



VIETNAM COOPERATIVE ALLIANCE

ANNUAL REPORT 2018

Hanoi, March 2019



Contents

Message	2
<hr/>	
PART I	
OVERVIEW OF VIETNAM COOPERATIVE ALLIANCE	3
1. Establishment history	4
2. Functions, missions	5
3. Organizational structure	6
<hr/>	
PART II	
SITUATION OF THE COOPERATIVE ECONOMY AND COOPERATIVE DEVELOPMENT BY 2018	8
1. Number of cooperatives classified by the operation types	9
2. Legal capital and assets of cooperatives	18
3. Operational efficiency of the cooperatives	19
<hr/>	
PART 3	
RESOURCES OF VIETNAM COOPERATIVE ALLIANCE SYSTEM IN 2018	20
1. Human resource	21
2. Expenditure sources	23
3. Operational facilities and equipment	24
4. Fund for Cooperative Development	25

PART 4

**MAIN ACTIVITIES OF VIETNAM
COOPERATIVE ALLIANCE SYSTEM IN 2018** 26

1. To mobilize resources to build and implement a scheme to support and build cooperative models associated with the value chains in provinces and cities 27

2. To promote the domestic and international propaganda, contributing to raising the awareness of society and the understanding of relevant international organizations on the development and role of the cooperative economy and cooperatives for the socio-economic development as well as the position and core role of Vietnam Cooperative Alliance system for the development of the cooperative economy and cooperatives 28

3. To effectively perform the function of representing and protecting legitimate rights and interests of cooperatives, cooperative federations and pre-cooperatives 29

4. To promote training activities, expand initially providing support services to improve the governance capacity of cooperatives 29

5. To perfect mechanisms and strengthen the cooperations with international cooperative federations, non-governmental organizations and cooperative organizations of other countries to propagate, learn experiences and exploit resources for the development of the cooperative economy, cooperatives 30

6. Provincial/City Cooperative Alliances continue to play a pivotal and important role in advising, supporting the establishment of new cooperatives and inspecting, supervising and handling arising problems in terms of the operation of cooperatives, cooperative federations and pre-cooperatives 31

PART 5

**ORIENTATION OF OBJECTIVES, TASKS AND
DEVELOPMENT SOLUTIONS OF THE COOPERATIVE
ECONOMY AND COOPERATIVES IN VIETNAM** 32

1. Orientation of objectives 33

2. Development targets for 2019 33

3. Major tasks and solutions 34



President
Nguyen Ngoc Bao

MESSAGE

Dear Colleagues!

Cooperative economy and co-operatives have become more and more widespread, gradually becoming a way of organizing economic activities and life of civilized society in line with the development trend of the cover and sharing economy, members in the society benefit, no one left behind. Vietnam, with a population of over 93 million, nearly 10 million households living in the rural areas, more than 4 million individual households living in urban areas, increasing income and asset accumulation, the need for linkages and cooperation according to the cooperative models, pre-cooperatives to produce and address the needs of daily life is increasing rapidly. With advantages and preeminence contributing to socio-economic development, cooperative economy, co-operatives play an increasingly important role and are becoming one of the pillars of Vietnam economy.

Over the past 70 years of the development, the cooperative sector of Vietnam has grown significantly, marked by the birth of Vietnam Cooperative Alliance in October 1993 to represent and protect the rights and interests of cooperatives, cooperative federations and members, who voluntarily participate in building and developing the cooperative economy in Vietnam. By 2018, Vietnam Cooperative Alliance has represented more than 20,000 cooperatives, more than 93,000 pre-cooperatives and nearly 60 cooperative federations operating in various sectors of the economy, from agriculture, industry, small handicraft to trading and services, transportation, environment, health and credit with nearly 7 million members, 2.5 million formal workers and over 10 million informal workers.

In the period of 2019-2020 and the following years, Vietnam Cooperative Alliance shall prioritize the further strengthening of domestic and foreign cooperation, with special emphasis on the economic cooperation among cooperatives of Vietnam and cooperatives of other countries, with international organizations and economic groups to exchange national and international experiences in cooperative development, to exploit and mobilize resources for implementing solutions to improve the governance capacity, increase the scale, productivity, quality and efficiency of cooperative activities, to promote investment activities, production and business linking to the value chains of goods, to reach domestic and foreign markets, to create a widespread spillover and develop the cooperative economy quickly and sustainably.

Best regards!

Dr. Nguyen Ngoc Bao
 President of Vietnam Cooperative Alliance

PART I

OVERVIEW OF VIETNAM COOPERATIVE ALLIANCE



1. ESTABLISHMENT HISTORY

April 11th, 1946

President Ho Chi Minh wrote a letter to Vietnamese farmers and landlords calling upon for their participation in agricultural cooperatives. After His call, a series of cooperative economic units were formed and cooperatives had strongly developed during 50s-60s of the twentieth century. Along with the development of cooperative movement in Vietnam, management agencies, representative and supporting organizations for cooperatives have been gradually formed and developed.



1955

The Co-operative Management Board of Vietnam was established.



December 18th, 1991

The Chairman of the Council of Ministers (now it is the Government Prime Minister) issued Decision No. 409 /CT for establishing the Provisional Central Council of Non-State Enterprises on the basis of the unification of the Central Union of small scale handicraft and industry cooperatives and Vietnam Management Board of supplying and marketing cooperatives.



1961

The Vietnam Union of small scale Handicraft and Industry was established. These were two national organizations that managed, represented and supported supplying and marketing cooperatives and small handicraft and industry cooperatives in the whole country.



December 1st, 1993

The By-law of the Central Council of Vietnam Cooperative Union was approved by the Prime Minister in the Decision No. 582-TTg / QD.



October 30th, 1993

The first National Congress of Vietnam Cooperatives was conducted. The Congress has approved the By-law of the Central Council of Vietnam Cooperative Union - that it is an organization supporting, representing and protecting the interests and rights for cooperatives in the fields of small scale handicraft and industry, transportation, trading and services, construction and other non-agricultural occupations.



January 24th, 2017

The By-law of Vietnam Cooperative Alliance was approved by the Prime Minister in Decision 105 / QD-TTg.



Since the first Law on Cooperatives approved by the National Assembly in 1996, which came into force on January 1, 1997, to the Law on Cooperatives in 2003 and the Law on Cooperatives in 2012 have created a more favorable legal corridor for the development of the cooperative sector.



2.

FUNCTIONS, MISSIONS

FUNCTIONS



To represent and protect the legitimate rights and interests of members



To coordinate with ministries and branches in elaborating plans on developing the cooperative economy, cooperatives, pre-cooperatives and individual households; To develop new cooperative models associated with key commodity value chains in sectors, fields, regions; sum up and replicate



To propagate and mobilize to develop pre-cooperatives, cooperatives and cooperative federations



To implement assigned programs, projects, public services to support the development of cooperatives and cooperative federations



To participate in the formulation of policies and laws on cooperatives and cooperative federations



To support and provide necessary services for the formation and development of the collective economy, the core of which is the cooperatives and their members



To represent members in the relations and collaborations with domestic and foreign organizations in accordance with the law

MISSIONS

- ❖ To propagate, disseminate and organize the implementation of legal documents on collective economy, the core of which is the cooperatives and other related legal documents;
- ❖ To co-ordinate in implementing and developing strategies, plans, programs for the development of the collective economy, the core of which is cooperatives (formulation of long-term and medium-term plans and annual plans) and related legal documents;
- ❖ To implement public services, supporting and consultancy activities; to provide services to members on legal matters, investment, science-technology, information, finance, credit, market, auditing, insurance, quality inspection of goods and other fields;
- ❖ To coordinate with the Vietnam Fatherland Front and its member organizations; other social organizations in propagating, disseminating and implementing the legislation on cooperatives and cooperative federations; To implement programs and projects on development of pre-cooperatives, cooperatives and cooperative federations;
- ❖ To gather members' opinions and aspirations to propose to the Party and the State in terms of policies, systems of legal documents as well as mechanisms and policies for the development of the collective economy, the core of which is cooperatives;
- ❖ To propagate and mobilize households, pre-cooperatives, small and medium production units to develop cooperatives and cooperative federations; Summarize and disseminate the experiences of the typical cooperatives; organize emulation movements in the cooperative alliance system;
- ❖ To organize trainings, retrainings and vocational trainings for staffs in the cooperative alliance system; managers, members and workers in pre-cooperatives, cooperatives, cooperative federations and other members in the cooperative economic sector, the core of which is the cooperatives;
- ❖ To organize economic activities for the target of developing the cooperative alliance system and supporting members;
- ❖ To join international organizations, NGOs, to develop cooperative relationships with organizations in other countries; to receive and organize the implementation of supporting programs and projects and aids for the development of cooperatives and cooperative federations;
- ❖ To mobilize domestic and foreign legal resources for investment in the development of the collective economy, the core of which is the cooperatives;
- ❖ To provide consultancy, judgment and social supervision on policies, programs, projects requested by state agencies on issues related to the development of the collective economy, the core of which is cooperatives and the activity of the Cooperative Alliance at all levels;
- ❖ To implement other tasks assigned by the Party, the State, the Prime Minister or other legal units or organizations.

3.

ORGANIZATIONAL STRUCTURE

National Representative Congress

The National Representative Congress is the highest leading organ of Vietnam Cooperative Alliance. The Congress consists of regular and extraordinary congresses. The regular congress is held every five years, convened by the Executive Board of the Vietnam Cooperative Alliance. The extraordinary congress is convened when at least 2/3 (two third) of the total number of members of the Executive Board of the Vietnam Cooperative Alliance propose. Regular or extraordinary congresses are held when more than half (one-half) of the delegates are present.

The Congress shall have the task of discussing and approving the term summation report; The direction and tasks of the next term; Approving the final report and the orientations and tasks for the next term of the Inspection Committee; Discussing and approving the amended By-law; Discussing and commenting on the review report of the Executive Committee of Vietnam Cooperative Alliance; Electing the Executive Committee and the Inspection Committee of Vietnam Cooperative Alliance; Discussing and approving other contents (if any); Adopting the Congress resolution.

The voting principle at the Congress: The Congress may vote in the form of a hand raising or a ballot. The form of voting shall be determined by the Congress. Resolutions of the Congress are adopted when more than half (one half) of the total participants in the Congress agree. Except for cases stipulated in Article 26 of the By-law of Vietnam Cooperative Alliance.

