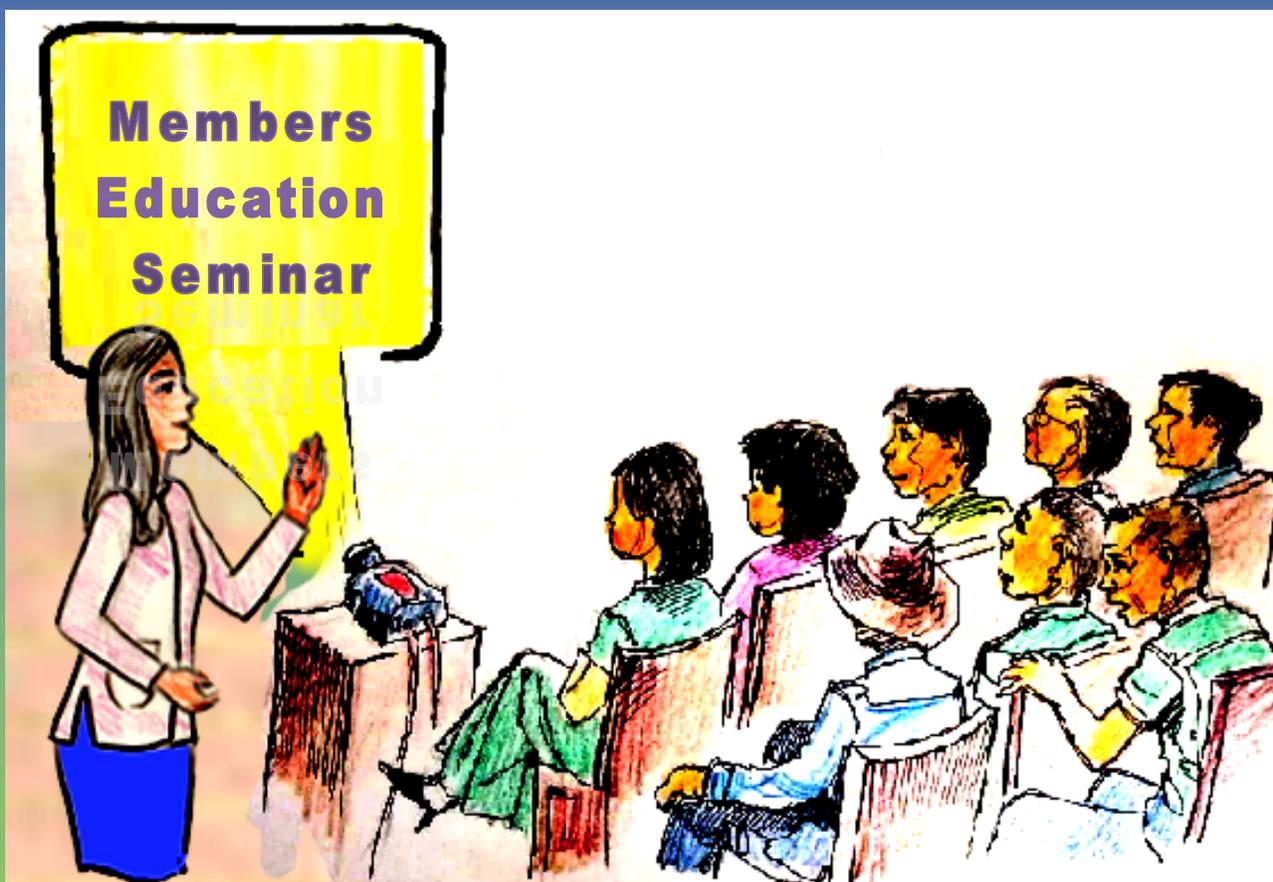


MEMBERSHIP EDUCATION for Agricultural Co-operatives

A Facilitator's Guide in Conducting Membership Education for Agricultural Co-operatives



First Edition
2020

Module 1 :

MEMBERSHIP EDUCATION for Agricultural Co-operatives

A Facilitator's Guide in Conducting Membership Education for Agricultural Co-operatives



Contents

Overview	1
Introductory Session	3
Session 1: Agricultural Co-operatives in the Philippines	
I. GUIDE NOTES FOR THE FACILITATOR	4
II. Facilitating The Session with Farmers	6
Session 2: Why Co-operative?	
I. GUIDE NOTES FOR THE FACILITATOR	8
II. Facilitating the Session with Farmers.....	10
Session 3: Nature & Purpose of the Co-operative	
I. GUIDE NOTES FOR THE FACILITATOR	12
II. Facilitating the Session with Farmers.....	14
Session 4: Co-operative Values & Principles	
I. GUIDE NOTES FOR THE FACILITATOR	16
II. Facilitating the Session with Farmers.....	17
Session 5: Member Duties & Responsibilities	
I. GUIDE NOTES FOR THE FACILITATOR	19
II. Facilitating the Session with Farmers.....	20
Session 6: Our Co-op as a Successful Enterprise	
I. GUIDE NOTES FOR THE FACILITATOR	22
II. Facilitating the Session with Farmers.....	23
Hand-outs / worksheet tools	
Basic Information About the Cooperative	25
Improving the Lives of Farmers through the Cooperative	26
Personal Reflection	27
Statement on Co-op Identity	28
Duties and Responsibilities of Members as Owners	29
Duties and Responsibilities of Members as Users	30

MODULE ONE

MEMBERSHIP EDUCATION *For Agricultural Co-operatives*

Overview

The co-operative exists because of members. They are the source of its capital as owners of the co-operative enterprise; they are the source of its income as users of its services. It can be said then that members are key to the success or failure of the co-operative enterprise.



But members can be owners only in name, even if they have put in their capital contribution, if they do not exercise their rights and obligations as such. These members exercise joint or co-ownership with other members who, according to the Cooperative Code of the Philippines, "have voluntarily joined together to achieve their social, economic, and cultural needs and aspirations." As co-owners, they not only make "equitable contributions to capital" but also accept "a fair share of the risks and benefits of the undertaking in accordance with the universally accepted cooperative principles."

Co-ownership also becomes real when members use or patronize the products and services of the co-operative. As users, for instance, members buy production inputs from the co-operative as well as market their produce through the co-operative. This business relationship is critical to the success of the co-operative enterprise.

