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agricultural cooperative"**

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Contents

1. INTRODUCTION	4
2. IMPACT ON THE FARMER	6
• Provide better marketing and remuneration opportunities	6
• Providing security	6
• Training and support	7
• Creating and maintaining social ties	7
• Supporting young farmers and investing in generational renewal	8
3. IMPACT ON CHANGES IN FARMING PRACTICES	10
4. IMPACT ON FLORA AND FAUNA	12
• Preserving biodiversity	12
• Contributing to animal welfare	12
• Protecting the environment throughout the supply chain	13
5. IMPACT ON PEOPLE	13
• Apply cooperative principles - democracy, equity, openness	13
• Offering safe, high-quality food	14
• Closer links between producers and consumers	16
• Bringing meaning to the consumer	16
6. IMPACT ON THE REGION	17
• Maintaining activity in the region	17
• Relocating production within the region	18
• Getting involved in the community	19
• Revitalizing rural areas	20
• Protecting the region's identity, history and traditions	20
• Stimulating the region from a socio-economic point of view	20
7. IMPACT ON THE INDUSTRY	21
• Structuring the industry while limiting risks	21
• Developing new industries	21
• Ensuring traceability from farm to fork	23
• Cooperating for the good of the industry	23
• Gathering around a federation - <i>La Coopération Agricole</i> - to act together	24
8. THE IMPORTANCE OF GOOD GOVERNANCE FOR THE POSITIVE IMPACT OF AGRICULTURAL COOPERATIVES	26
9. FORMER AUX FONDAMENTAUX DE LA COOPERATION : GUIDE D'UTILISATION DE LA FORMATION	28
• Part 1: The cooperative model	30
• Part 2: Rights and duties of cooperative members	42
• Part 3: Cooperative governance	52
• Part 4: Information obligations	66
• Part 5: Administrators' responsibilities	67
• Part 6: Introduction to strategy	68
REFERENCES	86

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1. INTRODUCTION

"A cooperative is an autonomous association of persons united voluntarily to meet their common economic, social and cultural needs and aspirations through a jointly-owned and democratically-controlled enterprise" (International Cooperative Alliance, 1995). Cooperatives are based on shared values of mutual aid, responsibility, democracy, equality, equity and solidarity (International Cooperative Alliance, 1995). They are governed by seven principles known as the "cooperative principles" (International Cooperative Alliance, 1995):

1. Voluntary and open membership: membership of a cooperative is a voluntary act open to anyone who can use the cooperative's services, and the cooperative cannot discriminate against anyone on grounds of gender, social status or religion for instance.
2. Democratic member control: cooperatives are democratically managed by their members. In primary cooperatives, we find the principle of "one person, one vote" and management by a board of directors elected at a general meeting (representative democracy).
3. Member economic participation: each member must contribute to the cooperative's share capital in proportion to its activity with the cooperative.
4. Autonomy and independence: even if the cooperative enters into partnerships with other entities, the members must always be able to exercise democratic control over the cooperative in an autonomous manner.
5. Education, training and information: cooperatives are committed to educating both their members and employees, as well as the general public, to ensure the smooth running of the cooperative.
6. Cooperation among cooperatives: by cooperating, cooperatives strengthen the movement at different levels (local, national, regional and international).
7. Concern for community: cooperatives are committed to the sustainable development of their communities, while respecting the strategic decisions of their members.

In addition to these principles, cooperatives are acapitalist enterprises, and this characteristic is reflected in their practice of distributing annual surplus. In fact, the cooperative's annual surplus is distributed in the form of dividends to members (in proportion to their activity with the cooperative), interest on shares is limited, and cooperatives are obliged to set up reserves that cannot be shared between cooperative members (La Coopération Agricole, 2020a).

Among the various existing cooperative families (e.g. cooperative banks, user cooperatives), there are agricultural cooperatives. In this case, cooperative members are farmers. The French Rural and Maritime Fishing Code (Code rural et de la pêche maritime) defines agricultural cooperatives as societies whose purpose is "the common use by farmers of all means likely to facilitate or develop their economic activity, or to improve or increase the results of this activity". Thus, the *raison d'être* of a cooperative is centered on providing a service to its members in their activities. Nevertheless, the impact of agricultural cooperatives is not limited exclusively to their purpose. In fact, the positive externalities arising from the actions of agricultural cooperatives are diverse, affecting a variety of subjects and multiple stakeholders. This phenomenon is conditioned by good cooperative governance practices, and these are acquired through the training of cooperative members (echoing the fifth cooperative principle of education, training and information). So, in the first part of this paper, we will look successively at the positive impacts of agricultural cooperatives on society through their actions and principles. Secondly, in order to expand the positive impact of agricultural cooperatives through member education, we propose a training tool on the fundamentals of cooperation in the form of a diaporama (attached to this document and named *Appendix 1 - Toolbox "The organization, operation and governance of the agricultural cooperative"*), whose pedagogical user guide is available within this document (see Part 9).

2. IMPACT ON THE FARMER

The purpose of an agricultural cooperative is to help its member farmers in their activities, so it seems logical that all the actions of agricultural cooperatives should converge in this direction. They make it possible to maintain a farmer's trade, even if he or she is not in an advantageous market situation (e.g. a small farm in the high mountains, where collection is difficult).

- **Provide better marketing and remuneration opportunities**

Through mutualization, agricultural cooperatives offer opportunities to add value to cooperators' production, increase sales and consequently improve the remuneration and quality of life of farmer-cooperators. For example, *Cavac* (a multi-purpose cooperative) has developed an e-commerce site called *Terre de Viande* that reaches an urban population more inclined to home delivery of local products (La Coopération Agricole, 2016b). *Cofruid'oc* (a fruit and vegetable cooperative), thanks to its initiative to revalue downgraded apples via a new range, enables cooperative members to receive better remuneration. Indeed, apples that do not meet the criteria of the fresh produce market are devalued and sold below their production costs. By creating a range sold at their use-value price, the cooperative enables farmers to be better remunerated by their production (La Coopération Agricole, 2015). Without the cooperative, farmers would not have access to these opportunities.

- **Providing security**

Agricultural cooperatives also provide farmers with security in a number of areas, including conversion to more sustainable farming practices, which is an important issue for all producers. For example, *Cavac's Agri-Éthique* label, accessible to all agricultural cooperatives, enables farmers to change their practices towards more sustainable agriculture, while guaranteeing a secure price for the duration of the contract (often three years) (Agri-Éthique).

Focus : *Agri-Éthique* label



The result of a sustainable contract set up by the *Cavac* cooperative, this label was created in 2013 to "guarantee a remunerative price for farmers, preserve local employment as well as act for the environment and animal welfare". Compliance with the label's specifications and requirements is checked annually by a third-party organization, and a control committee meets several times a year.

Today, the *Agri-Ethique* label represents 1,692 farms, 53 supply chains, 44 manufacturers and 42 consumer brand partners, accounting for 56% of sales of French fair trade products.

(Source : <https://www.agriethique.fr/le-label/>)

(Source : <https://www.coop-cavac.fr/>)

- **Training and support**

According to the fifth principle of education, training and information, agricultural cooperatives provide farmers with additional knowledge, making them more effective in their trade and in their role within the cooperative. To illustrate this principle, *Cavac*, for example, has trained some of its members to become beekeepers, giving them access to new skills (particularly with a view to preserving biodiversity) and diversifying their activities (La Coopération Agricole, 2023a). This project came about at the request of cooperative members, which reflects another positive impact of agricultural cooperatives for farmers: belonging to its members, the cooperative supports them in their projects. In fact, *Cavac* not only trained farmers who wished to take part, but also supported their project by collecting and selling its members' honey (La Coopération Agricole, 2023a).

- **Creating and maintaining social ties**

Agricultural cooperatives also have an impact on the man behind the farmer. Agricultural malaise is a worrying subject, especially since, according to the MSA (2021), "insured farmers have a higher risk of death by suicide than the general population". Agricultural cooperatives are helping to reduce this malaise, first and foremost by (re)creating social links between farmers, who are sometimes isolated by their workloads, vast spaces and the loss of dynamism in rural areas. In addition, initiatives such as the *Réseau Agri-sentinelles*, initiated by the *Allice* cooperative union, demonstrate the role played by agricultural cooperatives in this issue (La Coopération Agricole, 2021a). Here, technicians in contact with farmers are trained to spot signs of malaise, sound the alarm and take action.

