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Canadian Co-operative association



In This Issue...

- Youth interns build bridges of trust in Africa 6
- Mongolia: Urban Credit Unions grapple with growth in Ulaanbaatar 8
- Canadians see their credit unions through far away eyes 10
- Co-op organizations host historic conference 11
- Leaving a legacy makes good sense to Jim Barr 12
- Development in focus 13
- Meet Karen Timoshuk, Global Citizen 14
- Commentary: There's equity, and then there's *equity* 16

The Americas: Co-operative knowledge flows in every direction

Co-operators everywhere know the value of knowledge and experience. In fact, delivering expert knowledge at the right time to co-operatives overseas is a fundamental pillar of CCA's international development program.

This usually takes the form of Canadian co-op and credit union experts providing advice to counterparts in the developing world. In 2002-03 alone, CCA sent 50 Canadian co-operative and credit union

leaders on missions to deliver technical services to partners overseas that lasted from several days to several months.

Canadian expertise is also shared without ever leaving home, as is the case with CCA's highly successful Women's Mentoring Program through which women credit union professionals from around the world spend a month in Canada mining the experience of our credit union system.

continued on page 2

China: China's co-op farmers gain new ground

continued on page 4





It just makes good sense to build on success by sharing lessons learned, local expertise, and indigenous knowledge among partners.

The Americas: Co-operative knowledge (From Page 1)

While this “north-south” flow of knowledge is vital to CCA’s partners, it may surprise many Canadians to learn how much CCA partner organizations turn to co-operatives in their own regions for technical services and advice.

“The most appropriate technical assistance needed to support co-operative development is often found in co-operatives in the same developing country or region,” says CCA Senior Development Director Jo-Anne Ferguson. “For reasons including language, shared contexts, and building on local experience and success it makes good sense to help connect co-ops in need to those with stronger, more developed capacity in the same sector, country or region.”

She says the flow of information and expertise has always happened within the developing world. “Co-operatives everywhere have a natural inclination to share their experience. When CCA worked with the Sri Lankan credit union movement in the 1980s, we would use the Sri Lankan Federation of Thrift and Credit Co-operative Societies (SANASA) as a model for other emerging credit union movements in Asia. The creator of the Cambodia credit union federation was inspired by time spent in Sri Lanka studying the SANASA movement. Credit unions in India and the Philippines have likewise spent time with SANASA.”



United Farmers of Alberta board chairman Clarence Olthuis stands by a display of Agricore beans purchased by Coopequinteto, a co-op chain of supermarkets in Costa Rica which CCA regularly engages to provide technical assistance to other co-ops in the region.

Some of the best examples of co-ops helping co-ops come from the Americas region where CCA has nine projects operating in seven countries. Americas region program manager Oscar Brown has become a master of tapping into local expertise to aid in the development of CCA’s



Members of the Belize Fishermen Co-operative Association and the Hermandad Blueffena Co-operative discuss a proposal to raise fisher income and reduce fishing pressure on lobsters by introducing scale-fish harvesting in Nicaragua’s Atlantic coastal waters.

co-op partners. “We have a common strategy in the Americas of assisting farmers to move from subsistence agriculture to participate in the market economy. It just makes good sense to build on success by sharing lessons learned, local expertise, and indigenous knowledge among partners. We help the local partners develop skills and from there use them to generate income and help out other co-op partners.”

He says technical missions occur three times a year but the co-ops concerned usually talk more regularly through a network called the Central American Co-operative Marketing Consortium (CCMC).

Ten years ago, enticed by the potential for co-op-to-co-op business in the region, co-operatives in five Central American countries formed this ground breaking alliance. Since then, the Consortium has helped member agricultural co-ops streamline their operations, develop better products, trade among themselves and break into new markets both in the region and beyond. Along the way, CCMC has emerged as a unique business platform in the Americas, a common table where co-operatives can realize synergies that are far beyond their individual means. Since its inception, CCMC has generated over 100 deals worth an estimated \$3.74 million.

Mr. Brown says that ramping up to compete and succeed in the market economy takes the capacity to move up the value chain — from producers of raw materials or products to

having an influence over the processing and marketing of finished products to local and international markets. “CCMC provides this capacity. It is a natural forum for the exchange of ideas and contacts that benefit all involved.”

Over the years, there are many examples of CCMC members turning to each other for technical assistance. In 2003, two agricultural technicians from Cuatro Piños Agricultural Co-operative in Guatemala traveled to Ecuador to instruct farmers on methods of analyzing soil, diversifying crops and determining viable markets. Representatives from FESACORA, an agricultural co-operative in El Salvador visited Cuatro Piños, to assess the success of its women’s greenhouse project. As a result, a business plan for replicating the project in El Salvador is being developed.

For marketing expertise, Mr. Brown turns to Coopequinteto, a co-op chain of supermarkets in Costa Rica. “CCA’s youth program in El Salvador makes use of technical support from Coopequinteto to help market their products and to become export ready.”