Educating Members

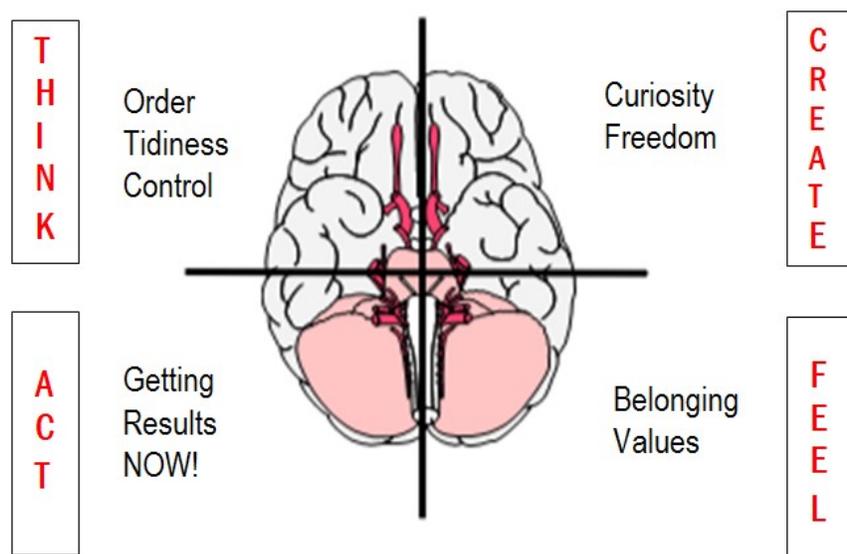
The meaning of "co-ownership" does not come naturally to co-op members. Farmers, in particular, may find it more convenient to deal with buyers or go to the market directly. They may see the benefit of working together with others in dealing with the market, but they may also see this from their own individual interest. Working together means subjecting one's individual interest to the good of all. And sustaining this attitude "for the good of all" requires a good and deep understanding of what the co-operative is all about.

Hence, educating farmers on the meaning and value of membership and being a co-owner of a collective enterprise is important. Such education is not as simple as it sounds. One has to consider that farmers as adults have their own way of learning, much of which is attuned to their experience. Learning for them is a process which requires facilitating as opposed to teaching in the traditional sense. A facilitator of learning is sensitive to the experience of adult learners and uses this experience to build knowledge, improve skills, and – perhaps most important – change mindset and attitude for the better.

This module is designed for people who are tasked to educate farmers to become good co-operators. And to do this as facilitators of learning.

A Theory of Learning

A facilitator needs a good methodology in facilitating the process of learning especially among adults. Here, the methodology that will be used throughout this module is based on the theory of learning called **Whole Brain Literacy (WBL)**. Drawing from scientific studies on the human brain, WBL describes the brain with four parts, each with a distinct role in the thinking process of every individual. Below is a Brain Map showing the different faculties of the brain: create



These faculties have to be activated for learning to take place. Not one but all these faculties have to work together holistically, according to WBL. When we merely give information, for instance, we stimulate only the thinking part of the brain. When we allow the learner to act it out, learning is further enhanced because it is brought closer to the experience of the learner. But if we want to change the behavior of the learner, we need to activate also the feeling and creating part of the brain. This is when learning becomes internalized and is outwardly manifested in the change of behavior, which is the desired result of the learning process.

The facilitator, therefore, has to design a training event – whether as a program, a module, or a session – in such a way as to activate all the faculties of the human brain. This is best carried out through learning activities that tap into the hidden potential of each and every learner.

This module will use the WBL-based methodology that will involve learners in the process of *thinking, acting, feeling & creating* or *dreaming* in order to maximize their potential for learning.

Whole Brain Literacy, Key to Wholistic Education and Success in Today's World. Written by Dr. Perla M. Tayko and Dr. Marina L. Reyes-Talmo. 2010.

Four-Brain Model. The Strategy of the Dolphin by Lynch & Kordis. 1988.

Introductory Session

Time Frame: 15 – 20 minutes

This is the time for the traditional preliminaries. In the introduction of individual participants, it is important to keep the introductions short and positive. Participants will state only

- (1) Their full name
- (2) Present position in the co-op, and
- (3) Why they think the co-op is important to them.

The facilitator gives an overview of the module:

Overall objective: to deepen farmers' understanding of the co-op and their role in it.

Outline of the sessions:

- Agricultural Co-operatives in the Philippines
- Why Co-operative?
- Nature & Purpose of the Co-operative
- Duties & Responsibilities of Members
- Co-operative Values & Principles
- Our Co-op as a Successful Enterprise

The facilitator encourages the farmers to actively participate in the discussions.

Session 1: Agricultural Co-operatives in the Philippines

I. GUIDE NOTES FOR THE FACILITATOR

Agricultural co-operatives were among the oldest type of cooperative organized in the Philippines. It is said that Dr. Jose Rizal organized an agricultural marketing cooperative among abaca producers in 1896 while in exile in Dapitan in Mindanao. In 1898, another national hero, Emilio Jacinto, set up a marketing cooperative in San Pedro, Laguna. Both early attempts did not last long and failed.

It was in 1915 when cooperatives were formally introduced in the country with the passing of the Rural Credit Cooperation Law, otherwise known as Act 2508. This was through the efforts of Teodoro Sandiko, who was appointed governor of Bulacan during the American colonial administration. Governor Sandiko got his inspiration for the law from the Raiffeisen credit cooperatives he saw in Germany during his travels in Europe.

Since then, cooperatives became part of the program of government in mobilizing the rural population for socio-economic development. Government would concentrate its development efforts on farmers and the agricultural sector in general. For this reason, it gave special attention to the promotion, organization and development of agricultural cooperatives. It enacted a series of laws purposely to support agricultural cooperatives, undeterred by series of failures. Support included financing, marketing and even management of these cooperatives.

Between 1915 and 1975, at least twelve (12) of these laws were enacted and implemented. Most important of these laws was Republic Act No. 821, which created the Agricultural Credit and Cooperative Financing Administration (ACCFA) in 1952.