- **Supporting young farmers and investing in generational renewal**

Today, one of the crucial issues in the world of agriculture is that of generational renewal. Indeed, the number of farmers setting up in business has been falling steadily for several years (MSA, 2022). This issue concerns all regions and sectors. Agricultural cooperatives are also concerned by this phenomenon, and in some cases doubly so, as they must help not only to renew the generations as a whole, but also to renew the new generations of cooperators. As a result, they are strongly committed to young farmers and are implementing actions to encourage installation: three out of four cooperatives declare that they are implementing specific support actions aimed at new cooperators and/or young people setting up in business (La Coopération Agricole, 2019e). The support provided by agricultural cooperatives takes many forms, including financial support, technical support, administrative assistance and assistance with production rights and land management (La Coopération Agricole, 2016a; La Coopération Agricole, 2019e). Thanks to the mutualization of resources, agricultural cooperatives can also offer guaranteed remuneration. Indeed, for products where the time between delivery to the cooperative and marketing to consumers is long (such as wine or beet), cooperatives, by paying advances potentially as soon as the product is delivered, enable young farmers to make a living from their production before the first sale. By being important and recognized players in the supply chain, agricultural cooperatives offer young farmers

commercial outlets (La Coopération Agricole, 2016a). Moreover, thanks to their network, they can put in place actions to bring transferors and transferees together, which can even lead to mentoring between the two individuals (La Coopération Agricole, 2016a). Agricultural cooperatives' support for business establishment can also take the form of actions with less connection to the world of agriculture. For example, *Ferme de Figeac* also helps the spouses of new arrivals, which facilitates establishment (La Coopération Agricole, 2020c). *Sodiaal* has launched a brand called *Candia aide les jeunes agriculteurs* (Candia helps young farmers) where, for the purchase of a carton of this milk, a sum of money is paid to help young farmers set up in business (Candia). Lastly, initiatives such as those of *Cyrhio* (a pork cooperative) work with young people. Cooperators go to agricultural high schools to give technical courses on animal welfare (La Coopération Agricole, 2021a). In this way, they encourage vocations and are more attuned to the desires of the younger generation, enabling them to adapt. This partnership between the agricultural high school and the cooperative has already led to the installation of breeders and increased the number of apprentices in the pork industry at the high school (La Coopération Agricole, 2021a).

Focus : *Candia aide les jeunes agriculteurs's* milk



The *Candia* brand belonging to the *Sodiaal* cooperative has launched a *Candia aide les jeunes agriculteurs* milk carton (Candia helps young farmers). For the purchase of one liter of milk, five cents are donated to a solidarity fund to help young farmers set up in business. This fund gives young farmers access to training, technical and material assistance, as well as cash-flow support in the event of milk prices falling below a certain threshold. Thanks to this initiative, *Sodiaal* helps 200 young farmers a year to establish themselves within the cooperative, thus contributing to the renewal of generations.

In addition, this initiative helps to ensure the long-term future of the industry, maintain jobs and the dynamism of the region, while enabling projects to be launched that promote the well-being of farmers.

(Source : <https://www.candia.fr/jeunes-agriculteurs/>)

(Source : <https://sodiaal.coop/>)

3. IMPACT ON CHANGES IN FARMING PRACTICES

Among all the constraints facing farmers, the need to change production methods and farming practices stands out. Indeed, between environmental urgency and consumer demand, it is essential that they evolve. As a group of people, agricultural cooperatives can have an impact on farming practices. The *Vignerons de Landerrouat-Duras-Cazaugitat-Langoiran* (a wine cooperative) illustrate this effect through their approach. Working via several think tanks on agroecological topics and issues, cooperators share their mutual experiences, talking about their successes as well as their mistakes (La Coopération Agricole, 2019a). This transfer of knowledge improves everyone's techniques and encourages the learning of best practices, and consequently the transition to more responsible agriculture. For example, specific grape varieties have been planted to reduce the use of phytosanitary products, with a view to eventually switching to organic farming (La Coopération Agricole, 2019a). In addition, agricultural cooperatives act as intermediaries between the farmers to whom they belong and other industry players. In this way, agricultural cooperatives facilitate the bringing together of players and the setting up of projects. The *Oxyane* cooperative highlights this competence of agricultural cooperatives through its *PrioriTerre* association. *PrioriTerre* brings together players in the agricultural sector to carry out projects "in favor of healthy, local and environmentally-friendly agriculture" (PrioriTerre). Farmers with projects propose them to the association, which then puts them in touch with other players willing to finance them. In this way, the nature and

operation of agricultural cooperatives enable farming practices to evolve and, ultimately, improve their impact on the environment.

Focus : *PrioriTerre* Association



PrioriTerre is an association launched by the *Oxyane* cooperative in 2021. The aim of this association is to bring together players in the agri-food sector to support the transformation of agriculture. Farmers propose their projects in line with this approach, and the association helps finance them by finding players ready to get

involved and sharing the same convictions. The association has six colleges: Farmers, Craftsmen and/or Manufacturers, Consumer Associations, Partners, Companies and/or Organizations and Marketers. These players, concerned by the issues at stake, are committed to controlled and certified specifications that ensure traceability and quality. They are also involved in financing projects proposed by farmers. The actions are structured around different themes, such as pollinator protection, conversion to organic farming or regenerative agriculture. In the case of the latter, for example, the aim is to set up twelve experimental areas where the use of phytosanitary products is reduced during crop rotations.

To date, *PrioriTerre* has contributed €5,240 to farmers and €2,5851 to experimental farming.

(Source : <https://www.priori-terre.fr/>)

(Source : <https://www.groupe-oxyane.fr/>)

4. IMPACT ON FLORA AND FAUNA

- **Preserving biodiversity**

Agriculture is a sector that affects people, animals and the environment. Agricultural cooperatives are businesses which, by adopting the best practices they promote, have a positive impact on their environment. First and foremost, agricultural cooperatives work to preserve biodiversity, both animal and plant. For example, by preserving the diversity of grape varieties, as the *Vinovalie* cooperative does, or by campaigning for the creation of Protected Geographical Indications, as the *Agnellu e caprettu di Corsica* cooperative does for Corsican goats (La Coopération Agricole, 2023a).

- **Contributing to animal welfare**

As well as having an impact on farmers' well-being, agricultural cooperatives are taking initiatives that improve animal welfare. For example, the *Terrena* cooperative has created an application - *Tibena* - which is a decision-making tool concerning animal welfare in livestock farming (La Coopération Agricole, 2021a). Initially intended for cooperative members, this application is now being used by other stakeholders in the sector, such as agricultural students and organizations involved in the industry.

Focus : *Tibena* Application



In 2015, the *Terrena* cooperative developed a reflection around the measurement of animal welfare that would take into account the means put in place but also the direct consequences on the animals.

The result is a smartphone application called *Tibena* that measures animal welfare using 80 indicators, with a view to improvement and progress rather than punishment. The

assessment is carried out jointly with the technician, in a quicker and simpler way. The application is designed to evolve as farmers' skills also improve.

Initially developed for pig farms, the application is now being extended to other types of farming, such as poultry, as part of the cooperative's overall sustainable approach.

(Source : <https://solutions.lacooperationagricole.coop/action/terrena-une-appli-pour-soigner-les-animaux>)

(Source : <https://www.terrena.fr/>)

- **Protecting the environment throughout the supply chain**

When it comes to preserving the environment, agricultural cooperatives play a strategic role thanks to their position. Indeed, they are players with links both upstream and downstream. Agricultural cooperatives can supply inputs for agricultural production, collect production from members, sell and process this production, and market it to professionals (e.g. building materials) or private individuals (e.g. supermarkets). In this way, by controlling upstream practices, agricultural cooperatives help to reduce the environmental impact of both their own activities and those of other stakeholders, such as consumers. For example, *Novial* (a subsidiary of the cereals cooperative *Noriap*), by training its drivers in eco-driving and sourcing its raw materials locally, reduces its environmental impact and that of those who will buy its products (La Coopération Agricole, 2020c). Another telling example is that of the *Candia* brand (part of the *Sodiaal* dairy cooperative): by offering milk in innovative, low-carbon packaging, the cooperative reduces its carbon emissions during production, those due to consumption and those linked to packaging recycling (La Coopération Agricole, 2020c). This initiative takes into account the entire product life cycle.

5. IMPACT ON PEOPLE

- **Apply cooperative principles - democracy, equity, openness**

Thanks to their values and principles, agricultural cooperatives play a role in preserving equity and equality between the sexes. Indeed, the first principle of cooperatives is voluntary and open membership, which means that no one can be discriminated against on the basis of gender or social status. To further underpin these principles, some cooperatives help cooperators acquire the necessary share capital (by staggering payment, for example), or encourage women to join boards of directors, as in the case of the *Coopérative de la Vallée de la Siagne et de la Vallée dorée* (La Coopération Agricole, 2020c). Equity and democracy are also preserved thanks to the cooperative principles and statutes of agricultural cooperatives (cf. second principle), and this is reflected in their practices. For example, the remuneration of member-cooperators is fair and transparent: dividends are proportional to the activity carried out with the cooperative, and remuneration differentiations according to quality are known, written down and accessible to all. To preserve this democratic governance, cooperatives are required to hold an ordinary annual general assembly, at which the members of the cooperative vote on decisions. Certain decisions, such as changes to the statutes, require a vote at an extraordinary general assembly, thus affirming the latter's sovereign role. These examples put the cooperative principles into practice.

- **Offering safe, high-quality food**

Agricultural cooperatives play an important role in feeding people. In fact, they account for 40% of French agri-food sales, and own one in three food brands (La Coopération Agricole, 2022c). So, by offering quality, traceable products, agricultural cooperatives are improving people's diets. This is reflected first and foremost in the products farmers use. For example, *Le Gouessant* (a multi-purpose cooperative), by using co-products from human food to feed the cooperators' animals, it provides additional quality for the end consumer (La Coopération Agricole, 2015). In addition, through leading brands, agricultural cooperatives can improve the nutritional quality of people's diets by modifying the composition of their products. This is the case of the *Limagrain* cooperative (a cereal cooperative), which, through its *Savane* brand, the leader among children, is committed to improving nutrition, for example by reducing the sugar

content of its products and reworking its nutri-score (La Coopération Agricole, 2020c). What's more, agricultural cooperatives bring quality food to people through product safety and traceability, since they often control both the production and processing stages. This is reflected, for example, in the large number of signs of origin and quality that cooperative products possess (La Coopération Agricole, 2022a). Over and above the quality food that agricultural cooperatives offer, they also act on people's behalf by making this quality food available to as many people as possible. In fact, since agricultural cooperatives can handle everything from collection and processing to marketing their products (through a distributor or directly with their own stores), they reduce the costs charged to products, which in turn reduces prices and makes the product more accessible and affordable.