Technical assistance is also apparent in the fisheries sector where, last year, the Belize Fishermen Co-operative Association Ltd. (BFCA), a well-established fishing co-operative and long-time CCA partner, was retained by the fisher members of Hermandad Blueffena Co-operative to advise them on their development of an independent fisher industry along Nicaragua’s Caribbean coast. The two co-ops have held exchange missions and will continue to work together to manage their environment and improve legislation affecting fisheries in Nicaragua.

“We have looked to BFCA for the past 10 years to provide sound advice to co-op partners,” explains Mr. Brown. “In Brazil, they analyzed problems and found the boats they were using were not appropriate. They helped our partner in Colombia organize their processing plant and identify appropriate fish stocks.”

“CCA has always facilitated the transfer of knowledge and skills among partners,” says Ms. Ferguson. “We have a formal mechanism for doing this in a planned and targeted way. Southern partners identify a need for technical assistance, CCA will look at other partners who can provide this assistance and then fund the assistance effort. It is an effective way of strengthening partners knowing that technical assistance from the north is not always the most appropriate or cost effective.”

Ms. Ferguson says the flow of technical knowledge and advice also moves from developing countries to Canada. “One only has to recall the highly successful farm exchange program of 2002 which enabled 12 members of the Saskatchewan Federation of Production Co-operatives to provide on-farm consultations to organic farmers in Costa Rica. The Costa Rican’s visited Saskatchewan farms the next

Co-operatives everywhere have a natural inclination to share their experience



Last year, an agricultural co-op in El Salvador sent representatives to study a highly successful greenhouse project at Cuatro Piños Agricultural Co-op, in Guatemala.

year. The Canadians shared their compost recipes, seed catalogues and ideas for marketing organically grown fruits and vegetables, but say their jaws dropped when they saw how much the Costa Ricans were producing from such small plots of land. As it so often happens in development, the flow of skill and knowledge clearly went both ways. Every partnership benefits both parties.” ■



China: China's co-op farmers (From Page 1)



Farmers like Mr. and Mrs. Zhang, whose family has grown high quality persimmon on their farm near Beijing for generations, rely on their specialized co-operatives to process and market their harvests, and to realize a good return.

The All China Federation of Supply and Marketing Cooperatives (ACFSMC) has unveiled new by-laws and operational measures for its network of specialized rural co-operatives in China. The two documents were presented at a symposium held in Beijing last November to mark the end of a policy initiative with the Canadian Co-operative Association.

China is seeking ways to equip its farmers to prosper in one of the world's fastest growing economies. However, the benefits of growth are failing to reach millions of farmers who lack the resources and know-how to effectively compete. The new by-laws, already adopted by many specialized co-operatives, put farmer members in the driver's seat of their co-ops — a move the Federation believes will not only strengthen the co-ops but raise farmer incomes as well.

"Now is the best time to develop co-ops in China," says Mr. Zhang Xiaoshan, Director of the Institute of Rural Development of the Chinese Academy of Social Sciences, and research advisor to the project. "Co-ops are a way to unite weak groups, to give them a greater position in the market."

Connecting farmers to markets, providing healthy food in adequate supply and applying technology to raise productivity and diversification are among the daunting challenges facing China's rural co-operatives. The Federation says the new tools will help move farmers higher up the value chain by producing better quality specialized and processed products for specific markets.

Eight of every ten farm households in China — some 180 million — are members of local supply and marketing co-operatives (SMCs). The All China Federation of Supply and Marketing Co-operatives is a network of 28,000 primary SMC societies which provide extension services and inputs to farmer members. Once an arm of government under the former command economy, SMCs are struggling to adapt to China's new market environment.

In the mid-1990s, the Federation began organizing farmer households into new *specialized co-operatives* as a means to increase scales of operation and to strengthen market competitiveness in particular commodities. Today there are 18,500 specialized co-ops within the Federation. Standardized by-laws and management measures were needed to make these new co-ops more sustainable and to win the trust of local farmers by giving them a direct stake in their ownership and control. For guidance and ideas, the Federation turned to the Canadian Co-operative Association to help tap into Canada's agricultural co-op experience.

"Co-operatives have become an important part of Canada's national economy," says Liu Hui, Deputy Director of the Federation's Co-operative Guidance Department. "They play a positive role in boosting rural economic and social development."

The landmark changes announced last November are the product of intensive consultations between Chinese policy makers and co-op managers and a long list of Canadians who answered the call to share their knowledge and experience. Funding was provided for this by the Canadian International Development Agency through a policy program managed by the Conference Board of Canada.



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In the fall of 2002, CCA brought two groups of Chinese policy makers, academics and co-op managers to Canada to show them how co-operatives are responding to member needs and market developments. The groups visited 40 co-operative organizations, farms, universities and government offices in Saskatchewan and Ontario where they held spirited discussions with a wide range of members and leaders.

Project consultant and Saskatchewan farmer Bill Turner says China's farmers share much in common with their Canadian counterparts despite differences in scale and history. "Ever larger, integrated farm operations and increased competition from foreign producers are squeezing farmers off the land in both countries. China and Canada are both trying to carve out a stronger position for their farmers."

Mr. Liu says he was impressed by how much the prosperity of a co-operative hinges on its members. "The active participation of members in co-op activities is the fundamental cause for Canadian co-operatives being able to take root in the rural areas."

