural Cooperatives to be located in Jakarta, Indonesia.

# Obligations of ACEDAC Member-States

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- a. To cooperate fully in attaining ACEDAC, objectives and functions;
- b. To settle all financial obligations;
- c. To provide information requested by ACEDAC; and
- d. To undertake assignments mutually agreed among the members of ACEDAC:

# Definition: Agricultural Cooperatives

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Cooperatives involved/engaged in raising plants, animals, fungi, and other life organisms for productive/economic purposes and in related activities that lead to the reduction of cost and/or value addition of outputs. (Proposed)

# What is CDA's Program for Agricultural Coops?

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- ❖ For the micro and small
- ❖ For the medium and large

Who are the logical partners in the government/coop sector?

What are the sources of funding for agricultural cooperative programs in the Philippines?



PROGRESS OF COOPERATION PROJECTS AND  
ACTIVITIES UNDER THE STRATEGIC PLAN OF  
ACTION (SPA) 2011-2016 AS REPORTED DURING THE  
22<sup>ND</sup> MEETING OF THE ACEDAC BOARD ON 9-10 JUNE  
2015 IN SIEM REAP, CAMBODIA

# 1. Strengthen the role of agricultural cooperatives in food marketing chain

- ❖ Capacity building of personnel/officers and members of agricultural cooperatives to meet the challenges of ASEAN single market

2. Promote the development of the marketing chain system in ASEAN-member states through the establishment of demonstration models and knowledge sharing.

3. Develop business network among established cooperatives in the ASEAN region for a better share of the market.

## 4. Enhance the role of women in the agricultural cooperatives in ASEAN

- ❖ Philippines updated the ACEDAC Board about the GAD Program of the Philippine government and that there are many women in the cooperatives
- ❖ Malaysia sought possibility of a study visit in the Philippines by the end of the year on women in cooperatives but not limited to the agricultural cooperatives.

## 5. Exchange Visit of Cooperative Personnel and Leaders

The schedules and host countries are as follows:

2016- Cambodia

2017- Malaysia

2018- Indonesia

2019- Lao PDR

PROGRESS REPORT OF THE  
STRATEGIC ALLIANCE PROJECTS BY  
EACH LEAD COUNTRY

# Thailand

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## SA Project on Data and Information Exchange

Thailand reported that the special website for ACEDAC has been migrated to a bigger domain and can be accessed at <http://www.acedac.org>. A separate web page is dedicated to each country.

# Philippines

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## SA Project on Coconut by-Product

The Philippines updated the ACEDAC Board that while coconut is big business, the farmer remains poor because what they sell is copra. The government is trying to support the farmers to provide technical assistance to improve the product value.



# Philippines

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The agricultural cooperatives in the coconut areas are now following the value-chain approach and are now producing coconut sugar and virgin coconut oil, among others.

# Malaysia

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The SA Project on Agro-eco-tourism was withdrawn because since 2012 there is no transaction or trading on the agro-eco-tourism.

# Malaysia

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SA Project on Beef Farming. Malaysia reported that they are in the process to trade and seek opportunities with potential coops in and private traders in Cambodia, Myanmar and Thailand.

# Malaysia, Cambodia, Myanmar, Thailand and the Philippines

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SA project on Seaweed Production of Carageenan. The project is being implemented in various places in Malaysia. Technical assistance support was provided by Indonesia. Malaysia is seeking the support of the Philippines. The Philippines will share an update on the seaweed industry in the Philippine in the next meeting.

# Philippines

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SA project in the Manufacturing of Organic Fertilizer.  
The Philippines updated the ACEDAC Board that the project is on-going.

**EXCHANGE OF INFORMATION ON  
AGRICULTURAL COOPERATIVE  
ACTIVITIES IN ASEAN MEMBER STATES**

# Philippines

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SA project in the Manufacturing of Organic Fertilizer.  
The Philippines updated the ACEDAC Board that the project is on-going.

# CAMBODIA

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- ❖ Agri-coops in Cambodia has been promoted since 2003 and the Department of Agricultural Cooperatives Promotion was only established in 2014.
- ❖ The “champion” product of agri-coops is aromatic rice and Kampot organic pepper and are being exported internationally.
- ❖ Challenges are: lack of human resource in the Department, absence of training center and limited access to bank loans.



# Indonesia

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## 1. Challenges faced are:

- ❖ Limited access to financing, resources, technology and market
- ❖ Lack of human resource
- ❖ Limited access to modern equipment
- ❖ Low quality of cooperative institution
- ❖ Limited capacity to fulfill huge market demands

# Indonesia

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❖ Inability to maximize economies of scale due to limited cooperation/networking among and between cooperatives and other business entities.