Executive Committee of Vietnam Cooperative Alliance

The executive board of the Vietnam Cooperative Alliance is the leading organ of Vietnam Cooperative Alliance between the two congresses, elected by the National Representative Congress. Number, structure, criteria of the Executive Committee members are decided by the Congress. The term of the Executive Committee shall be the same as the term of the Congress.

Steering Committee of Vietnam Cooperative Alliance

The Steering Committee of Vietnam Cooperative Alliance is the leading body of Vietnam Cooperative Alliance between two executive committees, which are elected by the Executive Committee among the Executive Board members; The Steering Committee consists of a President, Vice Presidents and the Members. Quantity, structure, standards of Steering Committee members are decided by the Executive Committee. Term of the Steering Committee shall be the same as the term of the Congress.

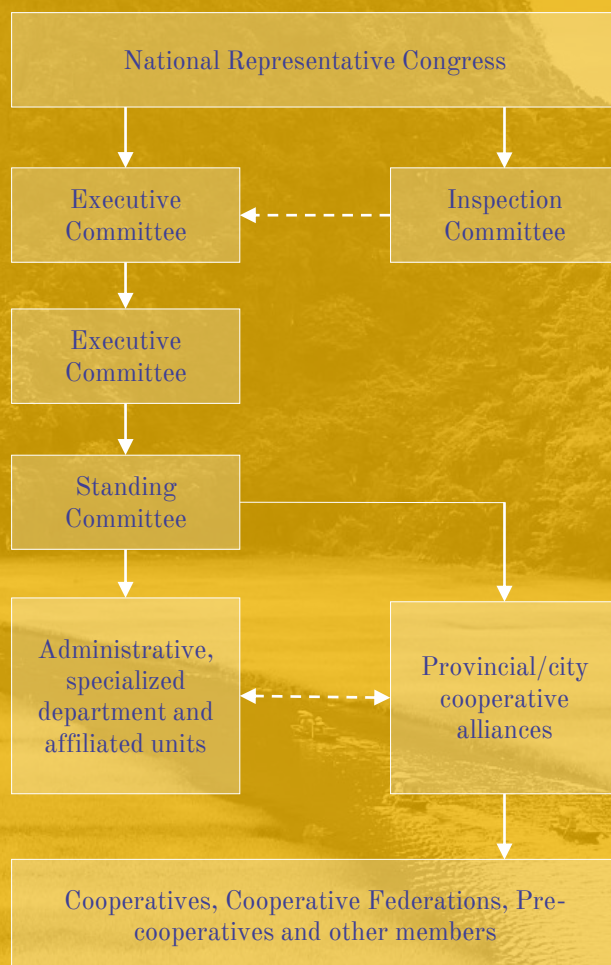
Standing committee of Cooperative Vietnam Alliance

The Standing Committee of Vietnam Cooperative Alliance consists of a President and Vice Presidents. The Standing Committee has the following tasks and powers: to manage and handle daily and regular affairs of Vietnam Cooperative Alliance; Prepare the contents, programs, action plans of the Steering Committee; to preside, initiatively collaborate with ministries, branches and central and local agencies to grasp thoroughly and organize to implement policies and resolutions related to the collective economy, the core of which is cooperatives; To guide and inspect the operation of cooperative alliances at all levels and pre-cooperatives, cooperatives and cooperative federation; To organize, manage and run the operation of the specialized apparatus; To coordinate, inspect and urge key projects and programs and associated members at all levels.

STANDING COMMITTEE OF VIETNAM COOPERATIVE ALLIANCE



Figure 1: Organizational structure of Vietnam Cooperative Alliance system



Source: Organizational and Personnel Dept., Vietnam Cooperative Alliance (2019)

The specialized apparatus of Vietnam Cooperative Alliance

The organ of Vietnam Cooperative Alliance is a specialized apparatus of Vietnam Cooperative Alliance, consisting of the Administrative Office, specialized departments and legal entities under the decision of the Standing Committee of Vietnam Cooperative Alliance.

The current organizational structure is governed by the By-law of Vietnam Cooperative Alliance approved by the Prime Minister in the Decision No. 105 / QĐ-TTg dated 24/01/2017. There are totally over 1,000 staffs and officers working in Vietnam Cooperative Alliance system (over 80% of university and post-graduate, nearly 20% of colleges and intermediate levels), staffs and officers in the system are rich of working experiences, confidential and knowledgeable about the cooperative economy and cooperatives as well as capable of implementing functions and tasks. The Vietnam Cooperative Alliance system is closely, scientifically, democratically organized and vertically associated, such as the Executive Committee, the Steering Committee, the Standing Committee, the Inspection Committee, Cooperative Alliances of provinces and cities operate according to issued regulations, as Figure 1:

Provincial Cooperative Alliance

The provincial cooperative alliances, belonging to the organizational system of Vietnam Cooperative Alliance, shall be organized and operated according to the By-law approved by the Provincial Representative Congress. The By-law of provincial cooperative alliances must be in line with the By-law of Vietnam Cooperative Alliance.

PART II

SITUATION OF

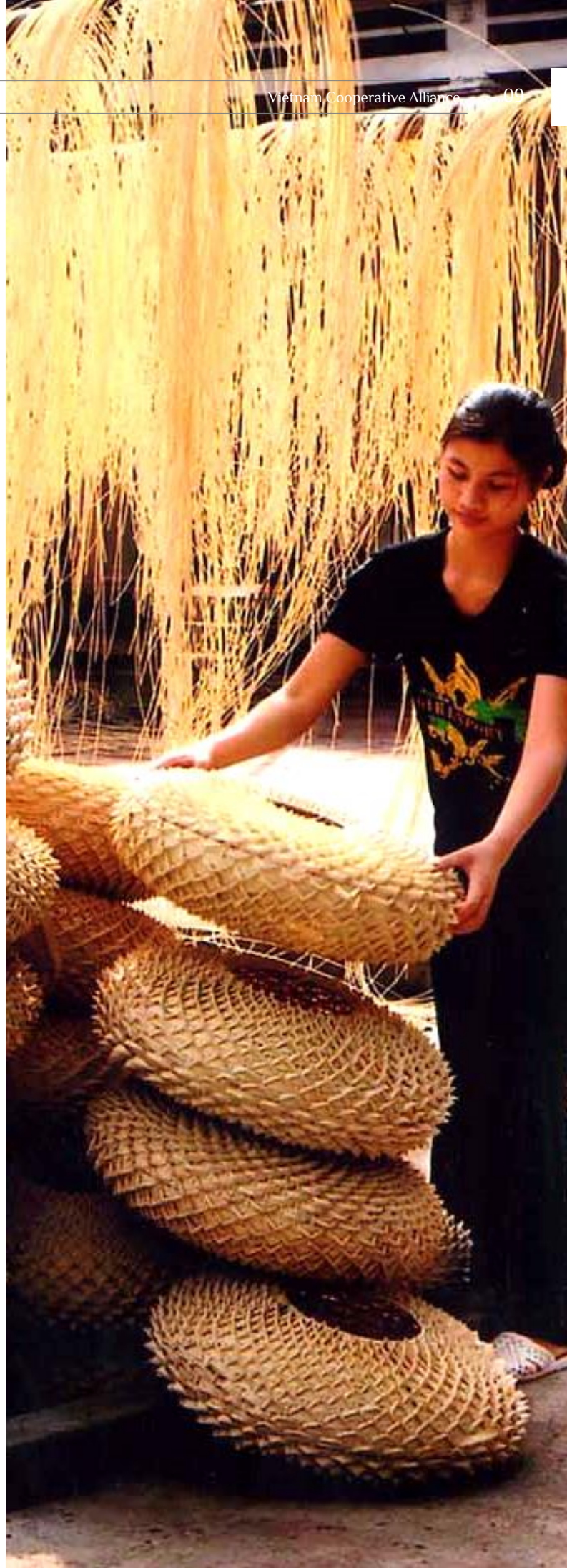
THE COOPERATIVE ECONOMY AND COOPERATIVE DEVELOPMENT

BY 2018



1. NUMBER OF COOPERATIVES CLASSIFIED BY THE OPERATION TYPES

Cooperative economy and cooperatives has continued to develop in the whole country and in almost sectors of the economy, it becomes the significant economic component of the economy.



In 2018:

2.366
cooperatives newly
established



15
cooperative
federations




7.840
pre-
cooperatives




In the whole country:

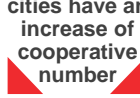
22.456
cooperatives



an
increase
of **8%**
compared to 2017



57/63
provinces and
cities have an
increase of
cooperative
number



Of which:

13.712

agricultural with the effective
operational rate of nearly **50%**

7.563

non-agricultural cooperatives
(industry, handicraft, construction,
transportation, trading, health
care, education, information and
technology, environment, ...) with
the effective operational rate of
over **60%**

1.181

people's credit funds, which are
mostly effectively operating

74

cooperative federations with the
effective operational rate of nearly
50%

103.435

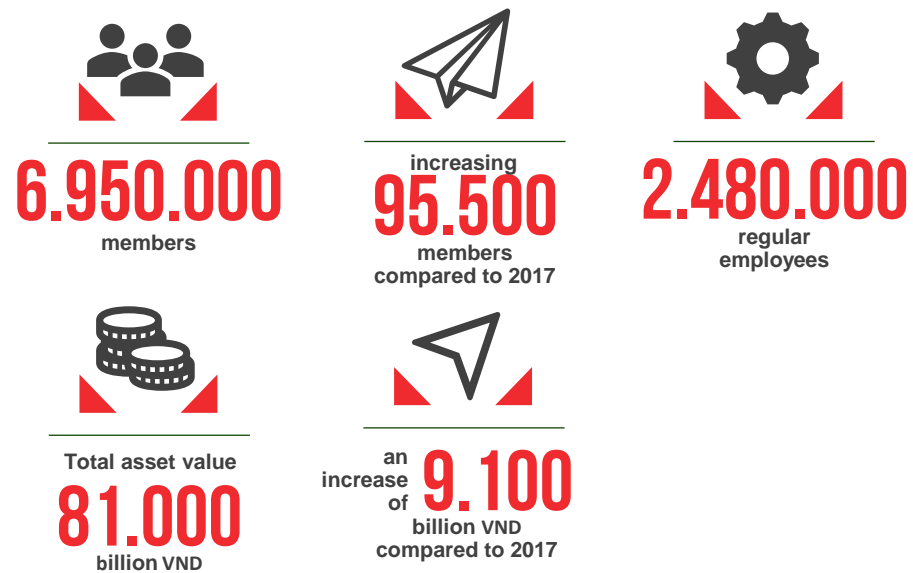
pre-cooperatives.