In spring 2003, the Federation drafted model by-laws and operational rules based on information gathered during the study tours in Canada and from its studies of specialized co-ops in China. Mr. Liu says the new by-laws and management measures will bring greater democratic transparency to the specialized co-operatives, increase the participation of members and improve their competitive ability.

Mr. Turner says the by-laws reflect some key features of Canadian co-operatives. "The rights and obligations of members are outlined and the voluntary nature of membership is affirmed, as is the principle of *one member, one vote*. As in Canada, the annual general assembly is considered the highest decision making body."

"There are also provisions for members to provide capital to their specialized co-op in much the same manner as is done with new generation co-ops in Canada. Likewise, in accordance with the generally accepted principle in the ICA Identity Statement, there is specific reference to how members will participate in the division of the surplus in accordance with the business that they do with the specialized co-op."

He says the by-laws are a step toward needed legislation and may have significant influence on the evolution of co-operative law in China.

The new by-laws and measures are already influencing China's co-operative landscape. In November, a document issued by the Central Committee of the Communist Party of China encouraged the development of specialized co-operatives, and the National Peoples Congress recently approved a draft five-year legislative plan which includes co-operative legislation.

Mr. Turner says a strong co-operative sector in China will benefit farm families and their communities. "It will be an important buffer against the predominance of multi-national corporations in agriculture. It will model values of civil society, democracy and co-operation for others to experience and take away to apply in their own spheres of activity. It will be an important bridge to co-operative sectors in other nations, and a conduit for the two-way flow of ideas, resources, relationships and research."

Thanks go out to all those who participated in hosting the two groups, and to the Ontario Co-operative Association and Saskatchewan Co-operative Association for their valuable assistance in organizing the study tours in Canada. For further information about the project *Defining Model Rules and Management Measures for Specialised Cooperatives in China* contact David Shanks, CCA Manager of Publications and Media Relations at: david@coopscanada.coop ■

The by-laws are a step toward needed legislation and may have significant influence on the evolution of co-operative law in China.



Youth interns build bridges of trust in Africa

If you walked into an office in the middle of downtown Accra, in the west African country of Ghana, would you expect to find people there who know what the Grey Cup is, or how perogies taste? You would at CUA House, the head office of the Credit Union Association of Ghana where the staff is quite accustomed to Canadians. Their insight into Canadian culture is understandable. Over the past seven years CUA has hosted 15 young Canadian graduates, all interns with the Canadian Co-operative Association (CCA).

CCA interns have left an indelible mark on Ghanaian credit unions and co-operatives.

Ms. Nelson. “Interns play a supportive role to our co-operative partners whose resources are stretched to the max. They bring new perspectives and ideas to the table.”

This year CCA is funding nine interns in Africa and India. Three are in Ghana. Nicole Tobin from Ottawa is helping CUA roll out its

HIV/AIDS education project which uses the extensive reach of credit unions to build greater member awareness and knowledge of how HIV/AIDS is transmitted. Toronto-native Carmen Logie is helping CUA to promote youth savings clubs in high schools across the country.

Mr. Kofi Yeboah, the national co-ordinator of the HIV/AIDS initiative, says CCA interns have provided high quality support over the years. “They have organized youth activities, compiled statistics, written reports, created education and promotion materials, written proposals, and offered much needed administrative support to project staff and volunteers. The interns assigned to this project have to be able to jump in anywhere — and they have.”

Nina Arvanitidis, who interned with the project in 2002/3 was instrumental in securing funding for the HIV/AIDS program from the Ghana AIDS Commission, monies that were used for the first Peer Educator Training Workshop involving the HIV/AIDS Committees this past fall.

“Projects such as these are helping to prevent the transmission of HIV/AIDS,” says Ms. Nelson. “CUA is trying to reach an entire country through over 240 credit unions. It is a monumental effort for so few people and the interns make a big difference.”

The interns recently collaborated to include youth in the HIV/AIDS education project. “It is a natural symbiotic relationship,” says Ms. Nelson. “Under a new project with CUA, CCA has allocated funds to the savings clubs and there are plans to hire a full time staff person to run the program. The youth savings interns are providing information, ideas and back up support for that new person. “With the arrival of Ms. Logie the

“Our international internship program has helped launch the careers of many young Canadians who spent their six-month internships with CCA’s partner organizations in Ghana,” says Erin Nelson, who manages the CCA’s Youth Experience International program. Three CCA program officers were former interns with the Credit Union Association

of Ghana. Still others found promising careers in government, co-operatives and other development agencies.

She says participation in the program, which is funded by the Canadian International Development Agency, is a tremendous opportunity for developing professional skills in a supportive atmosphere. But what benefits accrue to Ghana’s co-operative movement along the way? Ms. Nelson says CCA interns have left an indelible mark on Ghanaian credit unions and co-operatives.

“Interns have helped to computerize CUA operations, bring women onto credit union boards, promote awareness of HIV/AIDS, and improve the health and nutrition of co-operators in Ghana’s remote northern region,” says



CCA interns Nicole Tobin (L) and Carmen Logie (R), seen here with CUA Youth Savings Officer Betty Mensah, are adding value to CUA’s HIV/AIDS education programming for youth in Ghana.

youth savings program has taken off again,” says Mr. Yeboah. “She and Ms. Tobin have come out with a monthly newsletter and are organizing creativity contests for the youth. Through their initiative some youth performed at the World AIDS Day celebration in the city of Ho.”