Focus : *Jacquet Brossard's* commitments



As part of its socially responsible approach, the *Limagrain* cooperative, via its *Jacquet* and *Brossard* brands, is innovating to improve its products with the aim of offering consumers quality food. By working on sugar, salt and fiber content, these brands have improved the nutritional profile of their products. In 2016, for example, they launched a range of sandwich breads with no added sugar. In addition, these brands also want to get closer to consumers and their expectations by limiting the use of controversial ingredients in their products, such as palm oil. Finally, they are committed to informing and educating consumers, with a view to improving their eating habits. For example, they have affixed the nutri-score to all their products and highlighted dietary recommendations on packaging.

(Source : <https://www.jacquetbrossard.com/nos-engagements/>)

(Source : <https://www.limagrain.com/>)

- **Closer links between producers and consumers**

Agricultural cooperatives have an impact not only on people and their food, but also on people as consumers. Indeed, by being in direct contact with consumers (via their products, their staff or their packaging), agricultural cooperatives can initially respond better and faster to consumer expectations. For example, *La Coopérative laitière de la région Lochoise* has introduced a direct sales store in its factories and administrative premises in order to get immediate customer feedback on their products in the same way as a consumer panel (La Coopération Agricole, 2016b). Secondly, agricultural cooperatives can play an educational role with consumers. The *Eureden* cooperative, with its *D'Aucy* brand, uses its packaging to raise awareness of the issues involved in converting farmers to more sustainable modes of production, while indicating that part of the price paid will be donated to conversion aid (La Coopération Agricole, 2021b). Acting as a link between farmer and consumer, and knowing what is at stake for both, agricultural cooperatives can best inform consumers about the issues facing the farming world. To illustrate this point, we can again cite the previous initiative by *Cofruid'oc*, which, by creating a new range from downgraded apples, shows consumers the reality of agricultural produce. This breaks down the image of perfection that is often promoted, and should in the long term limit consumer food waste.

- **Bringing meaning to the consumer**

For consumers, buying a product from an agricultural cooperative is not without significance. Indeed, consumers associate cooperatives with three dimensions: proximity, agriculture and the collective (Faure-Ferlet *et al.*, 2017). This representation of cooperatives is based on clichés, as consumers are unfamiliar with the reality of agricultural cooperatives: they perceive them as unable to produce industrial and processed products, and imagine them more as small structures producing artisanal products (Faure-Ferlet *et al.*, 2017). However, agricultural cooperatives can form large cooperative groups with several subsidiaries and offer industrial products (e.g. the *Agrial* cooperative, which offers breaded Camembert for roasting). However,

despite this unfamiliarity with the model, consumers have a positive image of agricultural cooperatives, which gives them an advantage when communicating on arguments related to tradition and quality (Faure-Ferlet *et al.*, 2017). Cooperatives are also perceived as more socially responsible than their non-cooperative counterparts (Lecuyer *et al.*, 2021). Furthermore, products from cooperatives are perceived by consumers as healthier, better tasting and of higher quality (Faure-Ferlet *et al.*, 2020). Cooperative governance doesn't just make sense in terms of product properties. Indeed, when a company communicates the construction of its selling price, for a socially responsible consumer, the price paid to the producer is perceived as fairer if the company is a cooperative than if it is not (Tsiapkolis *et al.*, 2023). Thus, mentioning cooperative governance generates meaning for consumers, which represents an opportunity for agricultural cooperatives. Indeed, consumers are more willing to pay for products from cooperatives, for example, because they are perceived as unique (Capelli *et al.*, 2019), socially responsible (Lecuyer *et al.*, 2021) or because the price they pay the producer is perceived as fairer than non-cooperative businesses (Tsiapkolis *et al.*, 2023). Nevertheless, agricultural cooperatives communicate very little on their packaging about their governance model (Tsiapkolis, 2023). Agricultural cooperatives therefore have an impact on people as such and as consumers.

6. IMPACT ON THE REGION

- **Maintaining activity in the region**

In France, agricultural cooperatives have a specific feature: the notion of territorial district (French Rural and Maritime Fishing Code). The farms of cooperative members must be located within a territory determined by the cooperative in its statutes: this is known as the territorial district. So, by their very nature, agricultural cooperatives maintain jobs in the region. From this maintenance of agriculture in the territory stems other activities that energize the entire territory. Indeed, the *Limagrain* cooperative illustrates this point well with its "industrial short circuit" (Limagrain). To improve conditions for cooperative members by stabilizing prices and

controlling seed quality, *Limagrain* has organized a seed production chain, harvesting, milling and finished product production sites around a single territory. In this way, the cooperative has made it possible to enhance the value of the cooperators' production by keeping them in the area, and to create new jobs in the same area while revitalizing it.

- **Relocating production within the region**

At the service of farmers, agricultural cooperatives seek out outlets to improve remuneration for their members. This means maintaining local activities, but also relocating production that has disappeared or is on the verge of disappearing. For example, the *UCAL* cooperative union inaugurated a trituration plant in 2022 to prevent the delocalization of production (*UCAL*). Located in a livestock-raising region, the need for animal feed is high, and soybean meal is the main source of protein for animal feed (French Ministry of Ecological Transition and Territorial Cohesion). However, by importing soybeans, France is dependent on South American countries (the main soybean exporters) (French Ministry of Ecological Transition and Territorial Cohesion). So, relocating this production is a major challenge in the interests of food sovereignty and independence. The *UCAL* plant processes the rapeseed, sunflower and soybeans grown by the cooperative's members, and once the product has been processed, supplies the region's livestock farmers with oilcake and sells the oil to other sectors, such as the food industry. By relocating the production needed by livestock farmers, agricultural cooperatives enable them to maintain their activities in the region, making them more competitive.

Focus : *UCAL* trituration plant



In 2022, the *UCAL* cooperative union inaugurated its trituration plant. Here, the cooperative's seed production is valorized by direct local processing into oil and oilcake. The oil produced by the plant is destined for the food, cosmetics and pharmaceutical industries, while the oilcake produced is used in the composition of animal feed. As livestock farming

is an important activity in the region, this plant is of particular benefit to it, and *UCAL* brings the processing facilities closer to the production plots. Through this initiative, the cooperatives in the union are reducing their carbon footprint by cutting down on transport, improving the quality of their production and securing the remuneration of their members through diversification of their activities. In addition, this new activity will improve traceability and quality, both for the farmers who will be feeding their livestock, and for consumers, who will have more information and better-quality food.

(Source : <https://www.ucal.coop/valoriser/les-proteines/>)

(Source : <https://www.ucal.coop/lusine-ucal-stockage-et-proteines-inauguree-le-23-septembre-2022/>)

- **Getting involved in the community**

Because of their commitment to the community, agricultural cooperatives are involved in their local area at different levels. For example, the *Le Guessant* cooperative supports and participates in local cultural activities such as *Les Vieilles Charrues* (musical events), sports activities with the *En avant Guingamp* soccer club, and university activities with the *University of Rennes 1* (La Coopération Agricole, 2022a).

Focus : *Le Guessant* and its involvement in the region



The *Le Guessant* cooperative helps to maintain business activity in its area, and also contributes to its attractiveness.

For example, the cooperative is a partner and sponsor of the local festival *Les Vieilles Charrues*. It is also involved with students at various levels. For example, during the pandemic, it donated eight tons of potatoes to the local *CROUS* (university services) to feed underprivileged students. In addition, it works with the *University*

of Rennes on food and eating well. The cooperative also participates in a number of local working groups.

(Source : <https://www.legouessant.com/developpement-territorial/>)

- **Revitalizing rural areas**

Moreover, agricultural cooperatives have a positive impact on rural areas: this can be seen from the fact that, in France, 74% of cooperative head offices are in rural areas (La Coopération Agricole, 2022c). Aware as they are of the problems in their area, agricultural cooperatives can take action, for example, to reduce isolation and combat the loss of certain services. This is the case, for example, of the *Cevinor* cooperative, which sells its products via mobile stores in the form of trucks that travel to villages with no butcher's shop (La Coopération Agricole, 2016b).

- **Protecting the region's identity, history and traditions**

Agricultural cooperatives also play a role in preserving regional or local identity. Indeed, by mutualizing and grouping farmers in the same territory, they can defend their traditions and products, for example by working for the recognition of a protected designation of origin, as *Isigny Sainte-Mère* (a dairy cooperative) has done (La Coopération Agricole, 2016c). Transmission and long-term vision are intrinsic values of agricultural cooperatives and they can, thanks to their involvement in the territory and with the community, pass on the local cultural heritage. For example, the *Cave coopérative de Monbazillac* bought the castle of Monbazillac in order to preserve the region's heritage: the castle is open to the public and has become a museum (Sud Ouest, 2022).