Cooperative and private economic sectors in localities promote the exploitation of advantages of natural and social conditions, speciality products, traditional occupations and support policies of the State through the National Target Program of building new rural areas and sustainable poverty reduction, agricultural and industrial extensions to organize production under the model of cooperative economy and cooperatives, is becoming a popular production organization, especially in difficult areas such as Northwest, Northeast, Central Highlands.



Cooperatives provide input services for members; about **30%** of agricultural cooperatives and most non-agricultural cooperatives provide both input and output services for members; the operating scale of most cooperatives increased in comparison to 2017.

By the end of 2018, cooperatives had a total of :



Most cooperatives preserve their capital and increase their revenue. Cooperative federations operate mainly in consuming their products, many cooperative federations of large scale, modern management such as Ho Chi Minh City Trading Cooperative Federation (Saigon Co-op) with **28** member cooperatives, **102** supermarkets, and **3,000** affiliated stores. Pre-cooperatives have attracted about **1** million members, gradually being transformed into cooperatives.

Many localities have creative start-up cooperative models, applying high-tech effectively; establish cooperative federations as a "tractor" to supply inputs and market products for member cooperatives; many large-scale cooperatives, operating under the model of multi-industry parent-subsidiary companies, which can directly export. Young workers with technical expertise have exploited the advantages of land, climate, plants and animals, pharmaceuticals, traditional trades and information technology to establish high-tech cooperatives.

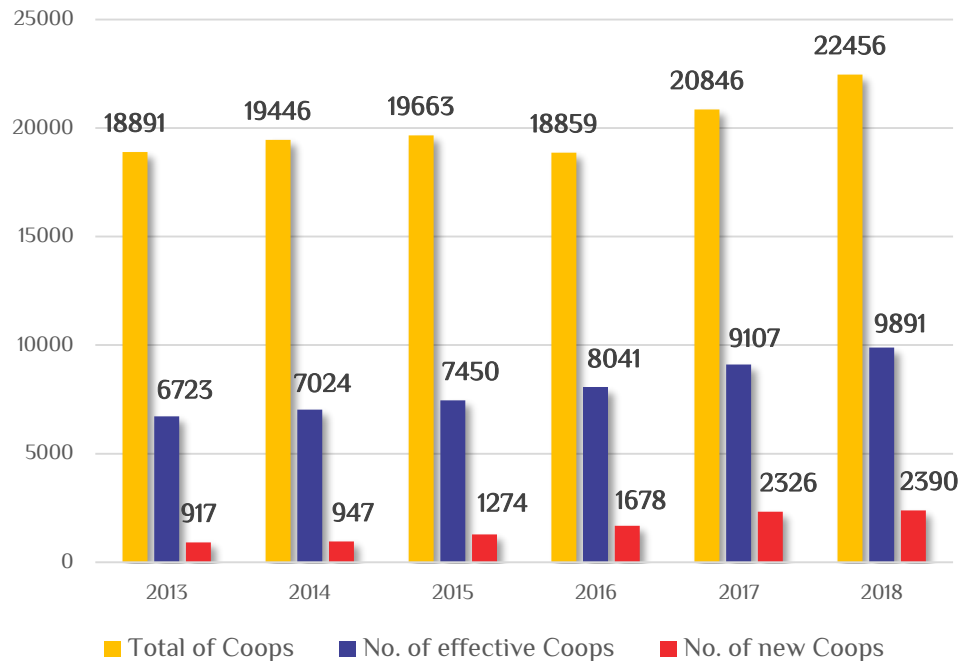
Cooperative economy, cooperatives have a positive impact on the development of the socio - economy and localities. Cooperative economic sector, cooperatives and members contribute to the economic growth, the scale and proportion tend to increase; supplying consumer goods to stabilize market prices, contributing positively to agricultural restructuring and new rural construction, sustainable poverty reduction; Agricultural and non-agricultural cooperatives are the focal point for enterprises to form value chains. The pre-cooperatives, cooperatives are "midwives" to create jobs for low-skilled, high-age laborers moving back from industrial zones. The pre-cooperatives, cooperatives, cooperative federations in remote and ethnic minority areas contribute to improving production levels, creating jobs and income, contributing to ensuring the social security and developing the political system, strengthening the national security and defense.

**Figure 2:
Cooperatives in
the period of
2013 - 2018**

From 2013 to 2018, the total of cooperatives has increased by 3,565 cooperatives, equivalent to an increase of 19% compared to 2013; number of effective cooperatives has increased by 3,168 cooperatives, equivalent to an increase of 47% compared to 2013.

Unit: coop

Source: Policy and Cooperative Development Dept., Vietnam Cooperative Alliance (2019)



**Figure 3: Cooperatives
classified by the cooperation
fields (31/12/2018)**

Unit: coop, %

Source: Policy and Cooperative Development Dept., Vietnam Cooperative Alliance (2019)

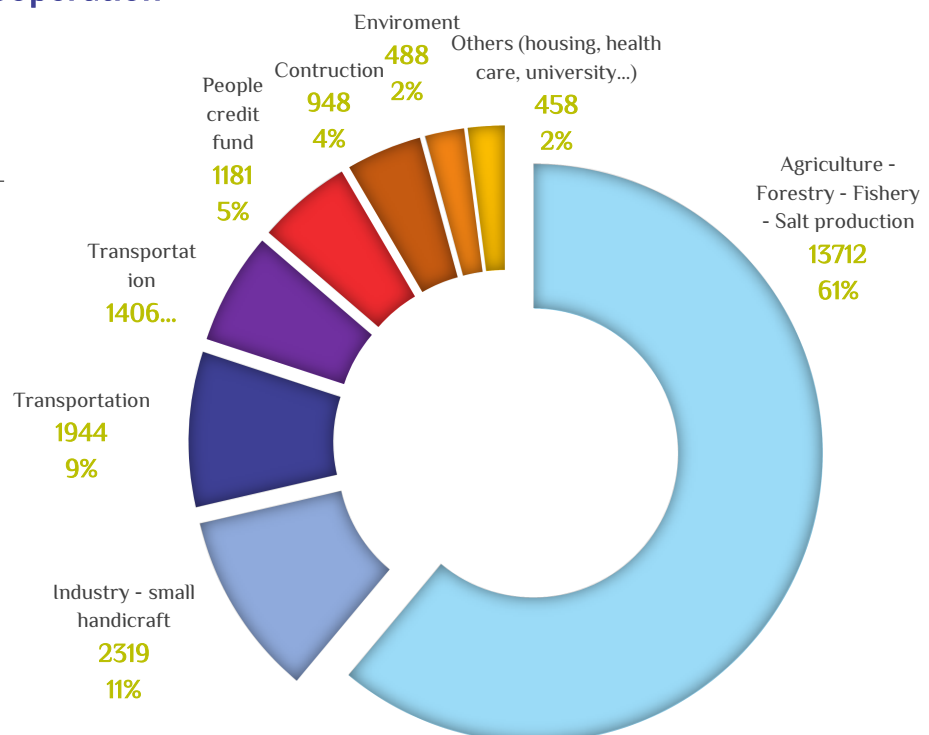




Figure 4: Cooperative structure classified by the regions

Unit: coop, %

Source: Policy and Cooperative Development Dept., Vietnam Cooperative Alliance (2019)

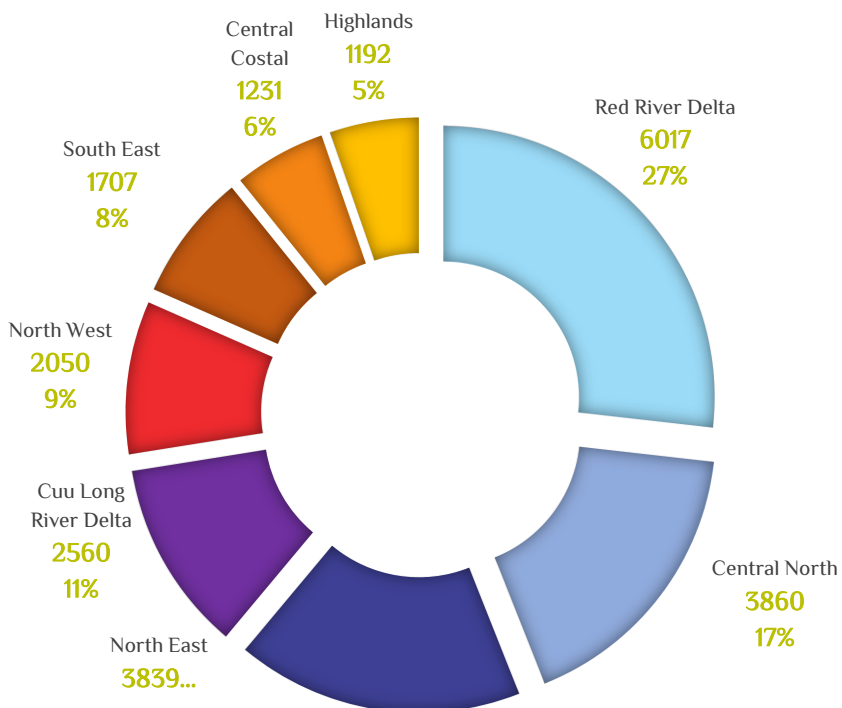


Figure 5: Total members, workers, and numbers of workers, who are cooperative members