CCA’s third intern, Janice Victor, is working in Ghana’s remote northern region on *the Food Security Through Cooperation* project managed by the Social Enterprise Development Foundation of West Africa (SEND). Food insecurity is recurrent throughout Ghana, but is particularly severe in the rural areas of the north where farmers must cope with a host of challenges, including drought, poor soil, insufficient water supply, poor roads and no access to credit. The project aids in credit union development and promotes the cultivation and consumption of soybean, a highly nutritional and profitable staple crop which, though not indigenous to the area, is successfully grown there. In 2000, CCA intern Kevin Moorhead worked on the feasibility study and consequent project proposal at the project outset. Janice is now assessing what impact the project has had.

Ms. Nelson says CCA interns provide more than technical skills, they are bridge builders

too. “When interns are working in a country they have the opportunity to ask questions and research what other organizations are doing in these areas. In some cases the contacts they make become beneficial resources for their supervisors and other staff, connections that are carried on for many years.”

Most importantly, she says, the interns have left a legacy of trust and solid relationships. “Often, in development, there is little time to build relationships with partners. The interns provide this to CCA, they are our ambassadors. The relationships they leave behind pave the way for other Canadians to work more effectively in the country.”

Recruitment for CCA’s Youth Experience International begins again in March, 2004. Visit our website at <http://www.coopscanada.coop/coopdevelopment/internationaldev/participate/> and follow the links. ■



Lora Forsythe from Oakville, Ontario has been given a tremendous learning opportunity working as gender and development officer for the Co-operative Development Foundation in Warangal, India. Lora is researching the impact of co-operatives on the lives of the female members.



CCA intern Thomas Stark is a long way from Calgary but he is starting to feel at home in Nairobi, Kenya after living there for almost four months. Thomas is working with HIV/AIDS orphans in an effort to understand how co-operatives can respond to this devastating epidemic, which has infected one-in-four Kenyans. Thomas hopes that by documenting the effects he might open up the possibilities for future funding to aid these orphans.



Mongolia's
urban
credit
union
movement
knows
what it
doesn't
know.

Mongolia: Urban Credit Unions grapple with growth in Ulaanbaatar

By: Ingrid Fischer

Credit unions in Mongolia's capital city are charting their way through a period of heightened change, unparalleled growth, and intensive competition from other financial institutions vying for the attention of discerning customers. CCA co-operative development advisor Ingrid Fischer reports from Ulaanbaatar on how urban credit unions are meeting these challenges aided by technical assistance from the Canadian Co-operative Association.

A horse shod with cleats threads through a lunch hour traffic jam, *ger*¹ offices guard high rise construction sites, hawkers bark into cell phones while bartering in the open markets. Such is the dichotomy of Mongolia's urban development. In the financial sector, Ulaanbaatar's young and vibrant credit union movement attempts to straddle the divide.

Founders of the movement in late 1996 were at the vanguard of democracy and financial innovation. Watching state owned banks collapsing around them, seeing their own meager savings and those of friends and colleagues disappear and desperately looking for a way to participate in the market economy, some forward thinking individuals turned to credit unions. The idea of member ownership and control appealed to the democrats, having personal knowledge of who borrowed your savings appealed to the conservatives, while the supportive ear of fellow risk takers appealed to the entrepreneurs.

Mongolia's credit union movement was officially established in November 1996 with the registration of Moncord Savings and Credit Cooperative. The 15 founding members were all women and most belonged to a non-government organization called Liberal Women's Brain Pool. It was soon followed by the founding of three other savings and credit unions. Credit union growth and expansion was slow for the next three years as the pioneer credit unions felt

their way along with little outside assistance or guidance. Then, beginning in 2000, rapid growth was fueled by continued deteriorations of banking services, changes in banking law and donor interest. As of January 2004 there are over 350 credit unions registered in Mongolia, half of them are located in Ulaanbaatar.

Operating in a largely unregulated environment, all Mongolia's credit unions face a myriad of challenges common to emerging movements everywhere — managing growth, gaining member trust, training and education, technology, risk management and cost containment — to mention a few. However, unlike most emerging credit union movements, some of the founding members of many urban credit unions have previous experience working in the financial industry, so Mongolia's urban credit union movement knows what it doesn't know. It knows what it could be and what it should be. The movement expresses a strong desire to be, and to be seen as, very professional.

In 1999, Ulaanbaatar was a financial services desert. The city had only one private commercial bank and just two state-owned banks were solvent. There were no non-banking financial institutions and perhaps only a dozen credit unions. Virtually the only competition to the fledgling credit unions was Lombards (pawn shops) who routinely loaned money at 24% per month. Today, the city is an overgrown hothouse of financial enterprises, with 14 commercial banks, two solvent and healthy state owned banks, more than 60 non-banking financial institutions, and Lombards are offering competitive loan rates.