2. Indonesia recommended that ACEDAC should have activities to strengthen the Indonesian agricultural Cooperatives Board as it is responsible for all the activities of coops from meetings to following coop principles.

# Lao PDR

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Lao PDR presented a report on the past, present and future of coops in their country.

# Malaysia

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Malaysia presented the Strategic Plan of the National Farmers Association (NAFAS) now National Farmers Organization. Its main objective is to improve the social and economic standard, increase their knowledge and skills, increase revenue and income and improve the way of life of its members and create a progressive, independent, prosperous and integrated farming community.

# Philippines

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The Philippines presented a case study of the Hacienda Malaga Cuenca Agrarian Reform Cooperative which started with P2,000.00 capital and has now a networth of P9Million.

# Thailand

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Thailand presented the success stories of agricultural cooperatives in Wiengsa District, Nan Province.

# Proposed Strategic Plan of Action (SPA) 2016-2020

# Proposed Strategies to Strengthen ACEDAC



# Cambodia

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- ❖ Commitment of ACEDAC ASEAN Member States (AMS) to participate in ACEDAC Activities and fulfill their obligation
- ❖ Carry out activities and programs and benefits that benefit AMS and agricultural activities
- ❖ Find more donors to support joint projects

# Indonesia

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- ❖ Promote networking among agricultural cooperatives
- ❖ Promote agricultural products in both inter and intra ASEAN
- ❖ Strengthen agricultural cooperatives through Agricultural Cooperatives Business Network (ACBN) and Agricultural Cooperatives Business Forum (ACBF)

# Lao PDR

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- ❖ Commitment of ACEDAC ASEAN Member States (AMS) to attend meetings and implement ACEDAC activities
- ❖ Capacity building
- ❖ Communication between ACEDAC Secretariat and respective Ministry

# Malaysia

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- ❖ Identification of agricultural coops' products from each AMS
- ❖ Identification of specific cooperatives in the country
- ❖ More frequent regional stakeholders meeting(every 6 months) to discuss agri-coops business collaboration within AMS to be competitive in the global market

# Philippines

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- ❖ Showcase success stories
- ❖ United to face AEC 2015
- ❖ Strengthen Cooperative Business Forum
- ❖ Advocacy

# Thailand

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- ❖ ASWGAC to play important role as mechanism for support and promote strategic action (SA) activities through SOM-AMAF
- ❖ Actively report to the relevant Ministry in each country with concern to strengthen and encourage all cooperatives to generate support

Special Senior Officials Meeting of the 36<sup>th</sup> Meeting of the ASEAN Ministers on Agriculture and Forestry (Special SOM 36<sup>th</sup> AMAF)  
12-13 August 2015, Nay Pyi Taw, Myanmar

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❖ The meeting noted that the AEC 2015 would comprise of five interrelated pillars and elements, namely:

- Integrated and highly cohesive economy;
- Competitive, innovative and dynamic ASEAN;
- Resilient, inclusive and people centered ASEAN;
- Enhanced sectoral integration and cooperation; and
- Global ASEAN

Special Senior Officials Meeting of the 36<sup>th</sup> Meeting of the ASEAN Ministers on Agriculture and Forestry (Special SOM 36<sup>th</sup> AMAF)  
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## On the matter of cooperation in agriculture cooperatives

- ❖ The meeting noted that the Philippines will organize the 6<sup>th</sup> ASEAN Cooperative Business Forum in 2016.



Special Senior Officials Meeting of the 14<sup>th</sup> Meeting of the ASEAN Ministers on Agriculture and Forestry Plus Three (Special SOM 14<sup>th</sup> AMAF Plus Three)  
14 August 2015, Nay Pyi Taw, Myanmar

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- ❖ The meeting noted the progress on the Project for Strengthening Capacity Building in the Agricultural Sector in ASEAN Countries of the Ministry of Agriculture, Forestry and Fisheries of Japan.
- ❖ The meeting took note of Japan's Information Paper on the Establishment of Food Value Chain in ASEAN countries.





THE SPECIAL SENIOR OFFICIALS MEETING OF THE 36<sup>th</sup> MEETING OF  
THE ASEAN MINISTERS ON AGRICULTURE AND FORESTRY  
(SPECIAL SOM - 36<sup>th</sup> AMAF)

AND  
THE SPECIAL SENIOR OFFICIALS MEETING OF THE 36<sup>th</sup> MEETING OF









**MINISTRY OF AGRICULTURE AND IRRIGATION**





Thank you.