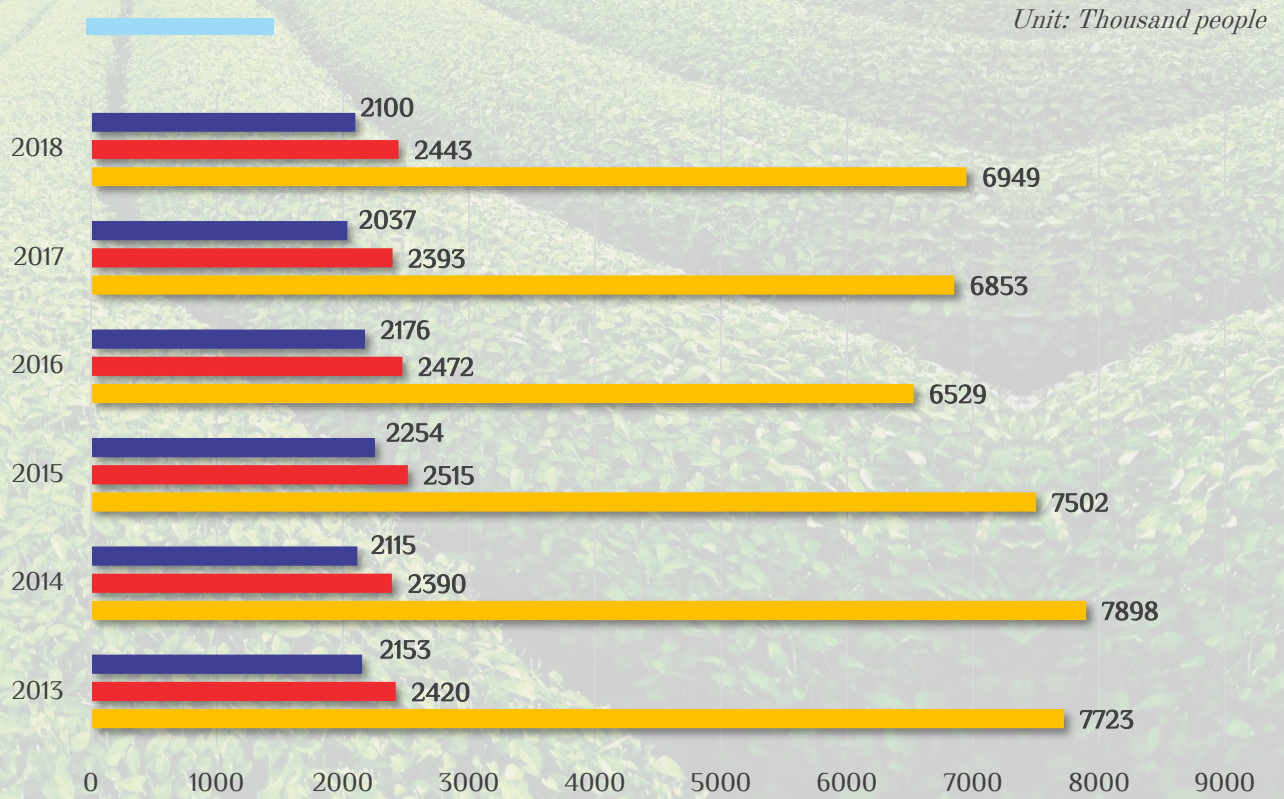
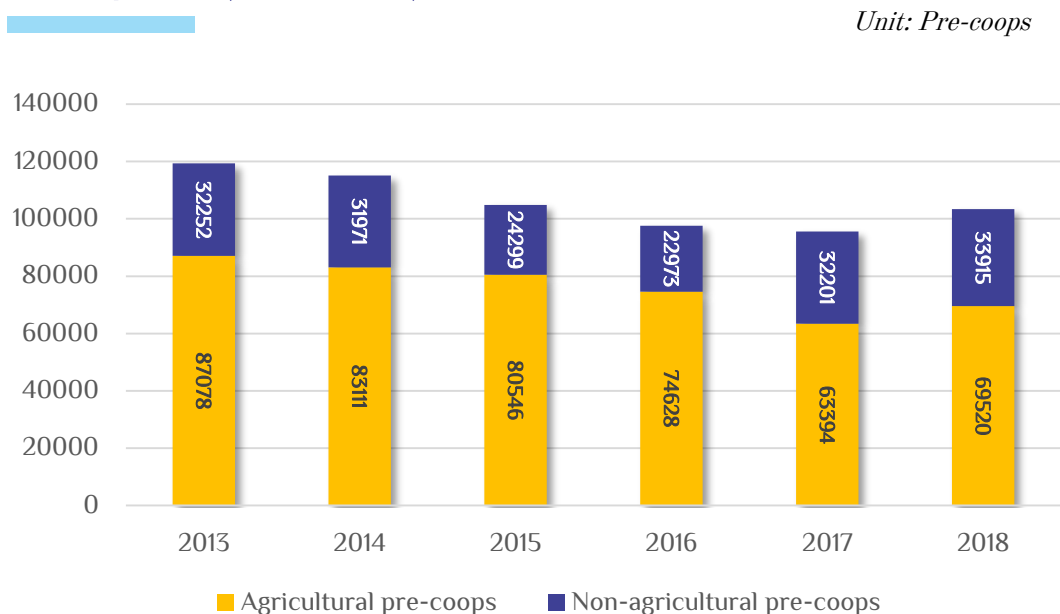


Figure 6. Situation of pre-cooperative development (2013 - 2018)



Source: Policy and Cooperative Development Dept., Vietnam Cooperative Alliance (2019)

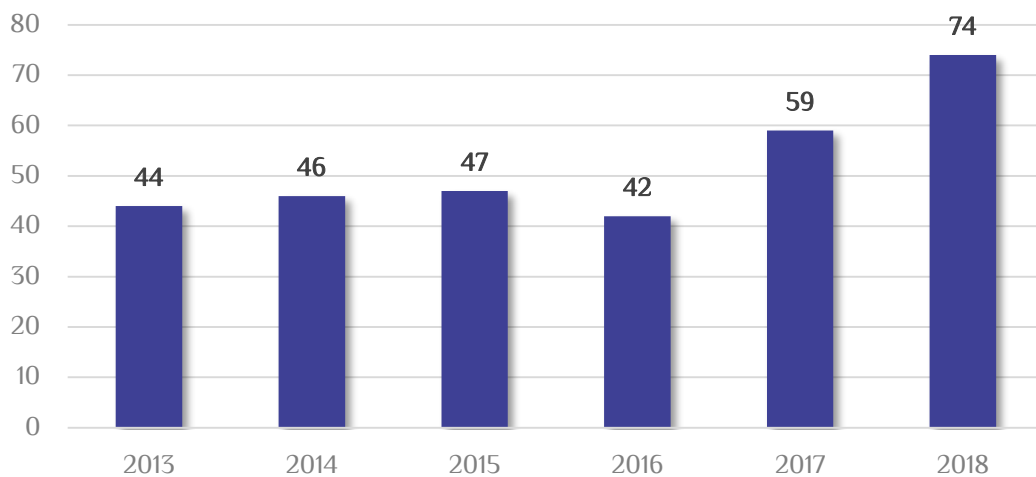


- Total member
- Regular workers
- No. of workers, who are coop. members

Source: Policy and Cooperative Development Dept., Vietnam Cooperative Alliance (2019)

Figure 7: Development situation of Cooperative Federations

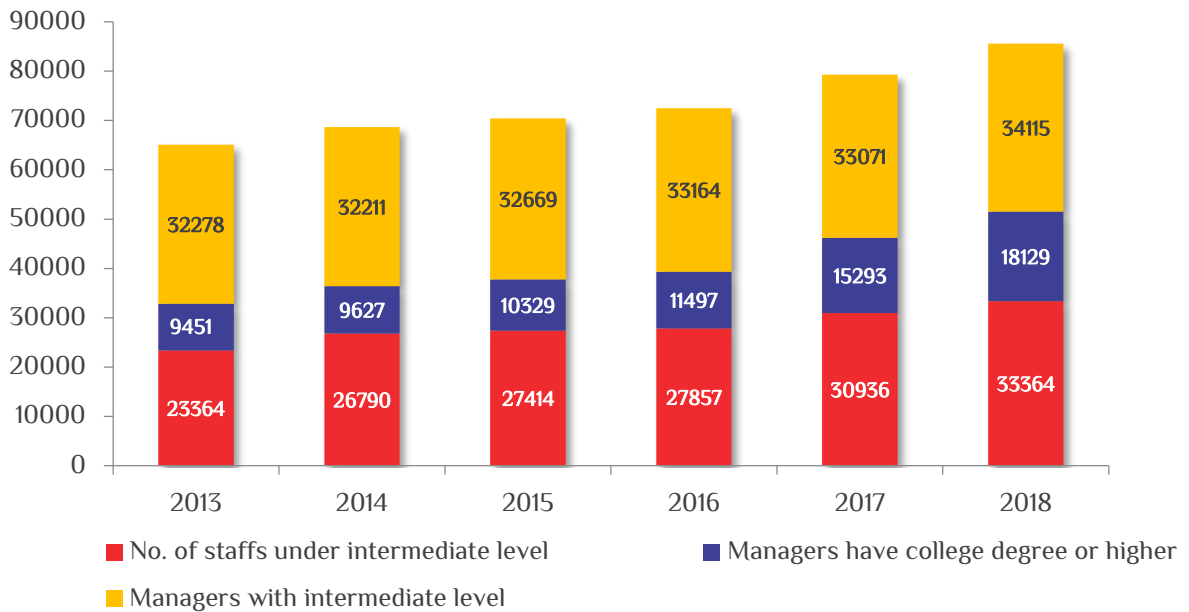
Unit: Cooperative Federation



Source: Policy and Cooperative Development Dept., Vietnam Cooperative Alliance (2019)

Figure 8: Quality of cooperative managers

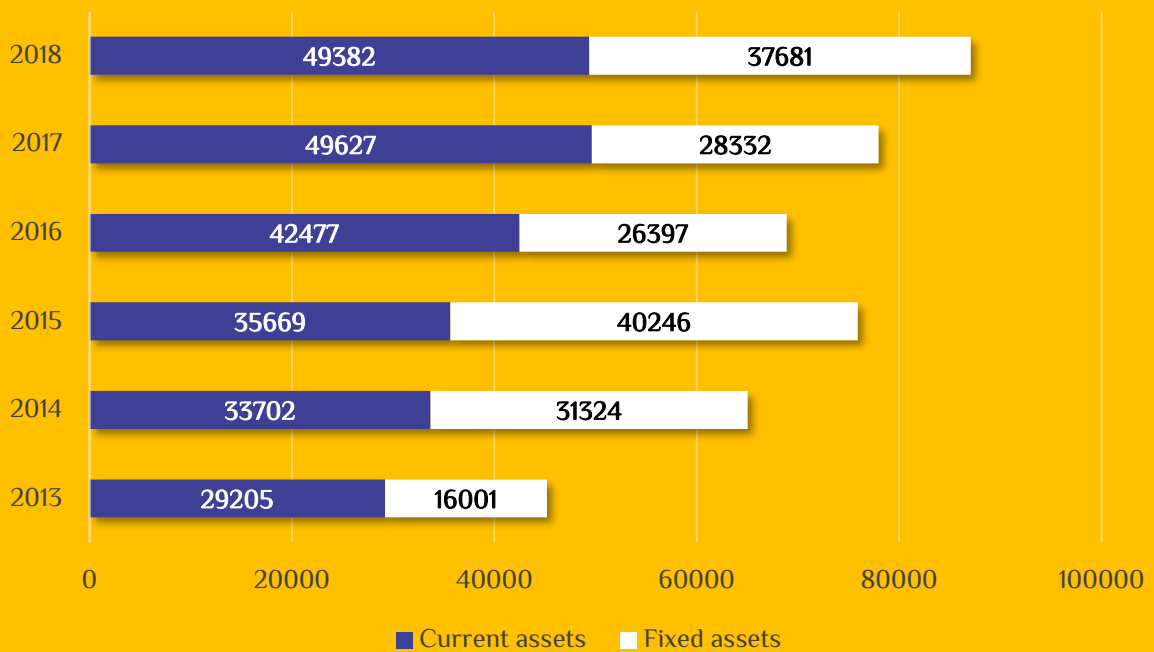
Unit: Person



Source: Policy and Cooperative Development Dept., Vietnam Cooperative Alliance (2019)