The first credit unions took advantage of the temporary lull to build up their memberships and to develop basic systems, procedures and products with little outside technical or financial assistance. However, today they find themselves in direct competition with institutions that receive outside, often foreign, technical and

¹ A *ger* is a traditional Mongolian tent dwelling



Business is booming in Mongolia's capital city Ulaanbaatar, home to half of the country's 350 credit unions. Urban credit unions face intense competition, shrinking margins and growing demand for new and better services from members.

financial assistance. These institutions compete with the credit unions not only for market share but for human and technical resources as well. Most of the founding members with financial backgrounds have moved on to better paying positions with commercial banks, non-banking financial institutions and donor funded credit schemes leaving the credit union system with a human resource vacuum. At the same time credit union members have become much more sophisticated in their financial needs, demanding a wider variety of products and services. Members who initially achieved financial stability through their credit unions are now able to access services from commercial financial institutions leaving the credit unions with a more vulnerable membership, people without job stability, without loan collateral and limited savings capacity. Credit unions face the difficult task of improving risk management, which in turn requires improved information systems in the face of an increasingly competitive market and shrinking margins.

CCA has entered into an innovative partnership with a private consulting firm to help the urban credit union movement in Mongolia to address some of these issues. Under normal circumstances CCA would work through co-operative apex organizations to render technical assistance, but these are not normal circumstances. While individual credit unions are strong, the movement itself has not coalesced to establish a single strong central representative organization. CCA's implementing partner, ACHID Consulting, a private consulting firm founded

by one of the early credit union promoters, has stepped in to fill the role traditionally played by an apex organization.

"The credit union movement in Mongolia has developed without external assistance, especially without international technical assistance," explains ACHID Director Ms. Doljinmaa. "We believe that the opportunity to work on day-to-day operating challenges with CCA experts will enable us to identify and implement best practices by combining international trends with local reality." She says that, although the project is based on a needs assessment of urban credit unions, the benefits will be spread throughout the movement through training sessions and by stakeholders represented on the project steering committee.

Over the next year CCA and ACHID will work with five pilot credit unions to increase their management capacity, improve management information systems, develop new products and services, develop strategic plans for individual credit unions, as well as look at sector strategies and maintaining profitability in a competitive environment. As systems are designed, tested and perfected, information will be shared with other credit unions, relevant authorities and interested stakeholders, to strengthen the movement as a whole, raise its profile and thereby increase access to financial services for marginalized groups. ■

Ingrid Fischer is a co-operative development advisor for CCA and has lived in Ulaanbaatar for the past four years.

Credit union members have become much more sophisticated in their financial needs, demanding a wider variety of products and services.



The program has influenced policies and practices in credit unions as far away as Mongolia.

Canadians see their credit unions through far away eyes

Last October, Val Black and Marcia Greenwood from Estevan Credit Union in Saskatchewan were able to take a look at their organization through someone else's eyes. They co-hosted Ms. Nushika Edirisinghe from Sri Lanka as part of the Canadian Co-operative Association's Women and Credit Mentoring Program. Ms. Edirisinghe is the Credit Manager at the SANASA Development Bank in the capital of Colombo. SANASA is an acronym for a network of thrift and credit societies (credit unions) in Sri Lanka. She was one of 15 credit union loans managers from nine countries who spent the month of October learning from their Canadian counterparts in credit unions from Prince Edward Island to British Columbia.

Before arriving, the women were matched to credit union hosts across the country according to their learning objectives. Once matched, their host credit union set about preparing for their arrival. The women spent two weeks training in Ottawa and two weeks in their host credit unions.

"The entire experience was great on many levels," says Ms. Greenwood, who is loans officer at the Carnduff Branch. "While finding the information Nushika had requested, I learned a great deal about what we have to work with as compared to other credit unions whose policies and procedures may not be as comprehensive as our own." She says she took great pride in showing her guest around Estevan, and how much the credit union is involved in the life of her community. "Nushika and our staff were very visible in Estevan that week. We were the talk of the town."

Val Black, loans officer at Oxbow branch, echoes that sentiment. "I found Nushika to be knowledgeable, inquisitive and eager to learn – she was very interested in the process that we go through to approve a loan – she kept me on my toes!"

"The program forces our staff to look at the credit union from a different perspective and to realize that the co-operative system is an international movement," notes CEO Bob Steil of Plainsview Credit Union in Saskatchewan, who has hosted women from Jamaica and Ghana over the past two years. "The program is a great chance for Canadians to learn about other cultures."



Sri Lankan credit manager Nushika Edirisinghe (centre) takes in a family skate with Val Black (Loans Officer, oxbow branch) (left) and Gail Goertz (Manager, Carnduff Branch) of Estevan Credit Union during her week-long stay in Saskatchewan.

The CCA Women and Credit Mentoring Program "Class of 2003" included 15 women professionals from credit unions in Sri Lanka, Mongolia, Philippines, South Africa, Kenya, Ghana, Jamaica, Grenada and St. Vincent & the Grenadines.





The program has also stirred up interest in local newspapers and radio and TV stations across the country. Two of the participants were interviewed by a radio station in Manitoba and appeared on television in Alberta. At last count, there were eleven newspaper articles written about the various experiences of the overseas women.