ACCFA was tasked to organize, finance, and supervise the Farmers' Cooperative Marketing Associations (FACOMA). By 1966, there were 429 FACOMAs supported by government, with technical and commodity assistance from the U.S. government. The FACOMAs, however, mostly failed.



But perhaps the most systematic and pervasive effort by government to organize and support agricultural cooperatives was during the martial law regime of President Ferdinand Marcos. Pre-cooperatives in the form of *Samahang Nayons* (SN) were first organized among farmers at the barrio level all over the country. The SNs then graduated to *Kilusang Bayan* (KB) at the town level. Support structures in marketing, banking, insurance, and management were set up at the provincial, regional and national level, all designed to ensure that agricultural cooperatives succeed and solidify their contribution to the national economy.

By December 31, 1985, near the end of the martial law regime, there were 17,115 SNs, 29 Cooperative Rural Banks (CRB), and 84 Area Marketing Cooperatives (AMC), according to the Bureau of Cooperatives Development, the forerunner of the Cooperative Development Authority. Only the CRBs and the Cooperative Insurance System of the Philippines (CISP) have survived to this day.

It is an important footnote to the history of agricultural cooperatives in the country that the few SNs that survived were those that were transformed into full-fledged cooperatives by private initiative and without government intervention. The best example of this is the Lamac Multipurpose Cooperative in Cebu. Lamac MPC grew and prospered by adhering to the established cooperative principles and practices. These principles and practices revolve around the primacy of members, who control the cooperative as owners and who grow its business through their continuous patronage. Outside assistance, whether from government or private sources, should only complement the efforts of members and should never compromise the value of member ownership and patronage.

Cooperatives that are organized on this basis in the agricultural sector have started to take root in the country.

Note the phrase “cooperatives ... in the agricultural sector” as opposed to the term “agricultural cooperatives.” Agricultural cooperatives as this type of cooperative are called in other countries are typically composed only of farmers or agricultural producers engaged in agriculture-related activities from production to processing, marketing and support services. In the Philippines they are loosely defined or are not typically called as such. Nowadays, we can talk only of cooperatives operating in the agricultural sector. On the basis of this broad description of cooperatives in agriculture, CDA’s data as of December 31, 2018 are as follows:



Cooperatives that are organized on this basis in the agricultural sector have started to take root in the country. Note the phrase “cooperatives ... in the agricultural sector” as opposed to the term “agricultural cooperatives.” Agricultural cooperatives as this type of cooperative are called in other countries are typically composed only of farmers or agricultural producers engaged in agriculture-related activities from production to processing, marketing and support services. In the Philippines they are loosely defined or are not typically called as such. Nowadays, we can talk only of cooperatives operating in the agricultural sector. On the basis of this broad description of cooperatives in agriculture, CDA’s data as of December 31, 2018 are as follows:

	Number of Coops	% to All Types of Coops
Producers –	1,008	5.6%
Agriculture –	678	3.8%
Marketing –	672	3.7%
Agrarian Reform –	637	3.5%
Fishermen –	39	0.2%
Diary –	38	0.2%
Multipurpose –	*	*

* *Multipurpose refers to cooperatives engaged in single or several services that may or may not involve farmers, fishermen or other agricultural producers, so it is difficult to specify the actual number of MPCs engaged in agricultural activities.*

In a country where the population is still largely rural and agriculture is still an important part of the national economy, agricultural cooperatives have an important place in the development of the Philippines. The few that are established and have shown signs of success would hopefully multiply – and contribute significantly to the development of agriculture in the country.



II. FACILITATING THIS SESSION WITH FARMERS

General Note: This is an introductory session and should provide the context for the rest of the sessions. The focus here is on the THINK and ACT faculties of the brain.

Objectives: At the end of the session, participants will have:

- a. *Written some basic information about their respective cooperatives;*
- b. *Identified the key events in the history of agricultural cooperatives in the country; and*
- a. *Discussed key insights drawn from the history of agricultural cooperatives.*

Time Frame: 45 minutes – 1 hour

*Materials: Blackboard or whiteboard, writing paper, pen or pencil, **handout 1***

1. Start by gathering basic information about the cooperatives the participants each represent. *Distribute Handout 1* and give the participants at least 5 minutes to fill up the form. If there is a group coming from the same cooperative, they can fill up the form together. If necessary, allow them to call people who can give the right information. You can then ask each participant or each group to read the information they have written to give all participants an idea of what their cooperatives are doing. In the interest of time, just ask the participants to read the information without necessarily elaborating on it. The filled-up forms can be posted in the wall after the presentation to be viewed later, in case some participants would like to know more about other cooperatives.

This is a simple activity but important to communicate the message that, as officers or managers of the cooperative, data and information are important. The information will be useful later as reference in the future lessons. It can also encourage conversation among the participants during the break and even discussion towards future collaboration among them.

2. Explain that you will give a brief history of agriculture cooperatives in the country. The purpose of this is to put into context the development of agricultural cooperatives here. You can present the key events (dates, personalities, laws, and data) discussed in the *Guide Notes for the Facilitator* above. Encourage the participants to ask questions or relate their personal experiences in the course of your presentation.
3. After your presentation, ask the participants to form groups of 5 or 6 (depending on the number of participants) and answer the following question (write the question on the board or flipchart):

What key insights can you draw from the short history of agricultural cooperatives in the country?

Give the groups 5 to 7 minutes to discuss their answers. Ask the groups to give their answers orally. If they mention causes of failure of agricultural cooperatives, ask them to elaborate. Publish their answers in the board. Underline the following points, if mentioned by the groups. If not, add these points in the answers:

- (a) The government gave priority to agricultural cooperatives from the beginning because of the importance of agriculture in the national economy.
- (b) Agricultural cooperatives organized by government mostly failed, however. There are many causes of failure (the groups may have identified these causes) but underlying all these is the over-involvement of government in the affairs of the cooperative, including managing them.

- (c) The agricultural cooperatives that have survived and prospered are those that stood on their own and relied on their members for their development. This is not to say that external support – from government or other sources – are not important. External support can contribute to the development of the agricultural cooperative as long as it does not make members and the cooperative dependent on such support.
 - (d) *Ownership* and *patronage* by members are key ingredients of the cooperative's long-term success and have to be preserved at all times.
4. Close the session by encouraging the participants to find time to look at the information posted in the room about the individual cooperatives represented in the training. Encourage them to discuss with other participants and know more about their cooperatives.
 5. Introduce the next topic.