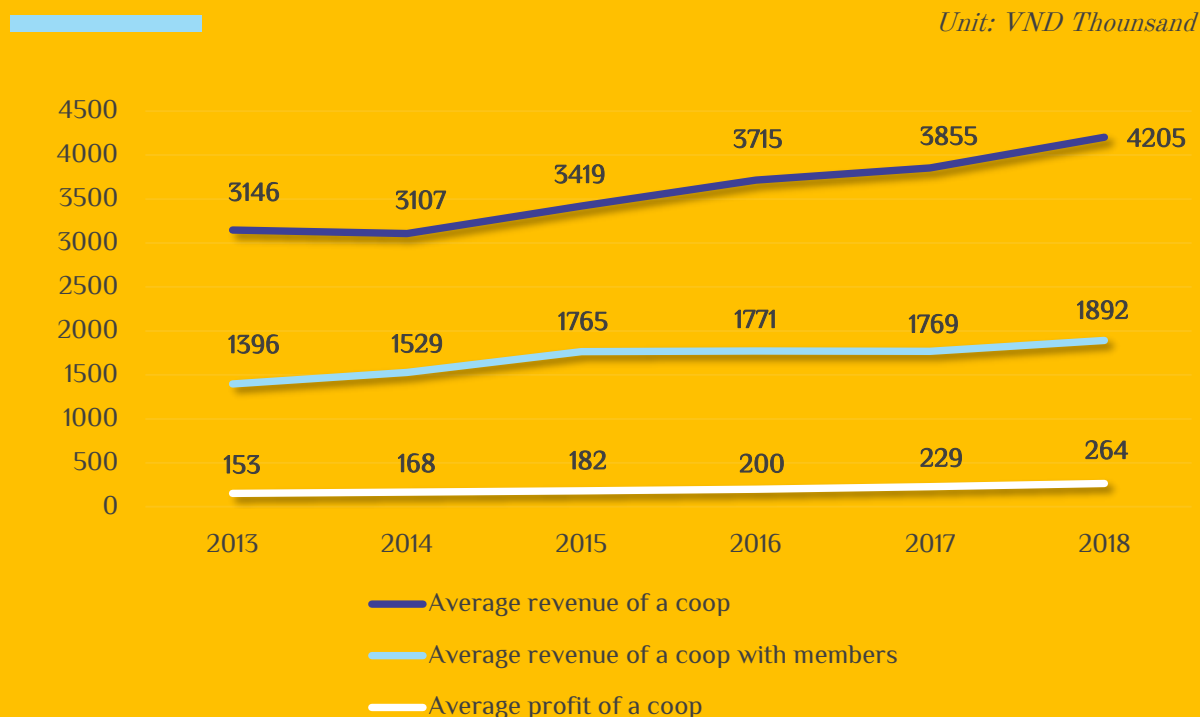
Figure 9: Cooperative assets

Unit: VND billion



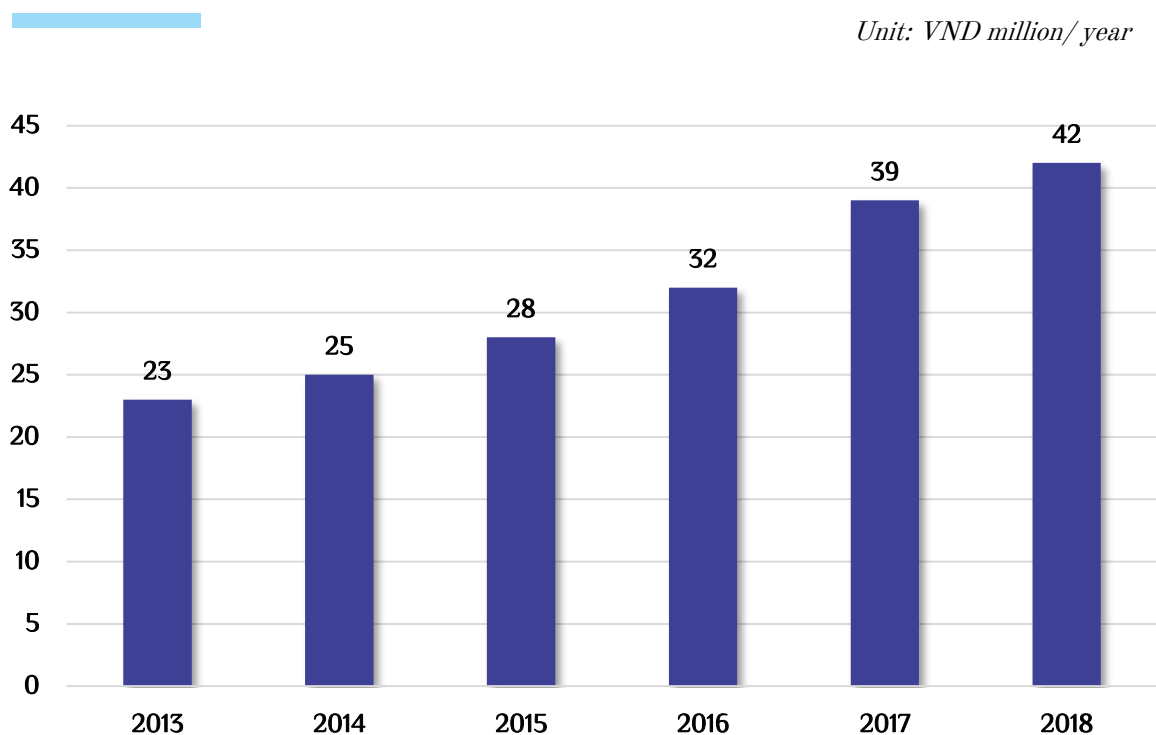
Source: Policy and Cooperative Development Dept., Vietnam Cooperative Alliance (2019)

Figure 10: Average revenue, Average revenue with members and average profit



Source: Policy and Cooperative Development Dept., Vietnam Cooperative Alliance (2019)

Figure 11: Average income of workers



Source: Policy and Cooperative Development Dept., Vietnam Cooperative Alliance (2019)



2. LEGAL CAPITAL AND ASSETS OF COOPERATIVES

As of 31/12/2017, the total legal capital of cooperatives was about VND 30 trillion, equivalent to VND 1.5 billion/ a cooperative. Transportation cooperatives have an average legal capital of VND 6 billion / a cooperative, which is much higher than other fields; People's Credit Funds reach VND 2 billion /a fund, agricultural cooperatives, small scale handicraft and industry cooperatives, construction and material production coops have an average legal capital of VND1.6 billion, only agricultural and environmental cooperatives reach the average legal capital of VND 500 million /a cooperative.

Assets

By 31/12/2017, the total assets of cooperatives have increased by VND 32 trillion, equivalent to 42%, in which the current assets have increased by VND 20 trillion, fixed assets have increased by VND 12 trillion.

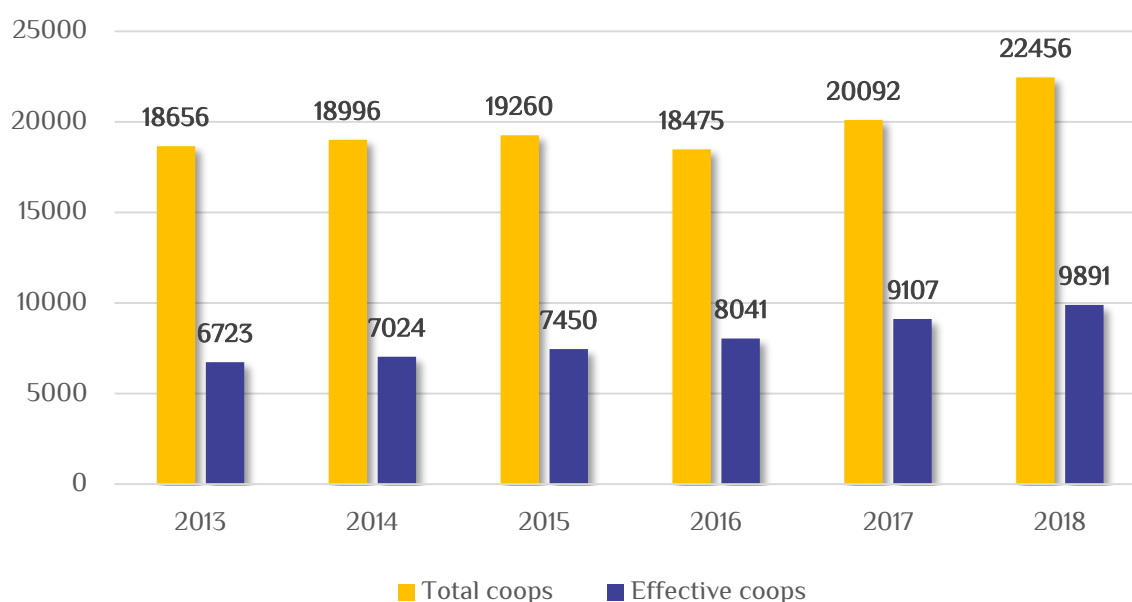
3.

OPERATIONAL EFFICIENCY OF THE COOPERATIVES

The number of cooperatives, operating effectively, is also increasing steadily by every year, from 6,723 co-operatives (accounting for 36% of the total cooperatives) in 2013 up to 9,107 co-operatives (accounting for 45% of the total cooperatives) operating effectively in 2018. This shows that, cooperatives are operating more and more effectively, the cooperative sector is being gradually developed faster. According to the comprehensive evaluation, there were 9,891 effective cooperatives, accounting for 45% (an increase of 10% compared to 2017).

Figure 12. Total coops and No. of effective coops (2013 - 2018)

Unit: Coop.