“This is the third year that CCA has held the program,” says project officer Laurie Tennian. The program has influenced policies and practices in credit unions as far away as Mongolia, where two participants from last October’s program have already made changes in their credit unions. “They have introduced a proposal

to the board to increase the number of loan products offered, restructure their interest rates, and develop a class of investment shares in addition to membership shares to reduce costs and increase capital,” says Ms. Tennian. “They have also hired a full time employee, and have instructed the accountant on how to prepare board reports, with accurate delinquency reporting and budget variances.”

CCA would like to thank all those involved in the program for their contributions of time and knowledge. The Women and Credit Mentoring Program will host its next group of visitors this October. For further information about the program, contact laurie@coopscanada.coop ■

Co-op organizations host historic conference

Canada’s three foremost international co-operative development organizations made history last fall when they came together with other development professionals in Aylmer, QC to examine best practices in international co-operative development. The Canadian Co-operative Association, Développement international Desjardins, and le Société de coopération pour le développement international, all leading practitioners of international co-operative development, had never before gathered to share lessons learned.

“This was a very smart and timely event,” says Sylvie Groulx, Director of the Sectoral Program at the Canadian International Development Agency’s Canadian Partnership Branch. “CIDA will look at this event as an interesting model of how organizations can work together.”

The aim of *Sustainable Co-operation: A Conference on Best Practices in International Co-operative Development* was to promote greater understanding and more effective use of co-operative approaches to development.

Participants, including staff and officials from the three host organizations, representatives from co-operative organizations in Asia, Africa, and the Americas, staff from the Canadian International Development Agency, and representatives from development organizations in Europe and the United States explored three central themes: *impact on community; governance and local ownership; and, sustainability* using practical, results-oriented approaches.

To view the conference program and presentations, visit: www.bestpractices.coop ■





Leaving a Legacy makes good sense to Jim Barr



Jim Barr

Having a will ensures that when you die your wishes will live on. It is the one document that speaks when you can't.

Understandably enough, most of us are uncomfortable talking about death. As author Somerset Maugham once wrote, “death is a very dull, dreary affair, and my advice to you is to have nothing whatsoever to do with it.”

But, as that other famous quotation on the subject reminds us: death, like taxes, is unavoidable.

Jim Barr is one individual who breaks the code of silence. The Senior Vice-President of the CUMIS Group and former president of the Co-operative Development Foundation of Canada and the Canadian Co-operative Association makes no bones about the importance of talking about — and preparing for death.

“The more openly you talk about death, the better prepared you are to live,” he says. “Talking about it gives you the peace of mind of knowing that in death your wishes will be respected.”

Though Jim says he isn't surprised that many people put off preparing a legal will, he shakes his head at the prospect of dying without having one's wishes written down. “I really shudder for people who don't have a will. Having a will ensures that when you die your wishes will live on. It is the one document that speaks when you can't.”

Listening to Jim talk about this topic-of-all-topics is refreshing. It's also amusing. “We all plan our vacations,” he observes. “Sometimes we plan years ahead just to make sure everything is in order. Preparing for that permanent visit to the credit union in the sky shouldn't be any different.”

Jim, 63, says he has had a written will for years and takes it out of the drawer at regular intervals to be sure it reflects his current wishes. “I look at it every five years,” he explains. “Circumstances change. I openly discuss it with my family. I am married and have one daughter and three granddaughters. They come first in my life and I want them to be taken care of. There is nothing worse than confusion or conflict over who gets what after one is gone.”

One of the reasons Jim speaks so candidly about death and preparing a legal will is because he has written one very important item into his own will. It ensures that his financial support to the Co-operative Development Foundation of Canada (CDF) continues when he dies.

“I first wrote CDF into my will ten years ago,” he explains. “That was three wills ago. I did it after I joined the CDF board and became more actively involved in fundraising.”

“Having experienced first hand the work that the Canadian Co-operative Association does, and the very real and pressing needs for co-op and credit union development out there, supporting CDF is very near and dear to me. It's right up there with the annual United Way Appeal. If I could plant one seed in the minds of those who are already giving to CDF, and to those considering doing so, it would be to stop and think, after you have acknowledged your family and loved ones in your will, to ask: is there room left for CDF?”

Jim says there are experts and good resources around for co-operators to use when planning their estates. “There are many options, and you need the good council of professional people in wealth management and estate planning. Credit unions, Credential Group, Co-operative Trust, The Co-operators, and CUMIS all have people who deal with this regularly. The lawyer comes later when you want to legalize what you want to do.”



The notion of leaving a legacy through willed donations to CDF is a natural extension of what Jim is doing while alive. “For me it is very straight forward. I want my support for CDF and international co-operative development to continue. I’m doing it today. I’m going to be doing it tomorrow. And I want to continue to do it after I’m not here.”

Jim says the more people can openly talk about death, particularly with their loved ones, the better life will be. “I died last night,” he muses, “now here is the piece of paper that will distribute my worldly goods in a very orderly fashion. And that is how I mentally approach most things in life. You have to take yourself out of the picture to visualize what needs to be done. The analogy is in succession planning.”