Session 2: Why Co-operative?

I. GUIDE NOTES FOR THE FACILITATOR

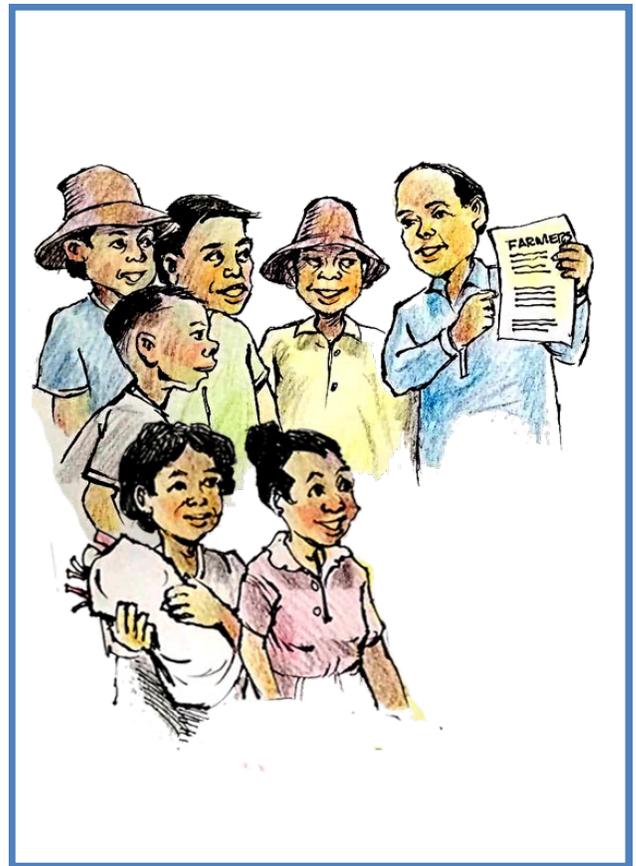
People join the co-operative or are motivated to do so for various reasons, depending on how the idea was introduced to them. They may have heard about the co-operative from friends and neighbors and were encouraged by them to join. They may have been persuaded by a community organizer or an organization promoting collective action among people in the community to solve specific problems. Or the co-operative may have been introduced by the government as a program or project designed to uplift the lives of people in the community.

Whatever the circumstances, people have their own expectations when they join the co-operative. And the nature of these expectations has implications on their understanding of the organization and their attitude and behavior towards it.

If they see the co-operative as an opportunity to improve their own lives, then they will participate actively in the affairs of the organization. But if they see membership in the co-operative only in terms of the benefits they can get from it, then they are likely to remain passive members and be the first to complain when their expectations are not met.

Unfortunately, many members belong to the passive category. And one best way to overcome this passivity is to go back to the question, why do people need to form co-operatives in the first place? Or going back further into the origins of co-operatives, why did the co-operative form of enterprise come to be?

It is good to go back to the history of co-operatives to answer these questions. There are individuals or groups of people that come to mind when you read this history. The first are the Rochdale Pioneers during the early stages of the Industrial Revolution in England. Rural people left their villages to work in factories where they worked as long as 17 hours a day, receiving starvation wages and forced to live in miserable conditions in makeshift dwellings around the factory. With no one to rely on except themselves, the factory workers decided to pool whatever little resources they have to start a store which can supply their basic needs at lower prices. They created "rules" to guide them and the operation of their collective business. These rules have become the foundation of what we now know as the Co-operative Values and Principles.



Around the same time, a socially-minded town mayor in Germany named Raiffeisen decided to help the poor farmers who were victims of usury perpetrated by middlemen. He helped the farmers organize themselves into co-operatives where they can obtain credit at easier terms and which can help them get better prices for their produce. Some years later in Canada, another socially-minded civic leader named Desjardins saw the same usurious practices in the market and decided to form credit unions to free poor people from such exploitation. There were other leaders in Canada and other parts of the world who saw the co-operative form of enterprise as the best if not the only way for people, especially those with limited means, to free themselves from exploitation in the market and from poverty.

Historically then, co-operatives were born out of harsh economic and social reality; they were the result of the struggle of people to help themselves out of poverty and create an alternative institution that they can rely on to improve their lives and become productive members of society. Co-operatives then had very clear economic and social purpose from the beginning.

The economic and social conditions that brought forth the co-operative in the past may not be as harsh as today. But do similar conditions still exist today to justify the formation of the co-operative? For farmers in particular, is the co-operative still the best way to improve the economy of their farms as well as their households? If co-operatives are still relevant to their lives, what social purpose should they serve?





II. FACILITATING THIS SESSION WITH FARMERS

General Note: This session will explore the motivation of farmers in joining the cooperative and allow them to reflect on their own motivation. The focus here is on the THINK, CREATE and FEEL faculties of the brain.

Objectives: At the end of the session, the participants will have:

- a. *Discussed what motivate farmers to join the cooperative;*
- b. *Explained the historical realities that brought forth the cooperative from the beginning;*
- c. *Explained the relevance of cooperatives to the present economic and social realities in the country; and*
- d. *Reflected on their own involvement in the cooperative.*

Time Frame: 1 hour

Materials: Blackboard or whiteboard, writing paper, pen or pencil, handouts 2 and 3

1. Explain why the title of this session is "Why Co-operatives?" People join the co-operative for various reasons. They also bring their own expectations to the co-operative. It is important for members to "level off" on their understanding and expectations of the co-operative. And one good starting point is to ask ourselves, "why do we need the co-op in the first place?" "Why is the co-op important to us, farmers?"

Ask some participants to answer these questions. Publish their answers in the board.