- **Stimulating the region from a socio-economic point of view**

From a socio-economic point of view, agricultural cooperatives have a major impact on the region. In fact, for every million in sales generated by agricultural cooperatives, two million are

generated in the region (La Coopération Agricole Nouvelle-Aquitaine, 2021). The agricultural cooperative sector is included in the 5% of sectors with the highest multiplier effects (La Coopération Agricole Nouvelle-Aquitaine, 2021). Furthermore, the benefits are not only economic, since one million cooperative sales supports more than fifteen jobs in the Nouvelle-Aquitaine region (France) (La Coopération Agricole Nouvelle-Aquitaine, 2021).

7. IMPACT ON THE INDUSTRY

- **Structuring the industry while limiting risks**

Agricultural cooperatives play a vital role in the agricultural and food sectors. Thanks to their organization, they help to structure these industries. Firstly, because cooperatives are groups of people, the implementation of a good practice within a cooperative will inevitably affect more farmers than a decision within a single farm. Secondly, the decisions taken by agricultural cooperatives are decisions taken by the farmers themselves, which legitimizes them and facilitates their acceptance. Finally, mutualizing resources also means mutualizing risks, enabling new practices to be tested in one part of the territory before being disseminated throughout the industry. *Agrial's* initiative in creating the *Réseau Grandeur Nature* is a perfect illustration of this last point. The concept lies in testing innovative techniques and practices on some of the cooperative's members' plots in order to innovate and improve the sector before implementing the new practice and promoting it within the sector (La Coopération Agricole, 2019c).

- **Developing new industries**

As well as helping to structure the sector, agricultural cooperatives also help to create new ones. Indeed, as explained above, agricultural cooperatives are keen to maintain local activities, ensure remuneration for cooperators and offer quality products for the people with whom they are closely linked. By listening to consumers and striving to make the most of their members' production, agricultural cooperatives play an important role in identifying and

developing new sectors. They can respond to both food and non-food challenges. For example, the *TOP Semence* cooperative union is involved in gluten-free food by developing the quinoa production chain in the South-East of France (a production that is not very present in France, with 70% of French consumption of quinoa seeds being imported) (*TOP Semence*). By experimenting with cultivation techniques at its experimental center, *TOP Semence* aims to adapt quinoa cultivation to the South-East region, enabling French players to meet consumption needs themselves (*TOP Semence*). *TOP Semence* also responds to the challenges of non-food industries by investing in and developing the plant-based sector within industrial and bio-sourced materials with hemp seed and production (*TOP Semence*). *Cavac* is also involved in the development of this sector, as it is "the only European operator to master a complete sector of certified bio-sourced materials for the construction market" (La Coopération Agricole, 2015). This process has been long and complex, but it has made it possible to meet a market need by organizing a hemp supply chain for the building industry. In this way, agricultural cooperatives are having an impact on the development of new value chains, as they can connect consumer and market expectations with farmers' agricultural practices and strategic decisions. In addition, because agricultural cooperatives are groups of people, these cooperative initiatives can reach a wide range of stakeholders.

Focus : Developing industries at *TOP Semence*



The *TOP Semence* cooperative union is responding to new challenges and societal expectations through its new food and non-food sectors.

With regard to food issues, *TOP Semence* is taking up the challenge of gluten-free nutrition by adapting quinoa cultivation in the South-East. It is also investing in research to increase the omega-3 content of oilseed flax to meet the needs of the human food and animal feed sectors. It is also involved in the challenge of reducing

animal protein consumption by developing the dried vegetable sector, in particular through the cultivation of chickpeas. It selects chickpea seeds to maximize the product's nutritional qualities and environmental benefits. Indeed, this healthy food with its many qualities (source of protein, cholesterol reducer, helps regulate blood sugar, low in sodium, etc.) also represents an environmental opportunity, as its cultivation requires little water, for example.

TOP Semence is currently the leader in chickpea breeding.

For non-food issues, the development of hemp seed for industrial and biosourced markets represents an opportunity to create or revitalize an industry. Growing environmental awareness is influencing market needs, and bio-sourced materials meet these requirements. Moreover, supplying quality materials for the building industry implies longer-term benefits for the people who will use these structures.

(Source : <https://www.topsemence.fr/fr/production-de-semences/les-nouvelles-filieres>)

(Source : <https://www.topsemence.fr/fr/obteneur/repondre-aux-enjeux-des-legumes-secs>)

- **Ensuring traceability from farm to fork**

As agricultural cooperatives are present at all stages, from upstream farming to downstream marketing, they are a guarantee of traceability, quality and, above all, transparency. In fact, they make it possible to control the entire supply chain, and thus avoid any potential health problems. Furthermore, they are a guarantee and a mark of reassurance for the consumer. For example, *Limagrain's* "industrial short circuit", described above, is a perfect illustration of the kind of chain control that cooperatives can put in place: control from seed to finished product, via the farm, the cooperative's silos and the processing plants - from farm to fork.

- **Cooperating for the good of the industry**

To structure an industry, cooperation between entities is important. Because of the principle of cooperation (cf. sixth cooperative principle), agricultural cooperatives are in fact inclined to develop joint projects, whether with other cooperatives or other organizations. *Lou Pan d'ici* is

a good example of the impact of cooperation on an industry. Three regional cereal cooperatives joined forces with three regional mills and artisan bakers to offer a traditional baguette that is 100% regional (La Coopération Agricole, 2022a). This initiative has revitalized the industry in the region by offering a quality product that can be traced throughout the production cycle.

- **Gathering around a federation - *La Coopération Agricole* - to act together**

Finally, to structure the sector and defend their interests, agricultural cooperatives have joined forces and express themselves through their federation: *La Coopération Agricole*. *La Coopération Agricole* is a federation of companies that "is the unified representation of agricultural, agri-food, agro-industrial and forestry cooperatives" (La Coopération Agricole, 2023b) and aims to "support", "protect" and "enlighten" its members. *La Coopération Agricole* also groups together trade sections and regional federations. Through their actions, these federations enable agricultural cooperatives to double their reach. For example, *La Coopération Agricole Corse* helps agricultural cooperatives defend and preserve their territory and traditions via the *Manghjemu Corsu* brand created in 2016 (La Coopération Agricole, 2022a). The regional federation met with caterers and local authorities to present the brand and its various impacts. Many establishments, such as high schools and colleges, offer local and cooperative products under the *Manghjemu Corsu* brand. This helps to maintain local employment, pass on a cultural heritage that's tending to be lost, and encourage more responsible consumption. Through their federations, agricultural cooperatives can also take part in territorial food projects, from which they are often excluded because they are poorly identified by local players (La Coopération Agricole, 2022a). Often already in possession of production tools ready for use, they are key players in these projects: federations help them to be visible and represented. For example, in 2023, *La Coopération Agricole* launched the *Préférence Coop* platform, a window on cooperative products that connects the retail and foodservice sectors with agricultural cooperatives (*Préférence Coop*). *La Coopération Agricole* also helps agricultural cooperatives to enhance the value and quality of their products. The

creation of the *Agri Confiance*® sustainable agriculture label is one example. This label, based exclusively on the cooperative model, is built around four commitments: guaranteeing product quality (traceability, safety, transparency), supporting farmers and regions, preserving the environment and contributing to animal welfare (*Agri Confiance*®). This approach meets the demands of civil society, while understanding the specific characteristics of cooperatives. Another example of the federation's efforts to promote the positive impact of agricultural cooperatives is the development, in conjunction with other organizations, of an application called *AgriBEST*®. This application makes it possible to "understand and evaluate the positive, neutral or negative effects" of farmers' practices on biodiversity, to "identify and visualize the ways in which progress can be made" in order to progress and preserve biodiversity, and finally to enhance the results by generating data from which exchanges can be made (*AgriBEST*®). By using this application, agricultural cooperatives improve their impact on biodiversity. In addition, the federation supports agricultural cooperatives in their governance and respect for cooperative principles. For example, having initiated and supported the *Les Elles de la Coop* project, *La Coopération Agricole* promotes the inclusion of women on boards of directors, reinforcing the primary cooperative principle of voluntary and open membership. This project has resulted in the creation and distribution of a guide for agricultural cooperatives to help them identify women cooperators within their cooperative, as well as interventions with agricultural cooperatives (Terres et Territoires, 2023). In this way, *La Coopération Agricole* emphasizes the influence of agricultural cooperatives, enabling them to implement their governance and cooperative principles more effectively.

Focus : The *Préférence Coop* platform



In 2023, *La Coopération Agricole* launched the *Préférence Coop* platform. A veritable storefront for cooperative products, it connects players in the retail and foodservice sectors with the

agricultural cooperatives in their area. Equipped with a search engine and an interactive map, *Préférence Coop* enables users to find out about the products of agricultural cooperatives and their locality, while associating the appropriate commercial contacts. Often little-known, agricultural cooperatives are present throughout the country and meet many of the requirements of these players: such as "organic farming" or French origin labeling, for example. In this way, the platform makes it possible to promote cooperative products to the retail and foodservice sectors, increasing their commercial opportunities.

(Source : <https://preferencecoop.lacooperationagricole.coop/>)

La Coopération Agricole defends the cooperative model as a provider of sustainable solutions for local agri-food chains. It defends access to trustworthy, healthy and pleasurable food, enabling local players to earn a living by reducing negative externalities on their environment and all living beings. *La Coopération Agricole's* mission is to work together to improve society through people (farmers and non-farmers), the region (environment and heritage) and industries. An action that emphasizes the positive impacts of agricultural cooperatives. In 2022, agricultural cooperatives and their members, represented by *La Coopération Agricole*, have given themselves a *raison d'être*: "Builders in solidarity of sustainable food and living territories" (La Coopération Agricole, 2022d).