“After all, talking about wills is talking about the story that will be read when you go. Death is a given in life. Denial is no substitute for getting your house in order today.”

While Jim pokes fun at visualizing “that great big credit union in the sky and all its spirited committees and members meetings,” his message to fellow co-operators, young and old, is clear: “If you don’t have a will, prepare one. If you do have a will, make sure it is up to date and current with your wishes.”

For more information about ensuring your donations to CDF continue through your will, call CDF toll free at 1-866-266-7677 extension 215. ■

DEVELOPMENT IN FOCUS

Doung Sarin and Ny Rachana, staff of the Kampong Keuth Savings Bank (credit union) in the village of Banan, Battambang, serve a member.

This January CCA began its first direct programming in Cambodia with an initiative to support the formation of new credit unions in Battambang province, in the country’s north east region. Working in partnership with the Cambodian Community Savings Federation (CCSF), of which Kampong Keuth is a member, the three-year **Credit Union Replication Project** will establish a district office, deliver Canadian technical assistance and assist CCSF to be less reliant on donor funding.

Photo by: Brett Mathews





Karen has pioneered a variety of educational techniques, including weekend retreats and international study tours.

Meet Karen Timoshuk, Global Citizen

International development educator Karen Timoshuk has been presented with the prestigious *Saskatchewan Global Citizens Award* by the Saskatchewan Council for International Cooperation (SCIC), a coalition of 33 international development agencies in that province.

The annual Award recognizes Saskatchewan people who have made great contributions to international cooperation, peace and justice.

SCIC executive director Laurie Latta says “The presentation of a Saskatchewan Global Citizens Award is a token of the high regard we hold for and the important role she has played in engaging people in development issues, furthering development efforts, and advocating with governments and public for policies that promote international cooperation, peace and justice.”

In thanking her supporters, Ms. Timoshuk said “I can never fully express the gratitude I feel for your support, encouragement and wisdom, which has contributed significantly to my strong belief in the potential of others and my sharing of that important message through development education. I feel truly blessed to have you play a part in my becoming an SCIC Global Citizen this year.”

Ms. Timoshuk first joined the staff of the Canadian Cooperative Association in 1987 to work on the Co-operative Young Leaders program. However, within a couple of years, she was put in charge of creating a development education program in Saskatchewan, first as a staff member of CCA’s Saskatchewan Region, then as a consultant, and finally as a staff member of CCA’s International Development Unit.

Over the years she has crisscrossed the province doing presentations and workshops for cooperative and community gatherings. “One year she traveled the province giving 15 such presentations accompanied by her infant daughter,” recalls CCA Senior Development Director Jo-Anne Ferguson.

“Karen has pioneered a variety of educational techniques, including weekend retreats and international study tours. She established the “Volunteer Network” speakers’ bureau through which volunteers who have done international assignments for CCA are recruited to share their stories. It is a particularly effective technique for sharing international messages and has been replicated across the country. She also developed international curriculum for use in the Saskatchewan youth program that has become basis of curriculum in other provinces.”

Ms. Timoshuk, who lives in Harris, Saskatchewan with her husband Craig and two children Jasmine and Julia, is an active supporter of SCIC and regularly attends SCIC annual general meetings on behalf of CCA. She currently takes part in the Global Education Reference Group for SCIC’s World Beat Global Education Project.

Ms. Timoshuk has hosted numerous visitors and delegations from the developing world, and has ensured that they leave Saskatchewan impressed with the wonderful hospitality they have received, and knowledgeable about the province’s co-operative system. ■



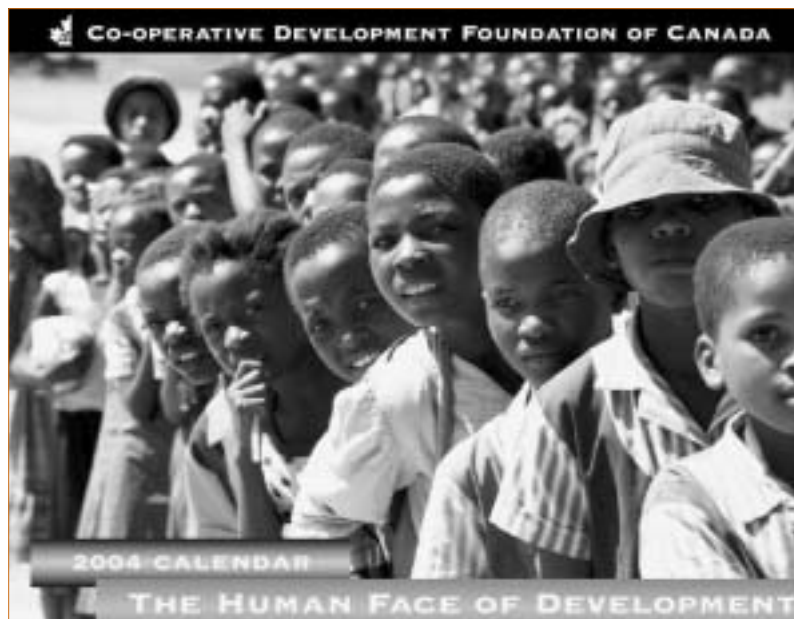
A consummate team player, Global Citizen Karen Timoshuk (R) has played a key role in the success of the annual CDF Golf Tournament in Saskatchewan. She is pictured here (from L to R) with administrative assistants Lydia Schroeder and Maxine Dyck, and executive director Warren Crossman, Saskatchewan Co-operative Association.