2. Going back to the origin of co-operatives – why and how they started – is a good way to answer these questions. Relate a short story of the Rochdale Pioneers, Raiffeisen, and Desjardins (as explained above). Emphasize the economic and social realities obtaining in the past that led the pioneers to create a new form of enterprise called the co-operative.
3. Ask the participants what key lessons they can draw from these stories. Publish their answers in the board. Summarize their answers by citing the following key lessons:
 - a) The co-operative form of enterprise was born out of the struggle of ordinary people to get out of poverty and helplessness.
 - b) These people depended only on themselves, pooling whatever little resources they had to create and grow their own enterprise.
 - c) The co-operative was established with a clear economic and social purpose, to differentiate it from other forms of enterprises.
4. Now ask the participants to reflect on the economic and social conditions of farmers in the Philippines at present. Form groups of 5 or 6 (or same grouping as in the previous session). Distribute *Handout 2* and ask them to answer the following questions (write these questions on the board or flipchart):
 - a) What are the development needs of farmers right now?
 - b) What are your cooperatives doing to address these development needs?
 - c) What more should be done?

5. Give the groups 10 minutes to answer the questions. Then ask a member of each group to read out loud their answers to the questions. Take note of their answers. Summarize the answers in terms of those activities that cooperatives are doing right now for the benefit of farmer-members and what they still need to do to improve the lives of these farmers.
6. Allow the participants to do a personal reflection of their own involvement in the cooperative. Distribute *handout 3*. They can either just reflect on the questions without writing or write their thoughts down if they are comfortable doing so. Give them at least 3 minutes for this activity. You can then ask some volunteers to share with the whole group their personal reflection.
7. Close the session by checking with the participants if the objectives of the session have been achieved. Introduce the next session.

Session 3: Nature & Purpose of the Co-operative

I. GUIDE NOTES FOR THE FACILITATOR

This session goes to the basics of what the co-operative enterprise means and how it is different from other forms of enterprises. Without this grounding, members and their leaders could lose sight of what the co-operative really is and treat it like any other business. Many co-operatives have turned into or are behaving like corporations or for-profit enterprises because of this. It is important, therefore, for co-op members to understand the essence of the co-operative.

This session will cover two of the basic elements defining the essence of the co-operative enterprise – the Co-operative Identity and the Co-operative Philosophy. It will also cover the differentiating elements that distinguish co-operatives from for-profit enterprises.

The International Co-operative Alliance (ICA) has issued the Statement on the Co-operative Identity to guide co-operatives around the world, regardless of the economic and political systems obtaining in different countries. The Statement includes the basic definition of what the co-operative is, the Co-operative Values that enrich the “soul” of the co-operative, and the Co-operative Principles that guide its organization and business operations.

What makes the co-operative unique is its dual nature – it is both an *association* of people and a business *enterprise*. It is not one or the other; it is both. This duality can best be illustrated in a coin, thus:



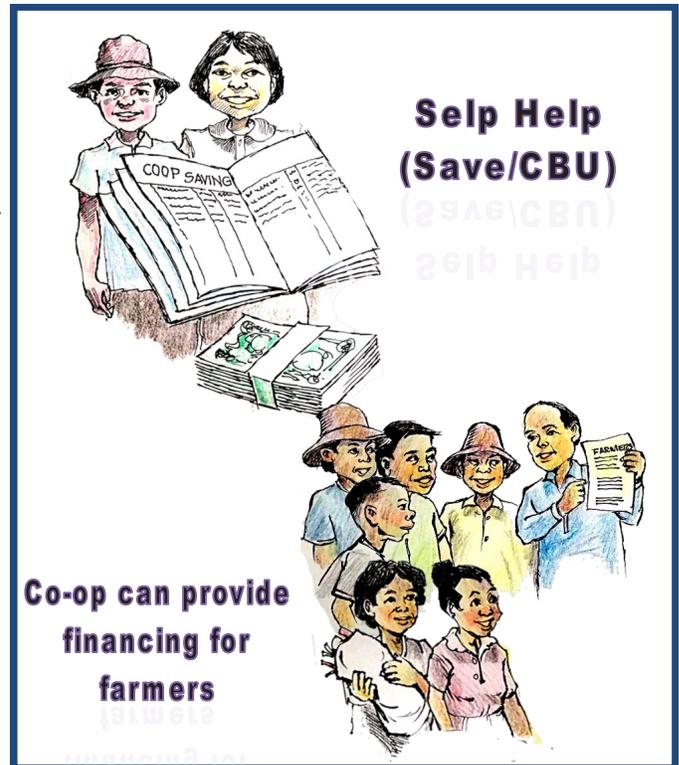
As illustrated, the “association” nature and the “enterprise” nature of the co-operative are two sides of the same coin. They cannot be separated; the co-operative has to succeed both as an association of people and as a business enterprise. This is why the Co-operative Principles, which will be discussed in another session, provide guidelines on how the co-operative should work as an association of people and as a business enterprise.

As Daniel Côté observed: “If a co-op neglects its associational needs, the consuming public can no longer distinguish it from any other business.” (“*Strengthening Co-op Identity and Loyalty*”)

Members are at the center because they make up the co-operative. Without members, there is no co-operative. The dual nature of the co-operative is also found in members being both "owners" and "users" of the enterprise; members are both owners and users, not one or the other. The other expression of this duality is the purpose of the co-operative: it has to achieve both economic and social purpose, not one or the other.

What about the Co-operative Philosophy? On the one hand, we would like to see people joining the co-operative who value **self-help** or that attitude that comes from the belief that one should strive for oneself and not depend on others. It comes from a real determination to improve one's life and not be constrained by the circumstances of daily living. This was the belief that drove the Rochdale Pioneers to change their life situation and free themselves from the harsh economic and social condition they were in.

On the other hand, people who join the co-operative believing in helping oneself through the co-operative also realize that they are helping others as well. In a credit co-operative, for example, one who deposits his/her savings knows that while he/she is not using that money, somebody else will use it. This way he or she is helping others through the co-operative.



Put simply, the Co-operative Philosophy can be stated this way: *Help oneself through the co-operative, and through the co-operative help others as well.*

Going back to the analogy of the coin, one side of the co-operative philosophy then is **self-help**; the other side is **mutual help**. Both are essential in bringing the co-operative spirit alive. As the Rochdale Pioneers showed, by combining their individual resources, however little in the beginning, they were able to plant the seed that grew into the successful enterprise that it is today.

Finally, the co-operative should be distinguished from other forms of business enterprises. Among the important differentiating elements:

- The interest of members as owners and users is identical.
- Members democratically control the co-operative.
- Co-operatives distribute business results differently.