8. THE IMPORTANCE OF GOOD GOVERNANCE FOR THE POSITIVE IMPACT OF AGRICULTURAL COOPERATIVES

By virtue of their principles and values, their organization and their economic and social weight, agricultural cooperatives are key players in society: they have an impact on farmers, the environment, people, territories and sectors. Nevertheless, these impacts and positive externalities are conditional on the respect and quality of the governance of agricultural cooperatives. In France, the *High Council for Agricultural Cooperation* (Haut Conseil de la

Coopération Agricole - HCCA) is "a public interest establishment with legal personality that contributes to the definition, implementation and evaluation of public policies in the field of agricultural cooperation". This body monitors and guarantees compliance with cooperative texts, rules and principles within agricultural cooperatives. This control takes the form of the cooperative revision: an audit that verifies the agricultural cooperative's compliance with the principles and rules imposed on it (Révision Coopérative). Agricultural cooperatives thus have the tools they need to preserve quality governance and their cooperative status. To enable this qualitative governance, the cooperators and administrators of agricultural cooperatives must be trained in these roles: this is the fifth principle of cooperatives (International Cooperative Alliance, 1995). *La Coopération Agricole* offers agricultural cooperatives training in governance, strategy and management, as well as personalized follow-up to help them improve their performance. It also provides a number of books, such as " *Administrators in questions* " (La Coopération Agricole, 2020a), " *The governance guide* " (La Coopération Agricole, 2019b), *Cooperative development notebooks* and *Thémas* (collections of best practices from agricultural cooperatives on various themes), to name but a few. Training and information are crucial to developing the skills of cooperators that will enable them to properly govern their cooperative and consequently have the capacity to positively impact the society around them.

9. FORMER AUX FONDAMENTAUX DE LA COOPERATION : GUIDE D'UTILISATION DE LA FORMATION

According to the fifth cooperative principle (International Cooperative Alliance, 1995), cooperatives must train, educate and inform cooperative members and other stakeholders. This document is accompanied by a ready-to-use presentation designed to teach the fundamentals of cooperation (attached to this document and named *Appendix 1 - Toolbox "The organization, operation and governance of the agricultural cooperative"*). Here you will find a guide to using the presentation, setting out the goals and methods expected for each slide in the presentation, which will help the trainer to use the document.

Slide 1



This slide show is intended as a basis for cooperative governance training courses.

It is designed for a two-day training course, but can be used for a one-day course by deleting certain slides. The comments associated with the slides specify the teaching methods that can be used.

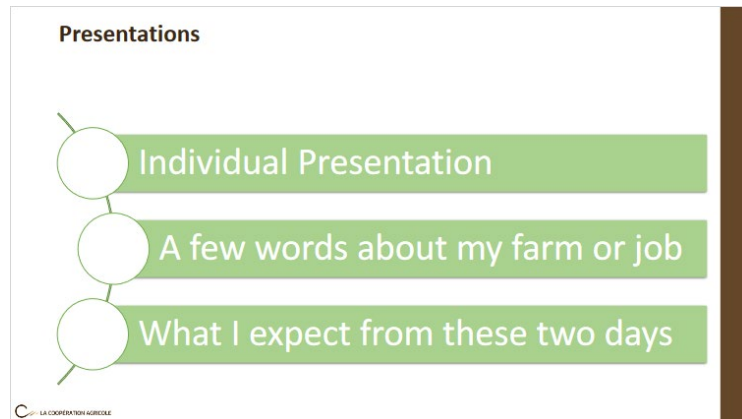
Two important points:

1. The slide show is designed for training in France. For training in other countries, it will be necessary to adapt the slides to local statutory requirements.

2. The slide show does not present all the additional comments that can be made by the trainer: it is a pedagogical tool that can be used by a cooperation expert in his or her own country.

This slide show was designed as part of the Erasmus + GGPAC project.

Slide 2



Goal

Locate people's positions and identify cooperatives.

Identify specific expectations and questions to be answered during the sequence.


Methods

One person introduces him/herself and designates the person who will introduce him/herself next.

Slide 3

The rules for our two days

- Active participation and involvement
- Creativity
- Fun, conviviality and good humor
- Conciseness, discipline and respect for time
- Work in large groups and sub-groups

 LA COOPÉRATION AGRICOLE

Goal

In addition to the operating rules, specify the teaching methods to be used.

Methods

Alternating theoretical presentations and work in sub-groups.

Theoretical contributions based on questions put to participants: answers are in the room or can be constructed together.

Avoid lectures and monologues.

- **Part 1: The cooperative model**

Slide 6

A little workshop reflection...

Your definition of a cooperative

 LA COOPÉRATION AGRICOLE

01

Goal

Place participants in a production posture.

Identify a few key points that are characteristic of cooperatives.

Methods

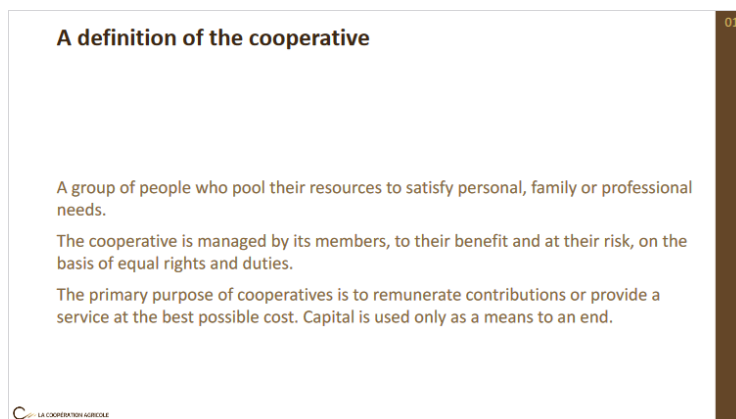
Divide participants into groups of 2 to 4 (depending on total number of participants).

Allow 10-15 minutes for reflection.

Ask a representative of each sub-group to read the definition produced.

Ask the other groups to react to each definition.

Slide 7



A definition of the cooperative

A group of people who pool their resources to satisfy personal, family or professional needs.

The cooperative is managed by its members, to their benefit and at their risk, on the basis of equal rights and duties.

The primary purpose of cooperatives is to remunerate contributions or provide a service at the best possible cost. Capital is used only as a means to an end.

LA COOPÉRATION AGRICOLE

01

Generally speaking, the definitions derived from the previous workshop are consistent with this text.

Goal

To give an initial, unofficial (but valid) definition of what a cooperative is.

To identify the characteristics of a cooperative.

Methods

First sentence

What's the most important word?

It's " people ". Companies can be classified as limited companies (e.g. SA). Cooperatives are partnerships. In a limited company, the capital carries the votes at the general assembly, and

whoever has more capital will have more votes. In a partnership, it is the individuals who carry the votes, according to the "1 person = 1 vote" rule.

What resources are pooled?

For a cooperative to function properly, cooperative members must contribute resources in 3 forms:

- Financial: share capital
- Economic: the activity carried out with the cooperative (agricultural production contributions, sales of products or services, etc.).
- Human: commitment to the cooperative project.

Point out that this sentence is not sufficient to define a cooperative: it could be appropriate for an association, for example.

Before displaying the 2nd sentence, ask the question: "Who manages the cooperative?" and go round the table to get the answer.

Second sentence

The answer is given by displaying the 2nd sentence: the cooperative is managed by its members, which means they have financial responsibility. If, in the event of liquidation, the assets are not sufficient to pay the debts, the cooperative members will have to be called upon to contribute.

Ask the question: "Do you know your liability for the cooperative's debts? The answer is "your liability is limited to 2 times the amount of your shares". You don't have to give the answer right away, as this will come later in the process.

Point out that in a limited company, liability is limited to the capital invested, or that in an association, liability is borne by the president.

Before displaying the 3rd sentence, ask the question: "What are the respective purposes of a limited company and a cooperative?"

Third sentence

The purpose of a limited company is to grow the capital invested.

The purpose of a cooperative is to carry out a joint project for the benefit of its members. Capital gains remain within the cooperative.

Slide 8

A universal definition: International Cooperative Alliance

A cooperative is an **autonomous association** of persons **united voluntarily** to meet their **common economic, social and cultural needs and aspirations** through a **jointly owned and democratically controlled** enterprise.

LA COOPÉRATION AGRICOLE

01

Goal

Share the International Cooperative Alliance's universal definition of cooperatives.

Methods

Review the words in bold and ask: "Do you think your cooperative meets the various aspects of the definition?"

Slide 9

The 7 cooperative principles

- Voluntary and Open Membership
- Democratic Member Control
- Member Economic Participation
- Autonomy and Independence
- Education, Training, and Information
- Cooperation among Cooperatives
- Concern for Community

LA COOPÉRATION AGRICOLE

01

Goal

To present and explain the importance of the cooperative principles, some of which are reflected in the operating rules of cooperatives (e.g. statutes).