CDF calendar delivers a message of triumph and hope



At first glance, rice, AIDS and literacy share little in common. *The Human Face of Development*, a new calendar produced by CCA's fundraising arm, the Co-operative Development Foundation of Canada (CDF) joins the dots with its stories of people around the world using their co-operatives and credit unions to address food security, health, education and other pressing global issues.

"We wanted to show images that speak to the spirit and success of our global co-operative enterprise," explains CDF Manager Angela Splinter. "Canadians and their co-operatives are playing an important role in the lives of people in the developing world. We are connected to each other by the deeds we do, and the Foundation created this calendar as a way of thanking the thousands of co-operators who help each year to make this work possible."



In addition to its striking photographs, the calendar spotlights a different development issue and day of remembrance, celebration and action each month. Ms. Splinter says the annual calendar is made possible by the monthly financial sponsorships. Limited supplies are available. For your free copy, please inquire at cdf@coopscanada.coop, or call 1-866-266-7677 extension 215. ■

In many countries of the developing world, young people under the age of 21 form a majority of the population. Co-operatives offer hope and opportunity for young people, who in turn offer co-ops the energy and vitality they must have to grow and move ahead. For many years, CDF/CCA has helped co-operatives engage youth in their communities. In El Salvador, a CDF/CCA project has created jobs for unemployed youth. In Ghana, CDF/CCA has assisted the credit union system in creating school-based youth savings clubs to help young people save for the future, while learning the fundamentals of co-operation.

There's equity, and then there's *equity* (from page 16)

Some focus on mobilizing additional resources from existing members, but the majority involve financial instruments or agencies targeted at a larger public. Some of the ideas are simple, such as tax relief for purchasing co-op shares. Others are more ambitious, like the creation of specialized co-operative investment firms.

But there has been little attention paid to linking co-operatives' need for commercial equity with the co-operative pursuit of social equity. While conventional managers may be inclined to view co-operative

social responsibility as a burden to be borne, their more creative colleagues recognize it as an opportunity to differentiate their businesses in the marketplace that has the power to generate new members, sales and capital. (You can check out the varied opinions of co-op managers on this issue in CCA's *Concern for Community* newsletter at www.CoopsCanada.coop/NewsLetter/CSR/January2004/)

It is a simple fact of co-operative development that co-op enterprises will always face major challenges in

building financial equity - whether they are emerging co-ops of poor urban women in developing countries or sophisticated co-op corporations here in Canada. Identifying financial instruments that broaden the base of co-op commercial equity while enhancing, rather than compromising, commitment to social equity remains our greatest challenge. ■

Anthony Scoggins is CCA Director of the Africa and South Asia Regions



Commentary

There's equity, and then there's *equity*

By Anthony Scoggins

If there is a single word that captures the essence of the co-operative challenge in the 21st century, that word must surely be *equity*.

Just as co-ops have a dual character - part business enterprise and part association of people - the notion of equity also comprises two distinct elements. On the one hand, there is the commercial application of equity, which refers to the capital invested by an owner in an asset or enterprise. Shares in a business and a down payment on a house are examples of this sort of equity.

But equity also has a social meaning - which refers to justice and fair play. This is reflected in such terms as pay equity and racial equity.

A basic tenet of the co-operative philosophy is that these two distinct forms of equity can be joined within a single enterprise. For example, co-ops mobilize the capital of ordinary people in the form of shares, and then re-invest their surplus back into the business. This is how equity #1 is accumulated.

Further, co-operatives are governed by values that put "people first," before capital. As such, decision-making is based upon democratic principles and co-operatives aspire to be socially responsible enterprises, contributing to community well-being. This is equity #2.

Of course, co-operative practice struggles to keep pace with co-operative theory. This is particularly true in highly competitive markets, where managerial pursuit for 'value-added' applies primarily to commercial equity, and social equity concerns get left behind.

On the commercial front, co-operative leaders consider the challenge of equity to focus upon building the capital required to effectively finance their enterprises. In no sector is this task more daunting than agriculture, where cash-strapped farmers have had to rely increasingly upon external funds to capitalize the expansion of their co-operatives from simple marketing activities to processing plants. In some cases,



this has been successfully addressed through the offering of preferred (non-voting) shares on the stock exchange. But in other cases, it has meant a de-mutualization of farmer-owned businesses, as ownership and control has shifted from producers to external investors.

Champions of the co-operative model understand that creative new forms of financing are required if co-operative businesses are to survive. Reliance on conventional members' shares is no longer adequate in an economy in which the competition can access financial resources from any corner of the world. New generation co-operatives in western Canada provide one innovative response, and similar experiments are being tried by other systems around the world.

continued on page 15



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PROMOTING THE GROWTH & DEVELOPMENT OF CO-OPERATIVES