II. FACILITATING THIS SESSION WITH FARMERS

General Note: As in other sessions, lecture/presentations here should be reinforced with activities so as not to make the farmers get "bored" with concepts. Here the THINK, ACT, and DREAM/CREATE faculties of the brain should be activated.

Objectives: At the end of the session, the participants will have:

- a. Explained the dual nature of the cooperative;
- b. Explained the philosophy of the cooperative; and
- c. Differentiated the cooperative from other forms of business enterprise.

Time Frame: 1 hour – 1.5 hours

Materials: Blackboard or whiteboard, markers, writing paper, pen or pencil

1. Introduce the topic by emphasizing the importance of members understanding the real essence of the co-operative and being able to distinguish the co-operative from other forms of business enterprises.
2. Distribute *Handout 4*. Explain the definition of the cooperative according to the International Co-operative Alliance. Underline the words 'association' and 'enterprise' in ICA's definition of the co-operative.
3. To explain further the idea of "co-operative identity," use the analogy of the coin as explained in the Guide Notes above.
4. After this, organize the participants into buzz groups (3 participants per group, preferably seatmates so they don't have to move around) to answer the following questions (write the questions on the board or flipchart):
 - a) Ways by which the co-operative can achieve its **economic** purpose.
 - b) Ways by which the co-operative can achieve its **social** purpose.

Give the participants 5 minutes to discuss the questions. Encourage them to be specific in what the co-operative can achieve in terms of economic and social performance. E.g. increase in the income of members, increase or improve the productivity of their farms, etc. Then ask all the groups to explain their answers to the whole group, allowing the participants to ask questions for clarification. Summarize the answers of all the groups.

5. Introduce the Co-operative Philosophy by showing the participants two illustrations or pictures – one illustration shows one individual working and labelled "self-help," another illustration showing a group of people working together and labelled "mutual help." Ask the participants: "Which one of these illustrations demonstrate what the co-operative is?" They may have different opinions, so encourage them to debate. Allow them to express their feelings. After the debate, explain that the co-operative philosophy actually encompasses both conditions; it's not just one or the other. (See the explanation on this above.)

6. Ask the participants to form the same buzz groups. Ask them to answer the question (write this question on the board or flipchart):

How are co-operatives distinguished from other forms of enterprises?

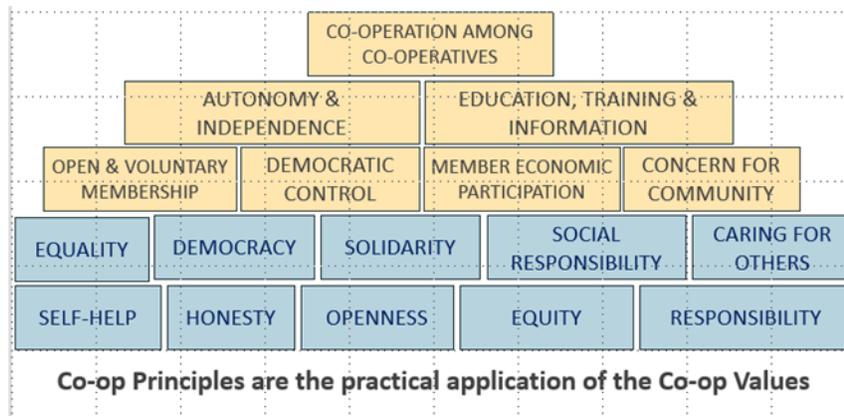
Give the groups 5 minutes to answer the question. Then ask the groups to explain their answers to the whole group, allowing the participants to ask questions for clarification. Summarize the answers of all the groups.

7. End the session by highlighting the 3 learning points in this session – the Co-operative Identity, the Co-operative Philosophy, and the difference between the co-operative and other forms of business enterprises. Then introduce the next session.

Session 4: Co-operative Values & Principles

I. GUIDE NOTES FOR THE FACILITATOR

The Co-operative Values and Principles are the other basic element defining the essence of the co-operative. A co-operative has to subscribe to these values and principles to be called one and to be recognized as such under the tenets of the International Co-operative Alliance (ICA), the body representing co-operatives worldwide. In many countries, the Co-operative Values and Principles are written in the law.



These values and principles date back to the early beginnings of the co-operative. They were first enunciated by the Rochdale Pioneers and subsequently adopted by the International Co-operative Alliance. The Co-operative Values reflect the beliefs that have invigorated co-operators from the beginning up to the present time. The Co-operative Principles, on the other hand, as presently formulated have undergone at least three (3) updating by the ICA to make them relevant to contemporary times. Of the eight (8) original principles enunciated by the Pioneers, five (5) are still included in the current formulation of the co-operative principles.

It is important for members to understand and take to heart these values and principles. These serve as their guide to becoming co-operators and remaining true as such. As shown in the illustration below, Co-operative Values are the foundation of the Co-operative Principles. But values start with members themselves. In other words, members have to live these values for these to be real. It is only after they have internalized these values can we truly say that they will understand the real meaning of the co-operative principles, which are the practical application of the values in the operation of the co-operative.

For example, the principle of “open and voluntary membership” has deeper meaning for members who value “self-help” and “equality.” And members who value “honesty” and “democracy” have deeper understanding of the principle of “democratic control.” And so on.

Note that the 6th principle of “co-operation among co-operatives” is at the top because co-operatives become strong as a sector or a movement when they work together. By demonstrating the Co-operative Values and practicing the Co-operative Principles together, they also establish their presence in the market as distinct from other forms of business enterprises.



II. FACILITATING THIS SESSION WITH FARMERS

General Note: The subject matters of this session (i.e. values and principles) are very conceptual, which may not suit farmers' thinking process. Therefore, it is important here to have learning activities that will bring these concepts to the level of the experience of farmers. Here the focus should be on the FEEL and ACT faculties of the brain.