Methods

1. No one can force anyone to join a cooperative. The corollary is that a cooperative member is not obliged to remain in a cooperative indefinitely, but can leave it, subject to certain rules.
2. Already seen in the definition. Cooperative governance is democratic, which means:
 1. Each member has one vote at the Annual General Assembly.
 2. That the management body is a Board of Directors, elected by the General Assembly (representative democracy, not everything is decided at the General Assembly).
 3. That the General Assembly is responsible for overseeing the actions of the Board of Directors.
3. No one can be a member of a cooperative without contributing to the share capital. There is also an obligation to participate in the cooperative's activities (statutory commitment).
4. Cooperatives are private companies, independent of states and governments. They depend solely on themselves, and one of the tasks of the Board of Directors is to preserve this autonomy.
5. The operating rules of cooperatives are complex. It's up to management to provide cooperative members (and administrators) with all the information they need. Only then will the General Assembly be sufficiently informed to make the right decisions.
6. Cooperatives can enter into a variety of partnerships to strengthen themselves and the cooperative movement. These include union partnerships (cooperative federations), commercial partnerships (marketing unions), economic and industrial partnerships (joint subsidiaries), and so on.
7. A cooperative's actions have an impact on its territory. It does not act solely in the service of its cooperative members. Its strategy must take into account the expectations

of all its stakeholders, both internal (cooperative members, employees, etc.) and external (industry and local players, etc.).

Slide 10

What unites cooperatives: shared values

- Democracy** Directors are democratically elected by and from among the members.
- Solidarity** The cooperative and its members stand in solidarity with each other and with the community.
- Responsibility** All members, associate or elected, are responsible for the cooperative.
- Sustainability** The cooperative is a tool at the service of present and future generations.
- Transparence** The cooperative is transparent to its members.
- Proximity** The cooperative contributes to regional development and local roots.
- Service** The cooperative provides services in the interests of all its members.

LA COOPÉRATION AGRICOLE

Goal

To share with participants the values that unite cooperative associates.

Methods

Launch a discussion between the values identified by the participants and the official values of the cooperative.

There's no regulatory aspect to this, it's just a matter of getting the participants to express themselves, and to bring out the values that carry the day within the group.

Slide 11

A question of vocabulary... (more important than it seems)

In a cooperative, there are no adherents. There are...

Cooperative members

The member holds the capital	The cooperators works with the cooperative
Power and responsibility	Rules of engagement
Distribution of interest to shares Escalating Dividend	Service delivery at best cost
Concern: the cooperative	Concern: the farm

LA COOPÉRATION AGRICOLE

Goal

Introduce the essential notion of the cooperative member's "dual status", as both holder of capital and user of the cooperative's services.

Methods

Question participants at each level:

What should we call the people of a cooperative? *Cooperative members*

What are the conditions for becoming an member? *Holding share capital*

What makes one a cooperator? *Working with the cooperative*

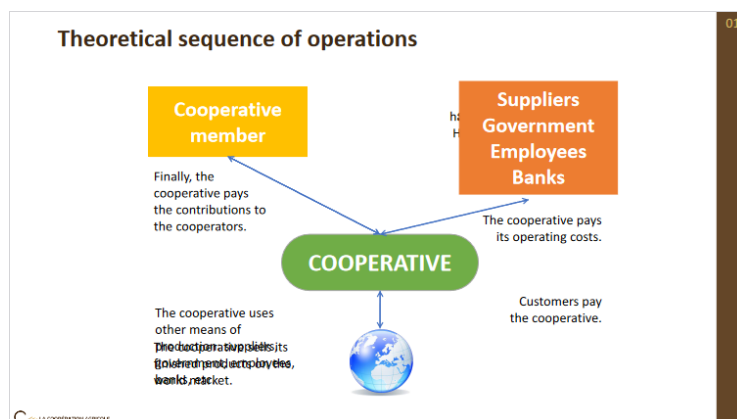
What does membership give you? *A vote at the general assembly (power) and liability in the event of bankruptcy.*

How do you work with the cooperative? *According to the rules set out in the statutes*

What is the economic or financial return for everyone? *Interest in shares and service at best cost*

What is everyone's concern? *The member, the cooperative, the cooperator, his farm*

Slide 12



Goal

Remind participants how a cooperative works, and specify that there is no commercial relationship between the cooperative and the cooperative member (the farmer does not sell his harvest to the cooperative, he delivers it to be jointly valued).

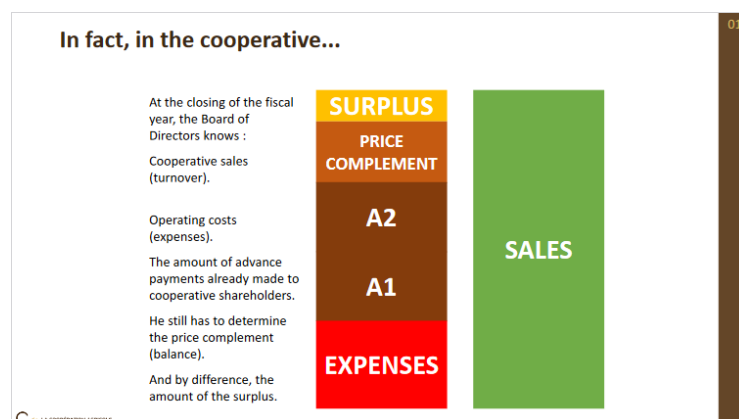
Methods

Run through the slide presentation, asking questions at each stage

1. What does the farmer have to do to work with the cooperative? *Subscribe to shares (he becomes a member).*
2. Once he's a member, what can he do: *deliver his production (he becomes a cooperator, and therefore a cooperative member).*
3. Who does the cooperative call on to add value to its production: *other economic players*
4. It sells its production on a global market, and customers have to pay for it.
5. How does the cooperative act afterwards: *first it pays its costs, and then the cooperative members.*

Note that it's the same on a direct-sales operation: the farmer pays his operating costs and is remunerated from what's left over: *"a cooperative is an individual farm for several people".*

Slide 13



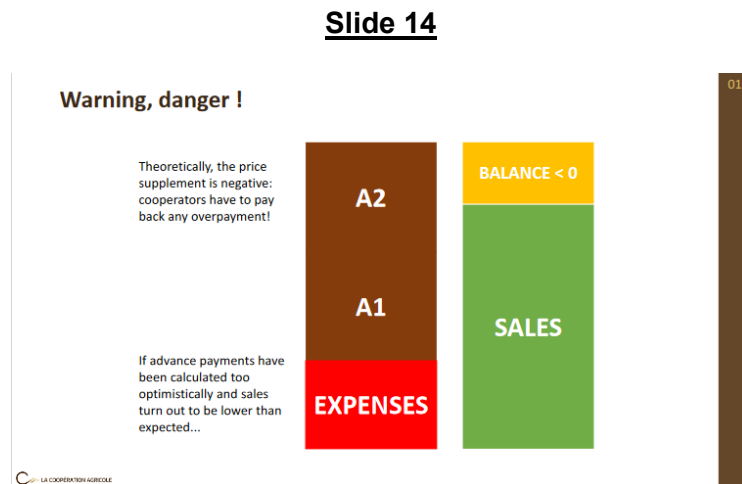
Goal

Recall the average price system still used in many cooperatives.

Methods

Show the animation on the slide.

The number of advance payments can vary according to production (cereals, grapes, milk, etc.).



Goal

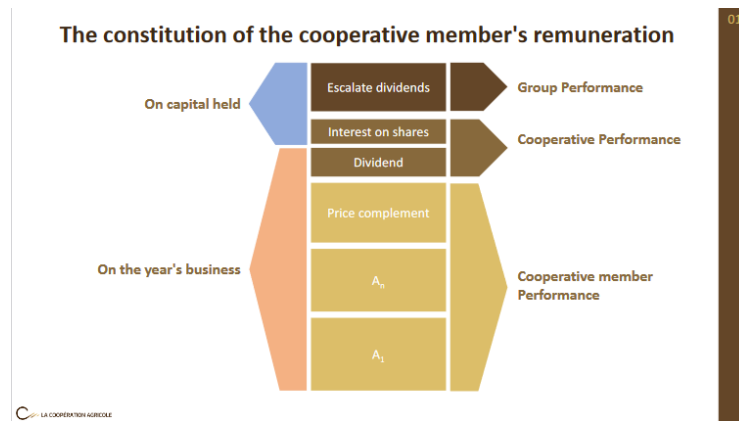
Alert on the calculation of advance payments.

Methods

Present the slide animation.

Explain that while a cooperative can have a positive result (a surplus, not a profit), it cannot, in theory, have a deficit (which amounts to sharing reserves). As a result, we've sometimes seen cooperatives in which cooperative members were asked to pay out the surplus.

Slide 15



Goal

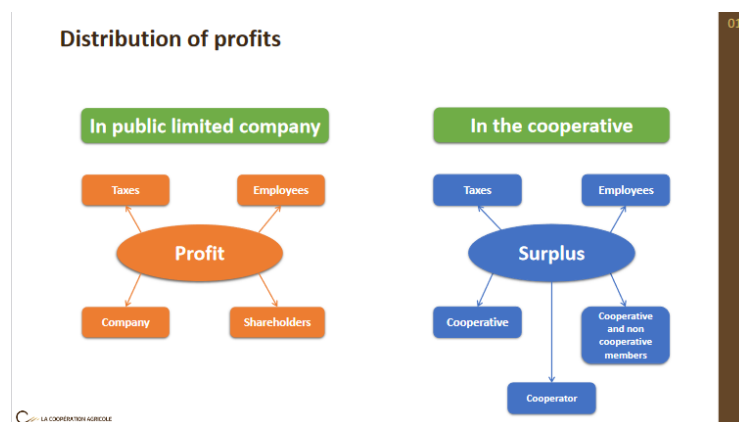
Explain the complexities of determining the remuneration of the cooperative member (which is not limited to the first advance payment...).

