# 

MONTHLY NEWSLETTER FOCUSING ON JAPANESE CONSUMER CO-OPERATIVES

# JCCUNEWS Co-operative Union

September 2014

#### Business Statistics of Consumer Co-ops in 2013 FY

The fiscal 2013 business financial highlights was released by JCCU on September 22.

The nationwide consumer co-ops recorded a total business turnover of 2,685 billion JPY, an increase of 1.3% compared to the previous year. The net profit also increased by 20.6% to a value of 34.2 billion JPY, registering the first time in two years, the growth in both the turnover and the profit.

Consumer Co-op membership nationwide increased by 310,000 to 31 million which is 1.1% increase over the previous year. Membership for the communitybased co-ops recorded an increase of 380,000 to a total number 20.12 million with 0.5 point increase of the household rate, making it the first time the number has exceeded 20 million.

The home delivery business sales which account for approximately 60% of the total sales of the community-based co-ops recorded an increase of 1.9% (101.9% year-on-year) to a value 1.67 trillion JPY. The individual delivery sales alone increased by 3.5% to a value of 1.74 trillion JPY.

The total turnover of the community-based store business, with 980 store outlets and a total sales floor area of 1,175,796 m<sup>2</sup>, was 880 billion JPY (99.6% compared with the previous year). Both the number of stores and the sales floor area decreased by 3.1% and 1% respectively compared with the previous year.

On the other hand the sales for the welfare business continued to expand to a value 18.5 billion JPY (up 106.3%).



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### **ICA-AP** Regional Assembly held in Indonesia

The 11<sup>th</sup> ICA-AP Regional Assembly, the 8<sup>th</sup> Cooperative Forum and related meetings were held in Bali, Indonesia from 15-20 September 2014 at the Bali International Convention Center (BICC) under the theme "Co-operatives Build a Sustainable Society".

Five representatives from JCCU attended the meetings. They are Mr. ASADA Katsumi, President, Mr. WADA Toshiaki, Managing Director, Ms. SHIMBO Masako, Ms. ARAI Chitose and Ms. MIYAGI Naomi, Board Directors of JCCU.

At the opening ceremony held on September 18, the President of DEKOPIN which is the host organization of Indonesia gave an opening greetings.

It was followed by greetings from the President of ICA, Dame Pauline Green and Mr. Li Chunsheng, President of ICA-AP. Pauline Green mentioned that out of the one billion people who subscribe as co-operative members in the world, half of them are from the Asia Pacific Region. For this reason, she mentioned that the role of co-operatives in the region is quite substantial.

Also, she mentioned that co-operative business has a history of more than 200 years and the total business turnover of the top 300 cooperative organizations in the region amounted to 2 trillion dollars in 2012, implying that the influence of co-operatives in the socio-economic development in the world is very strong. She further appealed for co-operatives continuous contribution through the realization of ICA Blueprint.

Furthermore the ICA President stated that since the United Nations Conference on Sustainable Development (Rio 20), which was held in Brazil in 2012, affirmed co-operatives as an organization that plays an important role in sustainable development, co-operatives should continue to contribute towards poverty reduction and sustainable growth by cooperating not only with UN agencies but also with other organizations such as B20.

In the cooperative forum, under the theme "cooperatives in sustainable development in the Asia-Pacific Region", country reports from international organizations, government officials and co-operatives officials were made coupled with fruitful discussions by the audience.

In the Regional Conference held on September 19, the 2014 financial results and the 2015 budget were reported.

In addition, the ICA General Secretary Mr. Charles Gould gave the report on the advancements of ICA Blueprint, after the ICA General Assembly in Cape Town in November 2013.



Above: Group picture of ICA-AP Consumer Committee, specialized committee of ICA-AP (Mr. Hauryoshi Amano, Manager of International Department, is the Chairperson of the Committee)

#### Consumer Co-ops "CSR Report 2014"

JCCU has issued 2014 CSR report summarizing the social initiatives of JCCU and its member co-ops across the country in the area of business and member activities.

The report gives an overview of the present state of co-op, highlighting on issues that topped 2013 business agenda such as the reconstruction assistance of the Great East Japan Earthquake disaster area.

On food issues, the report highlights on co-ops effort towards a healthy eating lifestyle through information dissemination and catering services supporting the dining time of parents with children and senior citizens.

On environment, the report highlights on co-ops commitment in promoting enlightening activities to shift to alternative energy, while reducing environmental load from co-op operations.

On social issues, the report emphasizes on co-ops contribution towards improving local communities where any person can live comfortably, especially putting emphasis on the elderly watch-over program and the moving van sales.

Updates of disaster prevention and mitigation activities by co-op and local residence in preparation for large-scale disasters and activities of mutual aid and nutrition education activities for health promotion are also mentioned.

On child support, the report highlights on co-ops childcare support program such as salon for parents and children, daycare nursery facilities provided by some consumer co-ops.



#### JCCU extends support to WFP project in Ghana

Social contribution donation with products is raised in the 2020 vision of consumer co-ops. In realization of this, JCCU has been advancing initiatives, such as the "CO-OP CoreNon Smile School Project" and the "Co-op Environmental Donation Campaign" in which through the sale of CO-OP brand toilet paper and CO-OP brand laundry detergent respectively some amount of money is donated to improve the education environment for school kids in Angola and to support environmental groups in and outside Japan for environmental preservation activities.

So far JCCU has been advancing this initiative in two main themes of "education" and "environment" and has decided to expand it to cover one more additional theme in the field of "food".