Objectives: At the end of the session, the participants will have:

- a. Expressed what the Cooperative Values mean to them personally;*
- b. Expressed what the Cooperative Principles mean to them personally; and*
- c. Identified present cooperative practices that are consistent or not consistent with the Cooperative Principles.*

Time Frame: 1 hour – 1.5 hours

Materials: Blackboard or whiteboard or flip charts, markers, meta cards, manila paper

1. Write the ten Co-operative Values on the board in two (2) lines similar to the illustration above. Do not put the words in boxes. Explain to the participants that these *values* are what co-operators around the world believe in and it is important for members to understand the meaning of these *values* and, equally important, how these relate to their lives. (Alternatively, you can write the Cooperative Values in meta cards.)
2. Ask the participants to form groups of 3 to 4, depending on the number of participants. It is important to keep the groups small so that every participant will be encouraged to express himself/herself and to bring the interaction and conversation to the personal level. Ask each one to tell others in the group *what the values written in the board mean to him/her personally.*

Give the participants enough time to express themselves. There is no need to write down anything so there is no pressure on them to "perform" or find the right answers. Observe the interaction in the groups. When you observe that everyone has expressed himself/ herself and the conversation is starting to die down, ask for any volunteer to inform the whole group what they talked about. Just ask for 2 volunteers (1 per group) to do this for each of the values. Take note of the most important points or ideas brought up. After all the groups have expressed themselves and all 10 values have been covered, summarize the key points or ideas you have taken note of.

3. Now put the values written on the board in boxes in such a way that the second line of values are on top of the first line, similar to the illustration above. Explain that it is important for members to live out these values or make them part of their daily life because these are what will make the co-operative spirit alive. Their participation in the affairs of the co-operative will have real meaning.

4. Now write the Co-operative Principles in three (3) lines on top of the values similar to the illustration above. Again, do not put the principles in boxes. (Alternatively, you can write the Cooperative Principles in meta cards.) Explain briefly the meaning of each of the *principles*. In the same groups formed earlier, ask the participants to answer the following questions (write these questions on the board or flipchart):

- a) What are the practices you observe in your co-op today that are consistent with the co-op principles?
- b) What are the practices you observe in your co-op today that are not consistent with the co-op principles?

Again, give the groups time to answer the questions. This time, however, ask the groups to appoint somebody among them to write down their answers in the manila paper. After all groups have written their answers, ask a volunteer from each group to explain their answers to the questions. Allow other groups to ask questions or seek clarification. Summarize the reports by highlighting some answers to the first question, and some answers to the second question.

5. Now put the principles written on the board in boxes, one on top of the other, similar to the illustration above. Explain that the co-operative values are the foundation of the co-operative principles. We can say that the co-operative principles are the practical application of the co-operative values in the business operation of the co-operative. If the co-operative sticks to these values and principles, it can preserve its essence as a real co-operative.
6. End the session by asking the participants to read together the Co-operative Values and the Co-operative Principles. Then, introduce the next topic.

Session 5: Member Duties & Responsibilities

I. GUIDE NOTES FOR THE FACILITATOR

This whole module is focused on members and the important role they play in the co-operative. As earlier stated, they are the source of its capital as owners of the co-operative as well as the source of its income as users of its products and services. As owners or co-owners, they have important duties and responsibilities to fulfill. As users, we sometimes refer to their duties and responsibilities as obligations.

These duties and responsibilities are usually spelled out in the bylaws of the co-operative. But the bylaws can be generic in stating them. It is good to be more specific. This can be done by spelling out a set of duties and responsibilities of members as owners or co-owners and another set of duties and responsibilities for them as users.

This is what this session is all about.



II. FACILITATING THIS SESSION WITH FARMERS

General Note: This session should provide opportunity for members to really understand – and hopefully internalize – their duties and responsibilities. This can be achieved by encouraging them to freely talk about these duties and responsibilities as opposed to just reading them. Here again the focus will be on the FEEL and ACT faculties of the brain.

Objectives: At the end of the session, the participants will have:

- a. *Identified the duties and responsibilities of coop members as owners and as users;*
- b. *Expressed their personal experiences in fulfilling these duties and responsibilities; and*
- c. *Advised one another on how best to overcome personal difficulties in fulfilling these duties and responsibilities.*

Time Frame: 45 minutes – 1 hour

Materials: Blackboard or whiteboard or flip charts, markers, handout

1. Start the session by reminding members of their dual role as owners or co-owners of the co-operative and as users of its products and services. The success and failure of the co-operative enterprise will depend much on how they perform these roles.
2. Distribute *Handout 5*, entitled: "Duties & Responsibilities of Members as Co-Owners." Ask a volunteer among the participants to read aloud these duties and responsibilities. Then, ask the participants to talk about their personal experience in fulfilling these duties and responsibilities by answering the following questions (preferably written on the board or flip chart):

How have you personally fulfilled these duties and responsibilities? If you have encountered any difficulties or constraints in doing so, what are these difficulties and constraints? How have you tried to overcome them?

Encourage discussion and exchange of experiences among the participants, especially on how to overcome difficulties and constraints.

3. After the discussion, distribute *Handout 6*, entitled: "Duties & Responsibilities of Members as Users." Again, ask a volunteer to read aloud the duties and responsibilities. Then, ask the participants to talk about their personal experience in fulfilling these duties and responsibilities by answering the following questions (preferably written on the board or flip chart):

How have you personally fulfilled these duties and responsibilities? If you have encountered any difficulties or constraints in doing so, what are these difficulties and constraints? How have you tried to overcome them?

Encourage discussion and exchange of experiences among the participants, especially on how to overcome difficulties and constraints.

4. As an alternative process, in case participants are shy in expressing themselves in a big group, smaller groups can be formed and go through the same question and answer process as described above.
5. Close the session by highlighting some of the experiences expressed by the participants, especially on how they tried to overcome some difficulties and constraints in fulfilling their duties and responsibilities. Thank them for their openness in sharing their personal experiences.

Session 6: Our Co-op as a Successful Enterprise

I. GUIDE NOTES FOR THE FACILITATOR

This module on Member Education is about educating members on the importance of the co-operative enterprise and the important role they play in ensuring its success. In the four sessions earlier, they learned about the origin of co-operatives and their continued relevance to present times, the dual nature of co-operative enterprises and the importance of achieving both their economic and social purpose, the co-operative values and principles that guide their organization and their business operation, and the duties and responsibilities that members have to fulfil as owners and users.

