



“Strengthening Resilience: The Role of Agricultural Cooperatives in Navigating Economic and Environmental Challenges in the EU”.

10 October 2024,
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Euroopa Maaelu Arengu
Põllumajandusfond:
Euroopa investeringud
maapiirkondadesse

 **cogeca**
european agri-cooperatives

Cogeca: The voice of European agri-cooperatives



Mission

To ensure a viable, innovative, competitive EU agriculture and agri-food sector guaranteeing food security to half a billion people throughout Europe.



Objective

Promoting the view of European agri-cooperatives to **influence** the EU decision-making process.

Number of agri-cooperatives across the EU



Number of farmer-members and employees of cooperatives



Number of farmer members Key data - 2019

Austria 1.372.856
Estonia 2.036
Finland 125.000
France 400.000
Germany 1.452.000*
Hungary 4.000
Ireland 143.741
Italy 742.078
Latvia 4.846
Malta 4.000
Portugal 300.000
Slovenia 13.082
Spain 1.150.341
Sweden 160.350
UK 143.000

*Including non active members

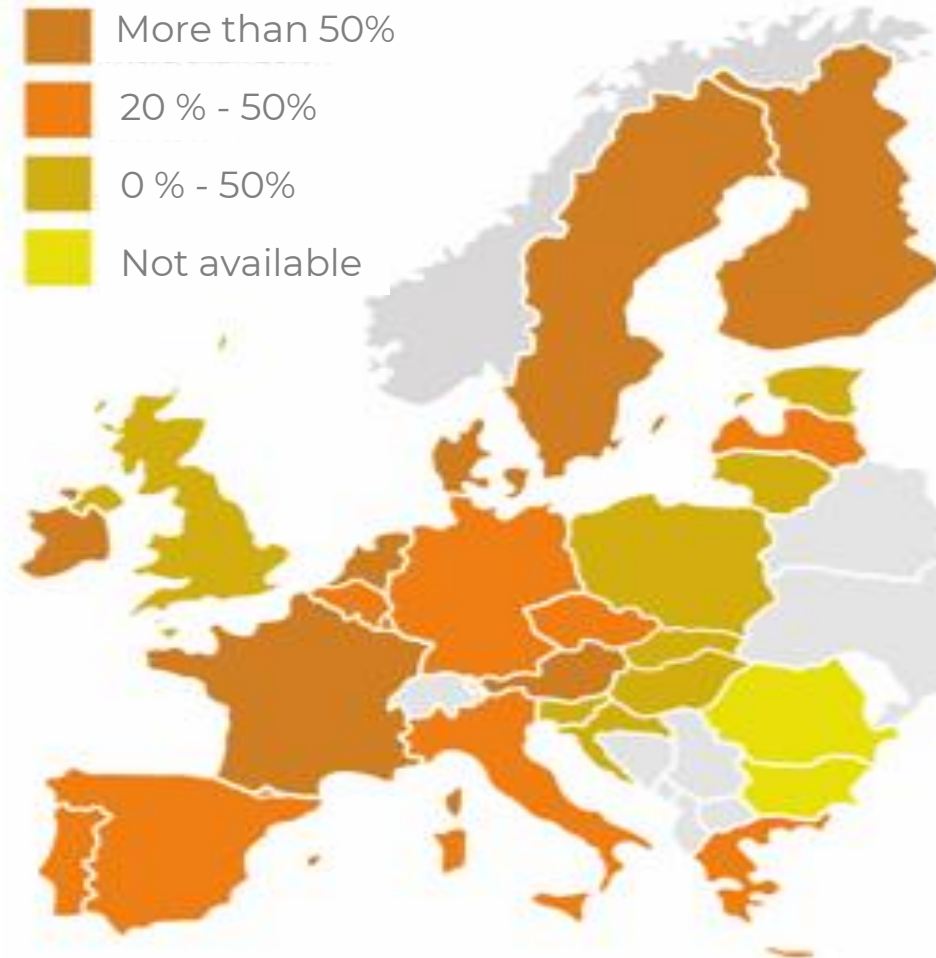


Level of employment given by agricoops Key data - 2019

Austria 26.665
Croatia 2.581
Finland 26.130
France 195.000
Germany 107.478
Hungary 520
Ireland 14.565
Italy 91.584
Portugal 9.000
Slovenia 2.595
Spain 100.883

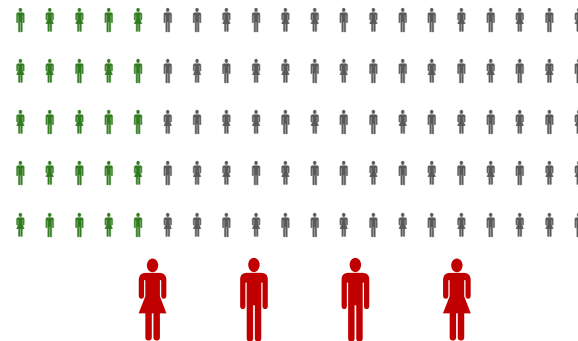


Market share of cooperatives across the EU



The EU agri-food value chain and the importance of farmer cooperatives

- * 10 million small and fragmented **agricultural holdings**
- * A few large **manufacturers and retailers** dominate the market
- * Horizontal cooperation between farmers can help balance the economic asymmetry within the Food Supply Chain, leading to better market access, greater contractual leverage, and more efficient production