Methods

Present the slide animation.

For highly seasonal production (harvesting, grape-picking, etc.), the Annual General Assembly takes place almost 18 months after the harvest, which makes it difficult to know the final remuneration (which is known at the Annual General Assembly, i.e. within 6 months of the end of the financial year, whereas the harvest takes place at the beginning of the financial year).

Slide 16



Goal

To compare the ways in which profits are distributed in a capitalist company and in a cooperative company.

Methods

In a limited company, earnings are called profits and are subject to tax.

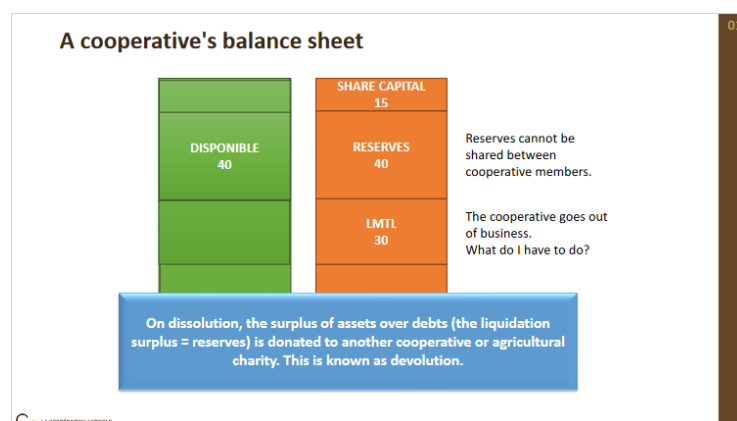
After payment to employees and constitution of reserves, shareholders are remunerated.

In a cooperative, earnings from transactions with cooperative members are not subject to tax.

After payment to employees and constitution of reserves, profits can :

1. Remunerate members' capital (cooperators and non-cooperators)
2. Return to cooperative members in the form of a dividend (calculated on the basis of the year's activity).
3. Be retained in the cooperative in the form of optional reserves.

Slide 18



Goal

For the 4 slides to follow, explain the non-shareability of reserves and the liability of cooperative members up to 2 times the amount of their shares.

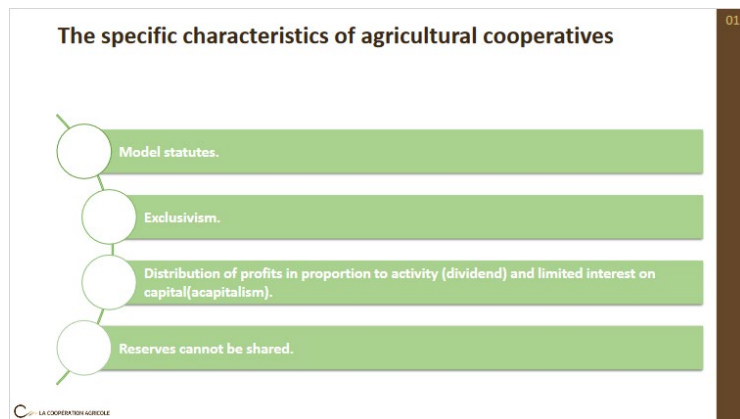
Methods

Unroll the slides and announce the comments.

The figures represent the values of the various items.

In each case, assets are sold, with losses increasing in each case. The cash available gets smaller and smaller, allowing less and less debt to be repaid, until the final case, when the financial responsibility of the cooperative members must be brought into play.

Slide 22



Goal

Summarize the introductory section.

Methods

1. In France, the statutes of agricultural cooperatives are drawn up on the basis of models, which set out a number of points.
2. Cooperatives operate on the principle of exclusivism: they must work with cooperative members who are up to date with their share capital.
3. The aim is to provide a service at the best possible cost, not to remunerate share capital, hence the dividend principle and the acapitalist form of cooperative societies.
4. In an agricultural cooperative, reserves cannot be shared out: each generation capitalizes for the next.

• **Part 2: Rights and duties of cooperative members**

Slide 24

02

Legally, a cooperative is...

A company with variable capital and personnel.

It is governed by its own statutes, which define :

- its purpose.
- its territoriality (district).
- its duration.

The statutes also define the cooperative's operating rules:

- Relations with cooperative members:
 - ✗ Subscription of share capital.
 - ✗ Activity commitments.
- Operation of decision-making bodies (governance)
 - ✗ Distribution of profits
 - ✗ Responsibilities.



Goal

To introduce the second part of the course, which will deal with the relationship between the cooperative and its members.

Methods

Work with participants' cooperative statutes.

Slide 25

02

The 6 types of cooperatives and their purpose

1	• Cooperatives collecting and selling of agricultural and forestry products.
2	• Cooperatives for common use.
3	• Sectional cooperatives.
4	• Cereal cooperatives.
5	• Supply cooperatives.
6	• Service cooperatives.



Goal

Identify the 6 types of agricultural cooperatives in France.

Methods

Ask the question in a large group and list the 6 types. 5 concern the purpose of the cooperative (1, 2, 4, 5, 6) and 1 the way general assemblies are held (3).

Type 2 is virtually non-existent in France.

It is possible to combine the different types. Ask participants to identify which types their cooperatives belong to.

Look at article 3 of the cooperative's statutes to see what the defined object is, bearing in mind that a cooperative cannot carry out an activity not provided for in its statutes.

Slide 26



Workshops

The 4 conditions for joining a cooperative

02

LA COOPÉRATION AGRICOLE

Goal

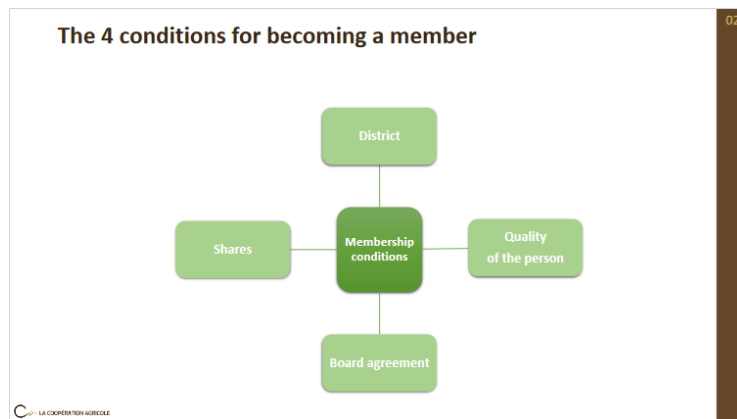
Identify the requirements for membership of an agricultural cooperative.

Methods

Divide participants into sub-groups and ask them to answer the question "What are the 4 conditions for joining an agricultural cooperative?"

Allow ten minutes for reflection.

Slide 27



Goal

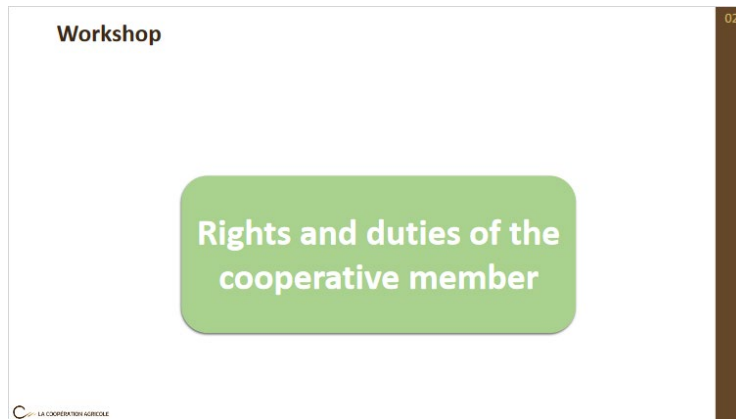
To provide answers to the question posed.

Methods

Ask for group answers and provide the solution.

1. The territorial district. This is the area in which the farm's head office must be located.
It is defined in article 2 of the statutes.
2. The person's quality. This is described in article 7. For example: be a farmer (natural or legal person) with an activity compatible with that of the cooperative, in the cooperative's territorial area.
3. The agreement of the Board of Directors, which has 3 months to respond following receipt of a request by registered mail with acknowledgement of receipt.
4. Subscription of shares, in accordance with article 14.

Slide 28



Workshop

02

Rights and duties of the cooperative member

LA COOPÉRATION AGRICOLE

Goal

List the rights and duties of cooperative members.

Methods

Divide participants into sub-groups and ask them to list the rights and duties of cooperative members.

Allow 20 minutes for reflection.

Proceed with the feedback and complete the answers.

Slide 29



Rights of cooperative members

02

- Use of cooperative services
- Right to information and training
- Voting rights at General Assembly
- Right to surplus distribution
- Right of access to the position of administrator
- Right of withdrawal
- Right to repayment of share capital

LA COOPÉRATION AGRICOLE

Goal

Take stock of cooperative members' rights

Methods

Feedback from sub-groups and theoretical comments and additions.