In this last session, it is good for members to put it all together and visualize their co-operative as a successful enterprise. According to psychologists, we have to wire our brains for success. We have to create a road map in our subconscious mind. "The subconscious is not only responsible for 90 percent of the decisions we make in day-to-day life, but is also the part of the brain that is largely in charge when we are performing creative tasks or charting unknown territory."

In this session, the farmers will create a road map for success through visualization.



II. FACILITATING THIS SESSION WITH FARMERS

General Note: This session will enable farmers to create a vision of the future. They will visualize their co-operative as a successful enterprise. Visualization will not only stimulate positive feeling among the farmers; the image they will create will remind them of what they want to achieve. Here the focus will be on the DREAM/CREATE faculties of the brain.

Objectives: At the end of the session, the participants will have:

- a. *Created a picture (drawing) of their respective cooperatives as successful enterprises; and*
- b. *Shared their vision of this future with one another*

Time Frame: 45 minutes to 1 hour

Materials: Manila paper, markers of different colors, crayons

1. Explain to the participants that this will be the last session and here they will put all their learnings together by creating a vision of their future. They will visualize their co-operative as a successful enterprise.
2. Divide the participants into groups of 5 to 6, depending on the number of participants. Give each group a manila paper and set of crayons and markers of different colors. Ensure that they have a place or space where they can draw. Ask each group to:

Draw a picture of their co-operative as a successful enterprise in 5-years' time.

Encourage them to be creative in their drawing as if this will be displayed in an art gallery to be viewed by the public. Give them enough time to make their drawings.

3. When all the groups have finished drawing, ask them to present their picture to the whole group and explain what it means or the message they want to communicate. Remind them that this is their vision of their own co-operative in the future, so they have to display it in their office for all members to see.
4. As this is the last session, it is advisable to get from the participants some feedback. Write the questions below in the board or flipchart:
 - a) *What important things have you learned from this module?*
 - b) *What are the things you want to do in your co-operative after this training?*
 - c) *Would they recommend this training to other members?*
5. Close the training in the traditional way most appropriate for the occasion. If possible, make the closing a happy ending to encourage positive feelings among the participants.

**HANDOUTS /
WORKSHEET TOOLS**

Basic Information About the Cooperative

Name of Cooperative _____

Year Organized _____

Location _____

Number of Members _____

Products of Members:

 Main products: _____

 Secondary products _____

Market of these Products _____

Services of the Cooperative to Members:

a. _____

b. _____

c. _____

d. _____

e. _____

f. _____

g. _____

h. _____

Improving the Lives of Farmers through the Cooperative

What are the development needs of farmers right now (needs that if addressed will improve the lives of farmers)?

What are your cooperatives doing right now to address these development needs?

What more can your cooperatives do to improve the lives of farmers?

Personal Reflection

Things that I am doing right now for the good of the cooperative as a leader or manager.

Things that I still need to do to contribute more to the success of the cooperative.

Statement on the Co-operative Identity

Definition

A co-operative is an autonomous association of persons united voluntarily to meet their common economic, social, and cultural needs and aspirations through a jointly-owned and democratically-controlled enterprise.

Values

Co-operatives are based on the values of self-help, self-responsibility, democracy, equality, equity and solidarity. In the tradition of their founders, co-operative members believe in the ethical values of honesty, openness, social responsibility and caring for others.

Principles

The co-operative principles are guidelines by which co-operatives put their values into practice.

1st Principle: Voluntary and Open Membership

Co-operatives are voluntary organisations, open to all persons able to use their services and willing to accept the responsibilities of membership, without gender, social, racial, political or religious discrimination.

2nd Principle: Democratic Member Control

Co-operatives are democratic organisations controlled by their members, who actively participate in setting their policies and making decisions. Men and women serving as elected representatives are accountable to the membership. In primary co-operatives members have equal voting rights (one member, one vote) and co-operatives at other levels are also organised in a democratic manner.

3rd Principle: Member Economic Participation

Members contribute equitably to, and democratically control, the capital of their co-operative. At least part of that capital is usually the common property of the co-operative. Members usually receive limited compensation, if any, on capital subscribed as a condition of membership. Members allocate surpluses for any or all of the following purposes: developing their co-operative, possibly by setting up reserves, part of which at least would be indivisible; benefiting members in proportion to their transactions with the co-operative; and supporting other activities approved by the membership.

4th Principle: Autonomy and Independence

Co-operatives are autonomous, self-help organisations controlled by their members. If they enter to agreements with other organisations, including governments, or raise capital from external sources, they do so on terms that ensure democratic control by their members and maintain their co-operative autonomy.

5th Principle: Education, Training and Information

Co-operatives provide education and training for their members, elected representatives, managers, and employees so they can contribute effectively to the development of their co-operatives. They inform the general public - particularly young people and opinion leaders - about the nature and benefits of co-operation.

6th Principle: Co-operation among Co-operatives

Co-operatives serve their members most effectively and strengthen the co-operative movement by working together through local, national, regional and international structures. .

7th Principle: Concern for Community

Co-operatives work for the sustainable development of their communities through policies approved by their members.

Duties and Responsibilities of
MEMBERS as OWNERS

- Contribute to capital of the cooperative (i.e. shares)
- Participate in capital build-up program of the cooperative
- Participate in governance meetings (general assembly, special assembly, ownership meeting, etc.)
- Elect good leaders
- Participate in membership education programs
- Support programs and activities of the cooperative for members and the community

Note: Add other duties and responsibilities specified in your bylaws

Duties and Responsibilities of
MEMBERS as USERS

- Patronize the business of the cooperative (e.g. buy inputs, market products, save, etc.)
- Pay financial obligations to the cooperative (e.g. loans, etc.)
- Fulfill agreed commitments to the cooperative (e.g. product quality, quantity, etc.)
- Adhere to business and other policies of the cooperative
- Give feedback towards continuous improvement of the cooperative and its services

Note: Add other duties and responsibilities specified in your bylaws



This publication is made possible with the assistance from the European Union (EU) through the project entitled “Enhancing Capacities of National Farmer’s Organizations to Build and Strengthen Their Member Farmers Cooperatives and Enterprises” implemented by the Collectif Strategies Alimentaires (CSA) and Asian Farmers’ Association for Sustainable Rural Development (AFA)