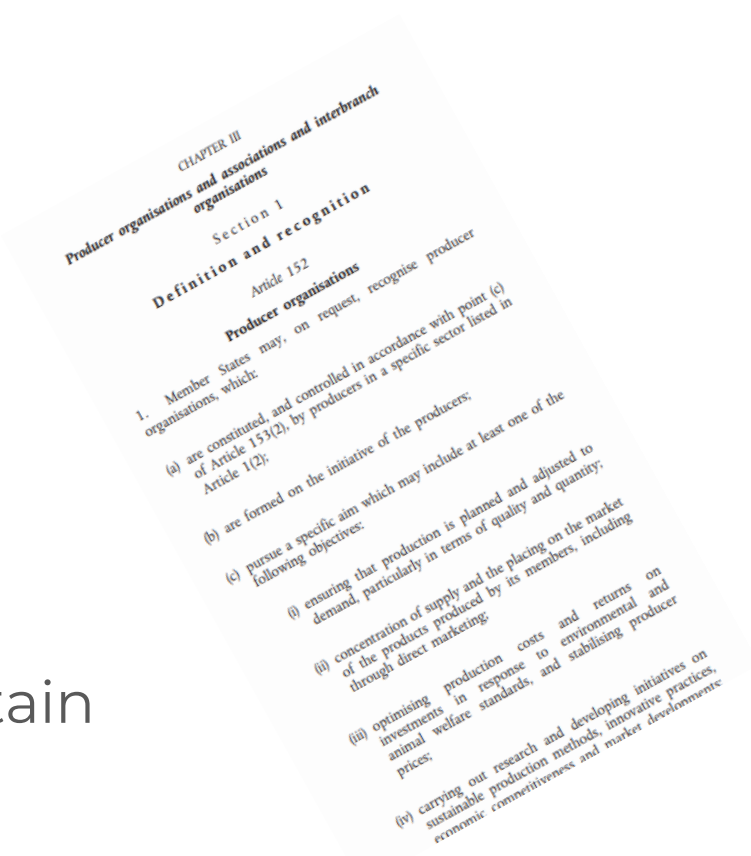
The importance of farmers cooperation is recognised by the CAP

* The CMO Regulation (Art. 152) foresees the possibility for Member States (MSs) to recognise POs that:

- * are formed by producers
- * follow democratic principles
- * carry out joint activities
- * pursue certain objectives

* Certain recognised POs can receive financial support through EU funds (rural development, operational programmes)

* Recognised POs can also benefit from certain derogations from EU competition rules



Policy priorities at EU level and effects on the agri-food sector: the sustainability challenge



Agri-food cooperatives: a tool to holistically address the three pillars of sustainability:



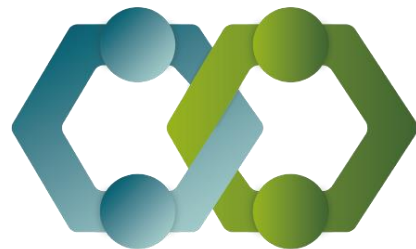
“ Our agri-cooperatives have built resilient business models that allow our enterprises to prosper and grow.

Driven by their values, our agri-coops aim at creating sustainable value for their farmer-owners, their employees, the customers & consumers, the environment and, more importantly the rural communities where they operate”



Role of agri-coopératives in meeting the 17 Sustainable Development Goals (SDGs) of the UN

- * European agri-food co-operatives have built resilient business models that enable the business and its farmers to prosper and grow.
- * Agricultural co-operatives always strive to create sustainable value for all their stakeholders: their farmer members, their employees, consumers and business partners, and most importantly, the environment and communities in which they operate.



5th EUROPEAN AWARD FOR
COOPERATIVE INNOVATION



The climate ambitions of EU agri-cooperatives

- * Reduce the net emissions of their activities to contribute to the objective of reducing GHG emissions by 55 % of emissions in the EU food chain through a scientific approach

Some measures being taken:



Implementing actions/pathways to reduce emissions



Reducing energy use and consumption through technologies (electrification, use of renewable energies, heating and cooling).



Improving the efficiency of logistics (promoting smart logistics, short supply chains)



Applying sustainable solutions based on the bio-economy while contributing to a circular economy



Improve water use efficiency (water management practices, wastewater quality, water recovery and reuse, etc.).



Reduce food losses and waste.



Opportunities for agri-cooperatives

Consider how the cooperative business model already deals with certain externalities by virtue of its **“coop DNA”** and how this might be “truly accounted” for.