In respect of this, JCCU has launched the "CO·OP × Red Cup campaign" on September 21 to support the United Nations World Food Program (WFP) to extend support to the "school lunch program" in the Republic of Ghana. Red cup is the symbol of this program.

The period of the "red cup campaign" is from September 21 to October 31 2014. 1 yen per purchase of one target CO·OP product ( in all 11 target CO·OP products) will be used to support the school feeding program in Ghana. Through this campaign, JCCU anticipates nutritional improvement of children that will lead to the enhancement in the enrollment rate and the attendance rate of girls children.

During the first year, JCCU has the goal of supporting about 70,000 meals.

The school feeding project would run for three years from 2014 through 2016.



Since the school children program of Angola has so far produced significant results, JCCU anticipates a similar result for the red cup campaign in Ghana.



Example of campaign target products

#### JCCU increases environmental friendly products

Until now, JCCU has been promoting the development of environmentally friendly products that have received various certifications such as the Marine Stewardship Council (MSC), the Eco Mark and the Forest Stewardship Council FSC® in line with Co-op products development policy that is formulated on the theme "contributing to the society through CO'OP products".

As of September 2014, 289 CO·OP products have been certified and put on sale at co-op stores and home delivery outlets.

In September 2012, JCCU launched " CO·OP tissue" and " CO·OP pulp roll" certified as FSC attestation goods haven't met the requirement contained within an FCS forest management standard.

However, in the area of food, this vegetable juice, in a paper pack, is the first item to receive FSC attestation.

The product is a vegetable juice which is mixed with 15% of four kinds of fruit to 85% of twenty kinds of vegetables.

The main feature of this product is its natural sweetness of vegetables without the use of sugar. It is fruity and easy to drink.



Example of how it could be served



#### Consumer Education Program for school children

On August 21, Co-op Mirai organized a consumer education program for elementary school children under the theme "becoming shopping expert". The program gave the children the opportunity to use money carefully and correctly through actual shopping in Co-op Wakabadai store.

13 school children from the first grade to the fourth took part in the event which was planned and executed by Co-op Mirai and members with the aim of promoting consumer problems in the local communities. The first half was a guiz session followed by explanation on kinds of money and their use using panels. There was time for free remarks from the children and exchanges concerning matters that require attention such as the billing game of mobile phones.

In the second half, under the theme "buy the material of a sandwich", the children were asked to buy the ingredients at the store within a budget of 500 yen. They were divided into groups, went to the sales floor and while watching the amount and price of the product, and at the same time calculating the consumption tax they were able to buy the right ingredients for the cooking.

This program is believed to have provided the children with basic knowledge of money management which is necessary to shape the children's future financial behavior as the children grow to become adult consumer.



## **News in Brief**

#### African Co-operative Leaders Study Tour to Japan

At the request of the International Labor Organization (ILO) Office in Japan, JCCU has been collaborating with ILO in organizing study tour to Japan for African Co-operative leaders since 2010, with the aim to assist the human resource development of co-operatives in Africa.

This year, five senior co-operative leaders from three African countries, the Republics of Kenya, Tanzania and Uganda took part in the study tour for ten days from 1-10 September 2014.

The participants were Mr. Bosco George Simba from Moshi Rural Teachers SACCOS, Tanzania, Mr. Yahya Salum Msambya from Ngome SACCOS LTD., Tanzania, Mr. Daniel Ogera Marube from Co-operative Alliance of Kenya, Kenya, Ms. Jane Wanjiru Mugo from Bingwa Sacco Ltd, Kenya and Ms. Beatrice Katsigazi Komurembe from Uganda Co-operative Alliance Ltd., Uganda.

They arrived on September 1 and the next day a short opening ceremony was organized at CO-OP PLAZA where the president of JCCU, Mr. ASADA Katsumi and the Director of the ILO Office in Tokyo, Ms. KAMIOKA Keiko welcomed them.

The study tour consisted of lectures, visits to cooperatives, institutions and discussion sessions.

The participants had lectures on the Japanese consumer co-operative movement including governance in Japanese consumer co-operatives.

They also visited variety of co-operatives in Tokyo and the Chiba prefectures such as the Workers Co-op Chiba, JA Chiba Midori (agricultural co-op), Co-op Net Business Federation (consumer co-op), the Ooizumi Hospital (healthcare co-op), the Norinchukin Research Institute Co. Ltd (JA group bank), the National Federation of Workers and Consumers Insurance Co-operatives (Zenrosai, insurance co-op), National Association of Labor Banks, Chiba University and the Chiba University Consumer Co-op.

As a part of the training, a public seminar was held in Co-op Plaza, JCCU Headquarters in Tokyo on September 9. Participants gave a brief report about the status of co-operatives in their respective countries,

Co-op Plaza 3-29-8, Shibuya, Shibuya-ku Tokyo, Japan 150-8913 <u>http://jccu.coop/eng/</u> email:kokusai@jccu.coop and what they have learned through visits and training of this tour especially how the experience got will lead to the improvement of their organizational management and development of the business after returning home.



(L-R) Greetings by Benson H. O. Ogutu Ambassador of the Republic of Kenya and Betty Grace Akech-Okullo Ambassador of the Republic of Uganda during the public seminar.



Participants listening to the explanation of the store manager (Co-op Net Eco store)



Participants pose in a picture with Ms. Kamioka and Mr. Asada after the public seminar.

JCCU would continue to offer assistance for the continuing running of this study tour.

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