Source: Policy and Cooperative Development Dept., Vietnam Cooperative Alliance (2019)

Cooperatives participating in the value chains

As of 28/2/2018, there are over 1,000 cooperatives in the whole country, involved in the production development linking to the value chains, accounting for 5.2% of the total existing cooperatives.

Most cooperatives have the awareness and demand for production and business linking to the value chains for sustainable development, many agricultural and non-agricultural cooperatives have mobilized resources, promoted trades for the domestic and export markets. In 2018, there are about 15% of the total agricultural cooperatives and more than 60% of non-agricultural cooperatives implementing their production associated with the value chains. The Vietnam Cooperative Alliance system uses resources from the State budget and privatizes about VND 18 billion to support and establish 77 production and business cooperatives associated with the value chains in 51 provinces and cities.

PART III

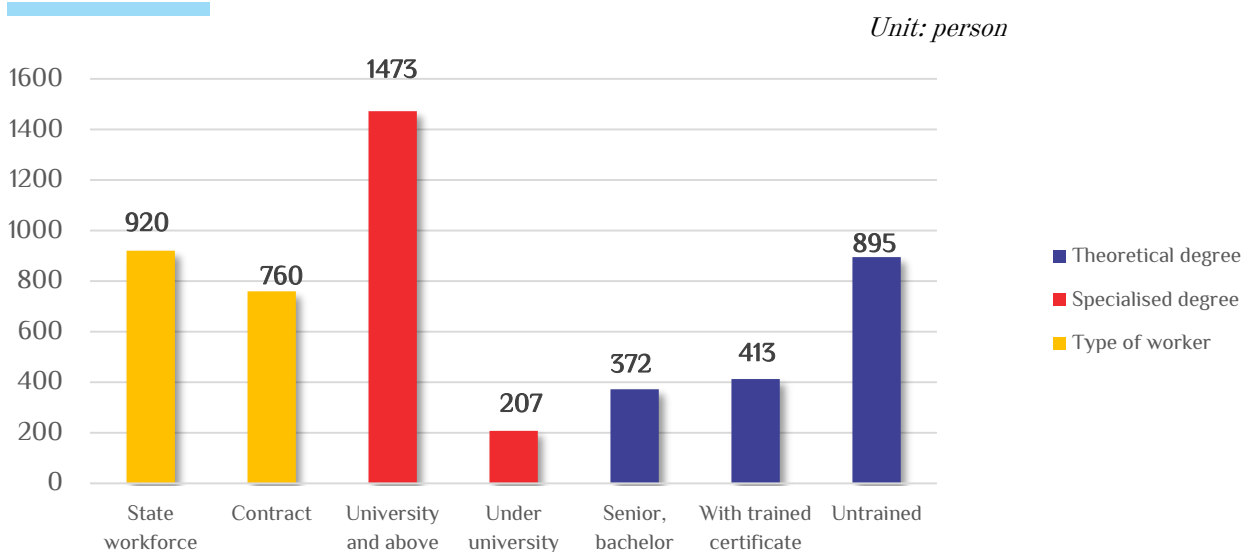
RESOURCES OF VIETNAM COOPERATIVE ALLIANCE SYSTEM IN 2018



1. HUMAN RESOURCE

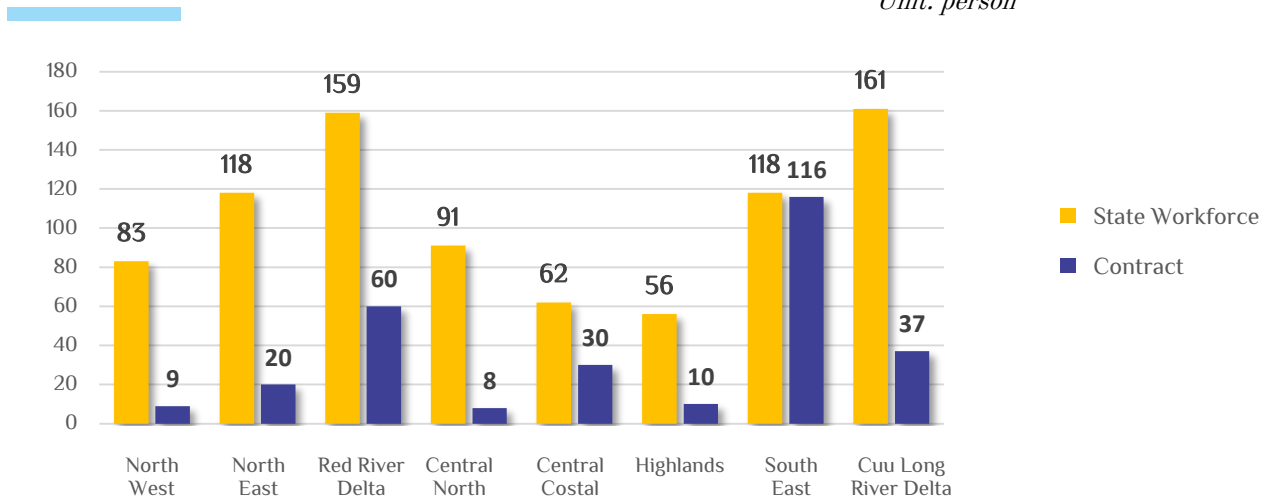
Total human resource in the whole system is 1,062 people, in which the number of cadres in the state workforce is 920 people (Vietnam Cooperative Alliance has 72 people, Provincial/City Cooperative Alliances have 848 people), the number of cadres and workers has university degree and post-graduate degrees is 1,473 people, accounting for 87.7 %; number of cadre trained in terms of political theory is 372 people, accounting for 22%.

Figure 13: Situation of workers, specialized and theoretical degree of staffs in Provincial/City Cooperative Alliances (2018)



Source: Organizational and Personnel Dept. Vietnam Cooperative Alliance (2019)

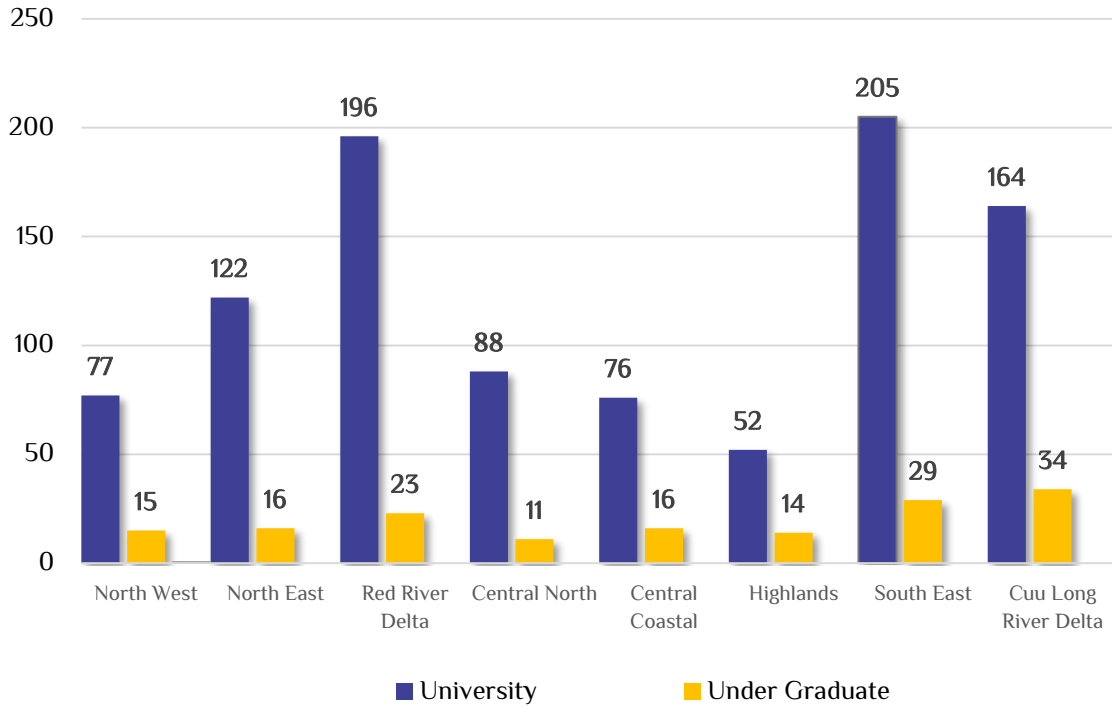
Figure 14: Workers in Provincial/City Cooperative Alliances classified by regions (2018)



Source: Organizational and Personnel Department, Vietnam Cooperative Alliance (2019)

Figure 15: Specialized degree of staffs in Provincial/City Cooperative Alliances, classified by regions (2018)

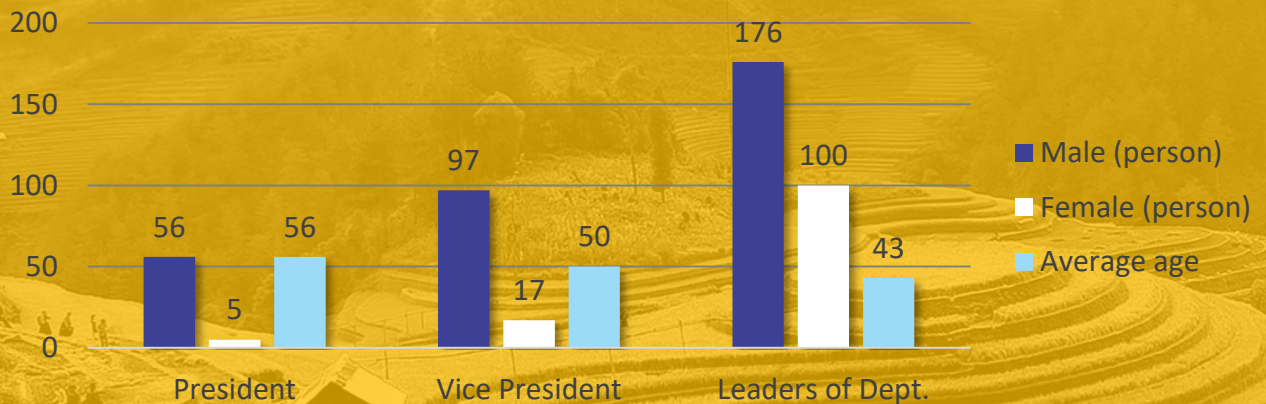
Unit: person



Source: Organizational and Personnel Department, Vietnam Cooperative Alliance (2019)

There are currently 61 presidents, of which 56 are male and 05 female (accounting for 8.1%), the average age is 56 years old in Cooperative Alliances of 63 provinces and cities. There are 114 vice presidents including 17 females (accounting for 15%), the average age is 50 years old. This shows that the leading cadres of provincial/city cooperative alliances are popularly at the old age.

