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**THE ROLE OF COOPERATIVES IN LOCAL DEVELOPMENT PLANNING:
CASE STUDIES OF TWO COOPERATIVES IN THE MUNICIPALITY OF NUEVA
VALENCIA, PROVINCE OF GUIMARAS, PHILIPPINES**

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Abstract:

In general, the study sought to explore alternative roles of cooperatives in local development planning, and their contributions to local development – specifically, contributions of cooperatives in areas of socio-economic development, and environmental management. The study also ought to determine the nature of the cooperatives' link, if any, to the local development planning process.

Case studies of two functional cooperatives were done: Nueva Valencia Multi-Purpose Cooperative, Inc. (NVMPCI), and Nueva Valencia Motorcycle Owners and Drivers Multi-Purpose Cooperative (NVMODMPC). Members and officials of NVMPCI, and NVMODMPC, the director of the Provincial Cooperative Office, the manager of the Guimaras Federation of Cooperatives, and the *Sangguniang Bayan* for cooperatives in the Municipality of Nueva Valencia were interviewed. Secondary sources of data included reports of general assemblies, schedule of activities and programs, minutes of board and committee meetings, and other cooperative-related documents.

The findings of the case studies showed that specifically, in the local development process, cooperatives have contributed:

- (a) socially – to capacity building of their members through conducting training in project planning and implementation, management skills, leadership, and livelihood skills such as repair services. Both cooperatives provide medical assistance to their members; in addition, NVMPCI provides financial assistance to *barangay* health workers for their honorarium, and serves as a conduit of the Save the Children Foundation (SCF) scholarship program for deserving pupils and students of the municipality. Both cooperatives undertake transportation services which ease the mobility of people as well as the transportation of produce from farm to markets.
- (b) economically – to employment generation, though specifically to their members. Cooperatives serve to reduce the unemployment rate in the municipality; augment household income through various activities including credit assistance (re-lending), savings and capital build-up, production loans, and NVMPCI's inventory financing; and provision of warehousing and rice milling facilities by NVMPCI which have helped reduce post-harvest losses of farmers within the community. Both cooperatives operate consumer stores which provide convenience in purchasing

basic commodities and production inputs. NVMODMPC operates gasoline, and motorcycle spare parts outlets which serves the needs of the community.

- (c) to environmental management – through their involvement in the clean and green programs of the provincial and municipal governments. Cooperatives members also participate in tree planting and coastal reforestation.

Despite the contributions of cooperatives to local development in the Province, they are not adequately linked to the development planning process. Rather, cooperatives compete for space in the one-fourth accreditation of NGOs and POs, which is determined by the responsible *Sanggunian* member, to the Local Development Council (LDC), which is tasked with the preparation of Local Development Plans.

The ability of cooperatives to contribute in the socio-economic development and environmental management of the province and the municipality indicates their capacity to be able to play alternative role in the planning process either as members, implementers, or a lobby group.

The institutionalization of the Provincial Cooperatives Development Council (PCDC) and the Municipal Cooperatives Development Councils (MCDCs), and cooperatives' contributions in the local development process underscores the need for them to be represented directly in the LDC both at the provincial and municipal levels. As members of the LDC, cooperatives will be able to contribute in the identification of problems, local resource mobilization and utilization, local knowledge and skills, and prioritization of felt needs of their members who are a cross-section of the community.

The study recommends that cooperatives be made members of the LDC in their capacity and given one-fourth (1/4) representation in the LDCs. This representation should be taken from the three-fourths (3/4) representation of the Local Government Units (LGUs). This is to ensure a balanced representation in the LDC in order to allow a bottom-up participation in the local development planning process.