Consider how cooperatives can address externalities in their value chains, reducing/mitigating negative ones and leveraging positive externalities



Strategies for internalising the externalities of agri-cooperatives

Circular Economy

Green-innovation

Conservation
Agriculture

Multifunctional
products/service

Eco-innovation

1) Product and
process innovation
within the value
chain

Collaboration and
networks

Short food supply
chains and local
markets

Community
supported
agriculture

Sharing economy

Cooperatives
Social enterprises

Integration

2) Re-arranging the
value chain/legal
form

Sustainability
assessment tools

Monetization
and accounting
tools

Certification

Corporate social
responsibility*

3) Measurement
and accreditation
tools

4) Consumers
/market
recognition

Financing and
investment

5) Innovative
financing



Concrete examples of what our agri-cooperatives are already doing for sustainability

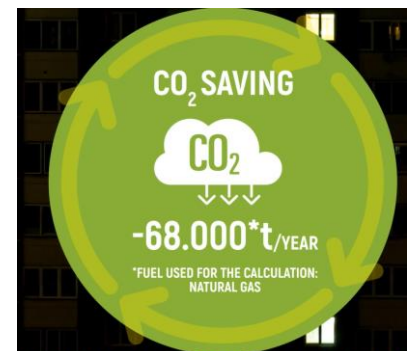




(Italy)

- * Founded in 1966, Caviro has become Italy's largest wine cooperative and leading wine exporter.
- * Investment of €100 million to create a circular economy model, reducing the use of raw materials and energy

- * 560,000 tonnes of natural ingredients. Nothing is wasted, everything is transformed. Only 0.66% is waste for disposal.
- * Waste becomes new raw materials: biomethane, bioethanol, natural fertilisers.
- * Caviro contributes to sustainable mobility and transport: one lorryload of agri-food waste fuels one car for 1 year of use. The plants produce enough biomethane to power 18,000 cars.
- * The cooperative is now completely self-sufficient in energy.
- * Significant reduction in emissions from its own activities.
- * An additional source of income for member farmers

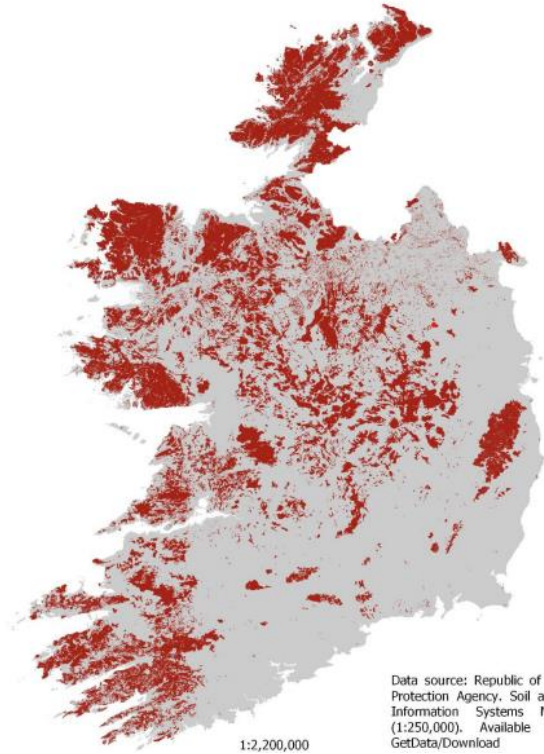


Hemp Cooperative (Ireland)

- Hemp, with its carbon sequestration properties and 5,000 uses, is set to become an important element in the development of a true bio-economy for Ireland.
- Hemp and flax are crops that have the potential to revive Ireland's rural peatlands while boosting the local economy, sequestering carbon dioxide and building a local industry based on fibre crops.
- In addition, growing hemp and flax on peatlands can support the growth of Ireland's bio-economy by providing the biomass needed to reduce dependence on fossil-based products, while creating new sources of income for farmers, securing their future.



Hemp Cooperative Ireland was established in 2018 and today has **200 members**



Data source: Republic of Ireland Environmental Protection Agency, Soil and subsoils; Irish Soil Information Systems National Geodatabase (1:250,000). Available at <https://gis.epa.ie/GetData/Download>

Peat soils cover 20% of Ireland.

As in many parts of Europe, habitats are one of the main environmental challenges in rural areas.

Recognition of the role of agri-cooperatives in sustainable rural development

13 Dec.
2022

European Parliament Resolution of 13 December 2022 on a long-term vision for the EU's rural areas

“Recognises the importance of supporting cooperation initiatives in agriculture and the social economy as a tool for rural development; **draws attention to the role of agri-food cooperatives in the environmental, economic and social sustainability of rural areas, adding value to products, creating employment and diversifying the local economy**; urges the Commission and the Member States to encourage and promote cooperatives in rural areas”

20 Nov.
2023

Council Conclusions of 20 November 2023 on a Long-Term Vision for the EU's Rural Areas

- “**RECOGNISES the important role of cooperatives as contributors to the environmental, economic, and social sustainability of rural areas, providing work opportunities, and keeping rural areas alive and populated**”



Current priorities for Cogeca

-longer-term

Sustainability – agri-coops are committed to a more sustainable sector and community; they are investing in innovation and creating new business models to deliver on the global climate challenges, while creating additional revenue streams.



Growth strategies – including through mergers and internationalization of cooperatives



Generational renewal - European cooperatives have a key role to play in fostering the economic and social integration of young farmers in the sector and in their governance structures





Thank you for your attention!

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