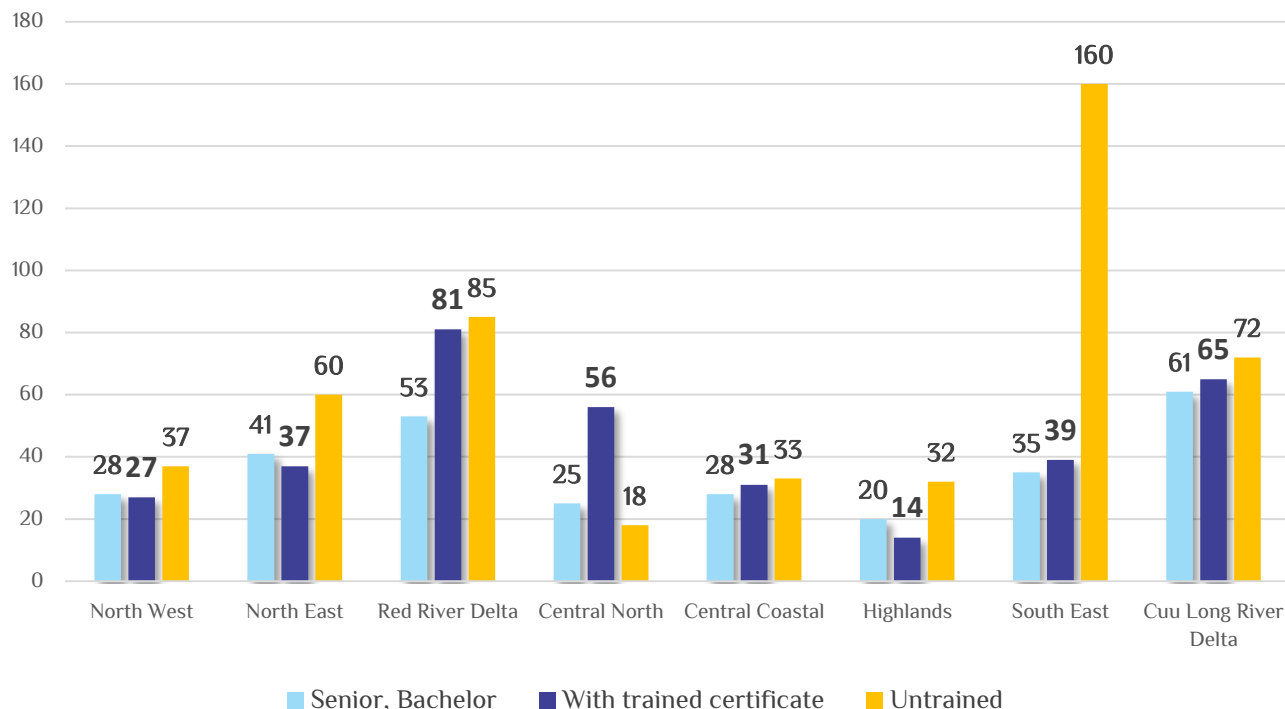
Figure 17: Number, gender, average of presidents, vice presidents and leaders of departments in Provincial/city Cooperative Alliances (2017)



Source: Organisational and Personnel Dpet., Vietnam Cooperative Alliance (2019)

Figure 16: Qualification of staffs in Provincial/City Cooperative Alliances classified by regions (2018)

Unit: person



Source: Organisational and Personnel Dept., Vietnam Cooperative Alliance (2019)

2.

EXPENDITURE SOURCES

Annually, Provincial/City Cooperative Alliances are allocated by the state budget according to the number of state workforce to ensure their operation, there are 46.0% of the provincial cooperative alliances granted budget norms equally to the state management departments. The percentage of cooperative alliances with annual state budget allocations, which is equal to the state management departments, classified by regions: 62.5% in the South East, 60% in the Red River Delta; 60.0% in the Central Highlands, 42.8% in the Northwest; Mekong River Delta: 41.2%; North East is 37.5%; Central North is 33.3%; Central South is 16.7%.

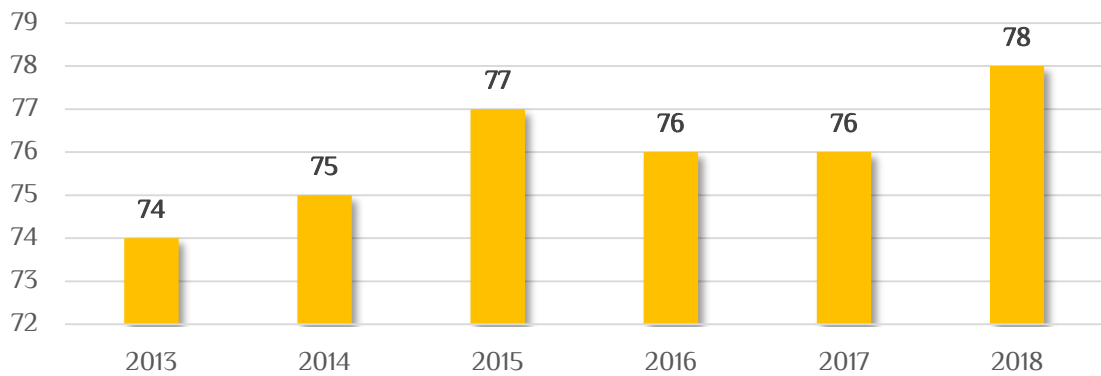
The total budget allocated to the Provincial/City Cooperative Alliances in 2018 is sufficient to meet the regular expenditure needs. Besides, the cooperative alliance system actively exploits the facilities under its management and at the same time reinforces the cooperation with international non-governmental organizations to mobilize funding resources supporting the operation of the system.

3. OPERATIONAL FACILITIES AND EQUIPMENT

Most of the provincial cooperative alliances are allocated land for the construction of working offices, some of which are located at the head offices of agencies, with 1 to 2 cars to serve joint activities and with other necessary equipment for their work.

Figure 18. Number of transportation means of Provincial/City Cooperative Alliances (2013 - 2018)

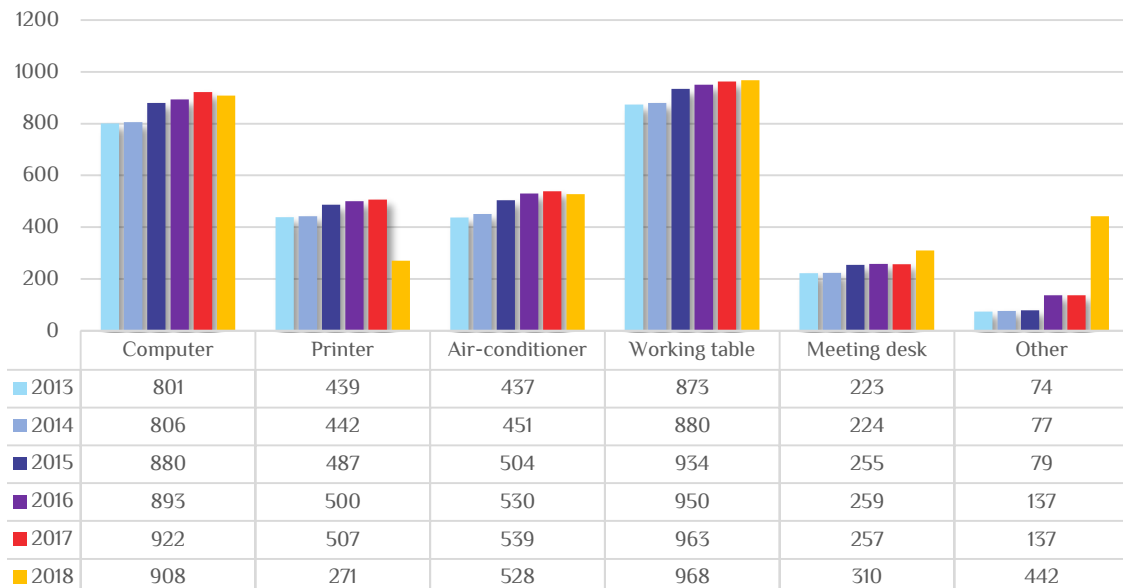
Unit: piece



Source: Organizational and Personnel Dept., Vietnam Cooperative Alliance (2019)

Figure 19: Working equipment of Provincial/City Cooperative Alliances (2017)

Unit: piece



Source: Organizational and Personnel Dept., Vietnam Cooperative Alliance (2019)

4.

FUND FOR COOPERATIVE DEVELOPMENT

Central Fund for Cooperative Development

The Fund for Cooperative Development has been operating since the end of 2007, with the legal capital of VND 450 billion currently. In 2018, the Fund has signed contracts providing loans to 23 projects (in the area of 16 provinces and cities), an increase of 35% compared to 2017; disbursed budgets for 16 projects with the estimated amount of VND 28.7 billion, an increase of 2.5% compared to 2017; the estimated outstanding loans are VND 99.1 billion, an increase of 2.4% compared to the end of 2017. Cooperatives borrow capitals for investing in technological innovation and product development, expanding the market, building new and typical cooperative models.

Local Fund for Cooperative Development

At present, there are 53 Provincial Funds for Cooperative Development, established in provinces and cities nationwide. In 2018, Funds for Cooperative Development of provinces and cities have provided loans for 1,234 cooperatives (an increase of 29% compared to 2017), 71 pre-cooperatives and 61,568 cooperative members with the sales of VND 2,029 billion.

Now there are 10 provinces and cities, which have not yet established funds for cooperative development or have not yet received a capital source from provinces to support cooperatives.

PART IV

MAIN ACTIVITIES OF VIETNAM COOPERATIVE ALLIANCE SYSTEM IN 2018





1.

To mobilize resources to build and implement a scheme to support and build cooperative models associated with the value chains in provinces and cities

Implementing the guidelines of the Party and the State in restructuring agriculture, rural areas, Party Committee, Executive Committee of Vietnam Cooperative Alliance have directed the issuance of Resolutions, Decisions, established **08 working groups** to build cooperative models associated with the value chains; assigned comrades in Standing Committee directly to direct the organization of the implementation on the basis of mobilizing resources from the state budget, combining from domestic and foreign economic organizations, associated members at the national level; this policy is also interested in leading, directing and coordinating by the provincial Party Committee, City Party Committee and People's Committee. Accordingly, initially the building of cooperative models associated with the value chains has achieved results, positively impacting, contributing to promoting the development of cooperatives; **140 cooperatives/63 provinces** and cities have been surveyed and **75 cooperatives** were selected to support; **30 training courses** have been organized for **1,509 learners** with total support cost of over **VND 17 billion**. Provincial cooperative alliances closely coordinate with affiliated units of the Vietnam Cooperative Alliance to build cooperative models associated with the value chains; Cooperatives associated with the value chains operate effectively and spread out, creating a good effect on the role and position of Vietnam Cooperative Alliance system.

2.

To promote the domestic and international propaganda, contributing to raising the awareness of society and the understanding of relevant international organizations on the development and role of the cooperative economy and cooperatives for the socio-economic development as well as the position and core role of Vietnam Cooperative Alliance system for the development of the cooperative economy and cooperatives

Vietnam Cooperative Alliance improves the capacity and quality of information and propaganda on the Web Portal and Business Times (updated **5,357 news, photos** on the Web Portal; **42 videos** were uploaded on the operation of the cooperative economic and cooperative sector and the operation of Vietnam Cooperative Alliance on Youtube channel and electronic information portal; developing and implementing the project on information technology modernization and high technology application, connecting information between cooperatives and cooperative federations with Vietnam Cooperative Alliance system); closely coordinate with central press agencies to produce programs on cooperative economy, cooperatives; organizing events, seminars, conferences and fairs to do well the propaganda; promote propaganda of advanced cooperative models, high-tech applications, production associated with the value chains effectively. Provincial and city cooperatives alliances will continue to publish collective economic news, upgrade electronic information portal, send policy and legal documents to cooperatives; organize **1,000 conferences**, trainings and propaganda on the cooperative economy and cooperatives (an increase of **44.3%** compared to 2017) for nearly **38,587 participants**.

3.

To effectively perform the function of representing and protecting legitimate rights and interests of cooperatives, cooperative federations and pre-cooperatives

Grasping the needs of cooperatives for providing advice, legal guidance, protecting legitimate rights and interests for cooperatives related to land and property disputes; focusing on improving the inspection and supervision skills for staff performing inspection work in the system, organizing **207 professional training courses** for over **10,000 officers**; coordinating with authorized agencies to handle **933 complaints and denunciations** of members about property, land and capital.

4.

To promote training activities, expand initially providing support services to improve the governance capacity of cooperatives

Using the state budget and domestic and international funding, the training schools of Vietnam Cooperative Alliance system have organized **100 training courses**, fostering cooperative management for 6,154 cooperative staffs (an increase of **45.3%** compared to 2017), vocational training for more than **2,000 students**; establishment of Trade Promotion and Investment Center, strengthening trade promotion, technology and legal advice for cooperatives; organizing cooperative fairs in Hanoi city with **400 stalls** and connecting supply and demand with **200 contracts**, which is worth of **VND 1,000 billion** of cooperative products signed for consumption; The Fund for cooperative development appraises and signs a credit contract of **VND 58 billion** to give loans to **23 projects** in **16 provinces and cities**. Provincial cooperative alliances organized specialized seminars to solve difficulties for cooperatives; organizing **543 training classes** for **29,033 officials**; supporting **103 cooperatives** and members to borrow money from the National Fund for job creation; Local Funds for Cooperative development have provided loans to **1,234 cooperatives** (an increase of **29%** compared to 2017), **71 pre-cooperatives**, **61,568 members** of cooperatives and pre-cooperatives with a loan turnover of **VND 2,029 billion**; promoting domestic and foreign trade for cooperatives.

5.

To perfect mechanisms and strengthen the cooperations with international cooperative federations, non-governmental organizations and cooperative organizations of other countries to propagate, learn experiences and exploit resources for the development of the cooperative economy, cooperatives

Vietnam Cooperative Alliance promulgates regulations on the international cooperation of Vietnam Cooperative Alliance system; issues the Annual Report 2017; exploits resources of GIZ, JICA, KOICA, FAO, ILO, UNDP, ...; expands cooperations with Asia-Pacific Cooperative Alliance, Federal Republic of Germany, South Korea, Japan, China, Malaysia, ...; organizes delegations to study experiences; supports international cooperation activities for provincial cooperative alliances. Provincial/City Cooperative Alliances promote cooperation activities with some international organizations such as International Labor Organization, Dutch Development Organization, Canadian Cooperative Organization, etc; organizes activities to support cooperative economy and cooperatives development in the locality.



6.

Provincial/City Cooperative Alliances continue to play a pivotal and important role in advising, supporting the establishment of new cooperatives and inspecting, supervising and handling arising problems in terms of the operation of cooperatives, cooperative federations and pre-cooperatives

To preside over propaganda, assigning staffs closely to the locality to mobilize the establishment of cooperatives associated with local key products; training human resources for cooperatives; coordinate with authorized state management agencies (district level) to provide legal advices, complete procedures for new registration of cooperatives according to regulations.



PART V

ORIENTATION OF OBJECTIVES, TASKS AND DEVELOPMENT SOLUTIONS

OF THE COOPERATIVE ECONOMY AND COOPERATIVES IN VIETNAM



1. ORIENTATION OF OBJECTIVES

To develop the cooperative economy, cooperatives fast, effectively and sustainably; pre-cooperatives, cooperative federations will develop, increase in the numbers, expand their scale, improve the operational efficiency; develop cooperatives in the fields of the life, socio-economy, focusing on developing agricultural cooperatives.

To build up a strong system of Vietnam Cooperative Alliance, continue to play a pivotal and important role in developing cooperative economy and cooperatives; improve the quality of human resources and financial capacity; strengthen the close linkage of the system in all activities, especially the provision of services for cooperatives; unify the organizational apparatus from central to local levels; improve the effectiveness and efficiency in direction and administration according to the provisions of the By-Law; ensuring timely and quality information and reporting; improve the material and spiritual life for officials, employees and workers.

2. DEVELOPMENT TARGETS FOR 2019

On cooperative economy, cooperatives development: There will be at least 7,000 pre-cooperatives, 2,500 cooperatives and 25 cooperative federations newly established. Compared to 2018, the Provincial and City Cooperative Alliances play a key role in establishing at least 20 cooperatives, 01 cooperative federation or more, effective cooperatives will reach 60% or more, the number of cooperative managers trained and retrained will increase by 10%, the number of cooperative members will increase by 8%, the income of cooperative members will increase by 10% or more; Vietnam Cooperative Alliance system will mobilize resources to support 100 cooperatives and establish 50 models of production cooperatives associated with the value chains.

On developing the system of Vietnam Cooperative Alliance: The number of member cooperatives of the Provincial and City Cooperative Alliances will increase by 20% compared to 2018, accounting for at least 80% of the total number of cooperatives of provinces and cities; 100% Provincial and City Cooperative Alliances have Fund for Cooperative Development; 100% Provincial and City Cooperative Alliances perform professional trainings, regulate information, report on time and quality; from 30 to 50% of the staffs in the system are entitled to participate in trainings, retrainings, focusing on professional trainings, supporting the establishment of production cooperative models associated with the value chains.

3.

MAJOR TASKS AND SOLUTIONS

1

Implementing well the key and important role of the cooperative economy cooperatives, improving the quality of the work of advising and developing guidelines and policies. Deploying assigned tasks to review 15 years of implementing the Central Resolution 5, IXth Session and preliminary review of 5 years of implementing Conclusion No. 102-KL / TW on the Public Association; proposing mechanisms and policies to effectively conduct the Action Program to implement Decision No. 461 / QD-TTg, Directive No. 12 / CT-TTg, and the Prime Minister's conclusion in the document No. 276 / TB-VPCP.

2

Implementing key and breakthrough solutions: Innovating consulting and establishing new cooperatives and cooperative federations; mobilizing resources to expand and improve the quality of trainings and retrainings for cooperative administrators, vocational trainings for members, fostering the staffs of the Vietnam Cooperative Alliance system; implementing trainings and retrainings in accordance with the needs and orders of the cooperatives; encouraging and supporting the establishment of cooperative federations as "tractors", supporting cooperatives to increase their scale and develop their production associated with the value chains; deploy trainings and retrainings for officials and employees of the system.

3

Expanding and improving the quality of supporting services according to the needs of cooperatives, cooperative federations and pre-cooperatives on credit capital, trade promotion, technology, legal advice, market information, focusing on production cooperatives associated with the value chains; allocating loan targets from Fund for Cooperative Development with a total capital of VND 450 billion for provinces and cities nationwide; strengthening cooperations and linkages with Cooperative Bank of Vietnam, Bank for Agriculture and Rural Development and enterprises processing and consuming agricultural products and goods.

4

Promoting the building of product models of cooperatives with the value chains in provinces and cities. Renovating mechanisms and processes, increasing budgets for supporting, training staffs to build value chains closely linked to enterprises providing inputs and outputs for cooperatives; strengthening supervision and evaluation of effectiveness and replication of the model.

5

Renovating and improving the effectiveness of the information, propaganda, the Party's guidelines, the State's laws and effective cooperative models, bringing many benefits to members. Coordinating with press agencies, organizing trainings for reporters on the cooperative economy and cooperatives; propagandizing creative start - ups under the cooperative model; diversifying measures and forms of propaganda domestically and internationally.

7

Continuing to improve the effectiveness of the information work in the system, ensure smooth, timely and accurate data and development situation of the cooperative economy, cooperatives. Developing and implementing the scheme on modernizing information technology, connecting cooperatives with the system of Vietnam Cooperative Alliance.

8

Promoting and enhancing the capacity of international relations to exploit resources for the cooperative economy, cooperatives development; successfully organizing the Legal Forum of the Asia-Pacific Cooperative Alliance; The 19th Conference of the Asian Farmer Organization; The Forum of Cooperative Economy and Cooperatives; strengthening collaborations with the Cooperative Alliances of other countries with large markets to promote trade, investment and technology for cooperatives.



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ĐẾN THĂM VÀ HỌI NHẬP VỚI LIÊN MINH HTX VIỆT NAM

ME NGUYEN NGOC BAO
PRESIDENT
VIETNAM COOPERATIVE
ALLIANCE (VCA)

Ông ARIEL GUARCO
CHỦ TỊCH
LIÊN MINH HTX QUỐC TẾ
(ICA)

Mr. GABRIEL LAFRERE





Motto of
action

“

**Solidarity,
Discipline,
Breakthrough,
Creativity,
Efficiency,”**



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