1. All cooperative members have the right to use the cooperative's services, like their colleagues, in an equitable manner. For collection cooperatives, for example, identical remuneration for identical products.
2. Regulations are increasingly demanding on this point. Article 9 of the statutes describes what information must be transmitted, when and how.
3. Point 3 takes up the democratic principle already mentioned in the definition and in the cooperative principles.
4. Every cooperative member is entitled to the distribution of surplus earnings, as voted by the General Assembly (dividends and interest on shares).Any member of the cooperative may stand for election to the Board of Directors at the Annual General Assembly.
5. Any cooperative member may leave the cooperative at the end of his or her commitment, and obtain repayment of his or her share capital (in accordance with the terms of article 20).

Slide 30



Goal

Take stock of the duties of cooperative members.

Methods

Feedback from the sub-groups, with additional theoretical input and comments.

1. The first duty is to comply with the statutes and internal regulations, in which all obligations are described.
2. Already indicated as a condition for entry into a cooperative, keeping the share capital up to date is an obligation of cooperative members.
3. Article 8 describes the obligations in terms of activity: total or partial contribution, conditions for acquiring products or services, etc. It also sets out the penalties for non-compliance.
4. Article 8 (paragraph 4) also specifies the duration of the commitment (initial commitment, renewal period) and the withdrawal terms (notice period at the end of the commitment). Note that the commitment period often begins on the closing date of the financial year in which it is entered into.
5. Point 5 covers financial liability (capped at 2 times the amount of the member's shares).
6. Participation in the life of the cooperative is a moral obligation. There are no penalties for non-compliance.
7. Passing on the cooperative is a collective moral obligation: cooperative members are responsible for passing on a functioning cooperative to future generations.

Slide 31


Subscription of share capital

The cooperative is a variable-capital company.
No one can be a cooperative member unless he or she subscribes to the cooperative's share capital.

Terms of payment :

- Staggered (25% at subscription and over a maximum of 5 years).

Subscription must be voluntary and not made without the knowledge of the member.
Members may sign a membership form specifying the terms of their commitment.
Adjustment procedures are set out in the internal regulations.

 LA COOPÉRATION AGRICOLE

02

Additional slide - Article 14

Slide 33

Repayment of share capital

When the cooperative member leaves the cooperative,

- ☑ The latter is required to reimburse the share capital, regardless of the reasons for the departure.
- ☑ The cooperative member does not have to request it.

Thus, it must be reimbursed in all of the following cases :

- ☑ Exclusion from the cooperative.
- ☑ Prohibition.
- ☑ Judicial liquidation of the farm.
- ☑ Personal bankruptcy.
- ☑ Dissolution of marital partnership.
- ☑ Dissolution of the legal entity member.
- ☑ Resignation at the end of the contract period.
- ☑ Resignation for just cause during the contract period.

LA COOPÉRATION AGRICOLE

Additional slide – Article 20

Slide 34

The different types of shares



- Units subscribed as part of the activity commitment
- Shares held by non-cooperating members
- Savings shares held by cooperative members
- Shares with special benefits held by cooperative members

LA COOPÉRATION AGRICOLE

Goal

Identify the 4 categories of share capital.

Methods

Interview participants and provide additional information.

There are 4 categories of share capital:

1. Activity shares, as defined in article 14, proportional to the activity carried out. The maximum rate of return is the average rate of return on bonds + 2 points, and the cooperative member is liable for 2 times their amount.

2. Shares held by cooperative members (when this group exists). The maximum interest rate is the average bond yield + 4 points, and the cooperative member is liable for the full amount.
3. Savings shares. These are created by capitalizing part of the dividends voted at the Annual General Assembly. They are blocked for a certain number of years, or until the cooperative member leaves. The maximum rate of return is the average bond yield + 4 points, and the cooperative member is liable for the full amount.
4. The creation of shares with special benefits requires an amendment to the statutes at an Extraordinary General Assembly. They are subscribed on a voluntary basis. The maximum rate of return is the average bond yield + 4 points, and the cooperative member is liable for the full amount.

Slide 35

02

Activity commitment


The activity commitment is set out in the Statute.

In a collecting cooperative :

- Total input.
- Contribution of a specific quantity or percentage of the farm's production, defined as
 - ✗ In the statutes
 - ✗ In the internal regulations
 - ✗ In a commitment form
 - ✗ In specific contracts

In supply or service cooperatives :

- Total supply from the cooperative of goods or services it can provide.

 LA COOPÉRATION AGRICOLE

Additional slide – Article 8

Slide 36

Time commitment

The duration of the commitment is a minimum of 3 years, and is defined in the statutes.

It generally begins on the closing date of the current financial year.

At its end, the commitment is tacitly renewed for periods of up to 5 years.

Withdrawal procedure :

- ☐ At the end of the commitment, after informing the Chairman of the Board of Directors, at least 3 months before the end of the last fiscal year.
- ☐ Before the end of the contract, for just cause, at the discretion of the Board of Directors.

LA COOPÉRATION AGRICOLE

02

Additional slide – Article 8

Slide 37

Members' liability

Membership of the cooperative implies an obligation on the part of the cooperative member to respect its commitments :

- ☐ Subscription of share capital.
- ☐ Activity (total contribution).
- ☐ Duration.

In the event of non-compliance, the Board of Directors may impose penalties on the cooperative member :

- ☐ Contribution to the cooperative's fixed costs on undelivered quantities.
- ☐ Damages and interest.

LA COOPÉRATION AGRICOLE

02

Additional slide – Article 8

Slide 38

Exclusion of cooperative members

In addition to penalties and damages, the Board of Directors may exclude a cooperative member for serious reasons :

- ☐ If he has been sentenced to a criminal penalty.
- ☐ If he has seriously harmed or attempted to harm the cooperative through unjustified acts.
- ☐ If he has breached his commitments without the justified excuse of force majeure.
- ☐ If he has falsified the products he has brought in.

The decision rests with the Board of Directors, with the possibility of appeal by the cooperative member to the General Assembly.

LA COOPÉRATION AGRICOLE

02

Additional slide – Article 12

Slide 39

Responsibility of cooperative members

In the event of a deficit liquidation (when assets are insufficient to pay debts),
All cooperative members are liable for the cooperative's debts, up to a limit of 2 times
their theoretical share capital.

If a member leaves, for whatever reason
(resignation, exclusion, etc.), he or she
remains liable for 5 years.

02

LA COOPÉRATION AGRICOLE

Additional slide – Article 55

Slide 42

Division into 3 sub-groups

- Define cooperative
- What are the 6 types of agricultural cooperatives?
- What are the requirements for becoming a cooperative partner?
- List 3 rights of cooperative members
- List 3 duties of cooperative members

LA COOPÉRATION AGRICOLE

Goal

For a two-day training course, lead the start of Day 2: get participants up to speed and review the main concepts of Day 1.

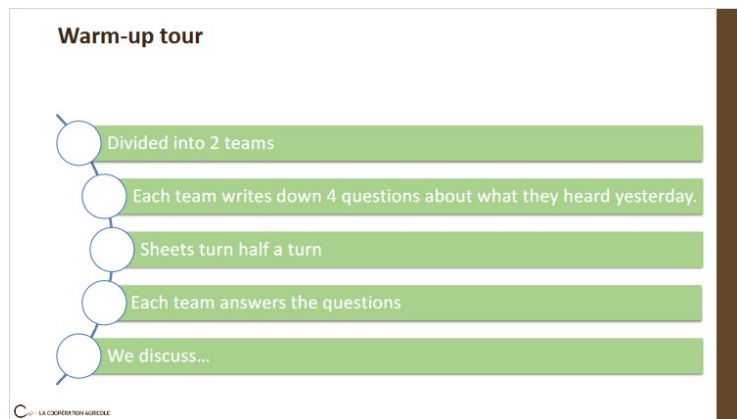
Methods – Option 1

Participants are divided into groups of 2 or 3 and answer questions.

Sub-group work time: 20 to 30 minutes.

For the feedback, each group presents its answer and the facilitator completes or corrects it.

Slide 43



Goal

For a two-day training course, lead the start of Day 2: get participants up to speed and review the main concepts of Day 1.

Methods – Option 2

Participants are divided into 2 sub-groups.

Each team asks 4 questions, written on a sheet of flipchart paper.

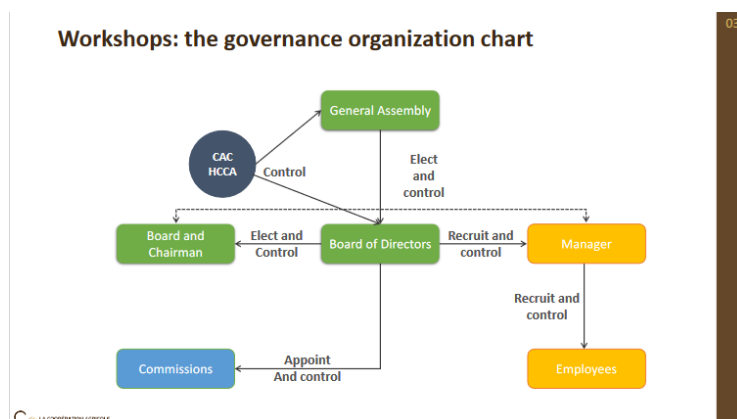
When all 4 questions have been written, the facilitator switches sheets.

Each team answers the questions posed by the other.

For the feedback, each group presents its answer and the facilitator completes or corrects it.

- **Part 3: Cooperative governance**

Slide 45



Goal

Describe the way governance is organized in a cooperative and highlight its collegial nature.

Methods

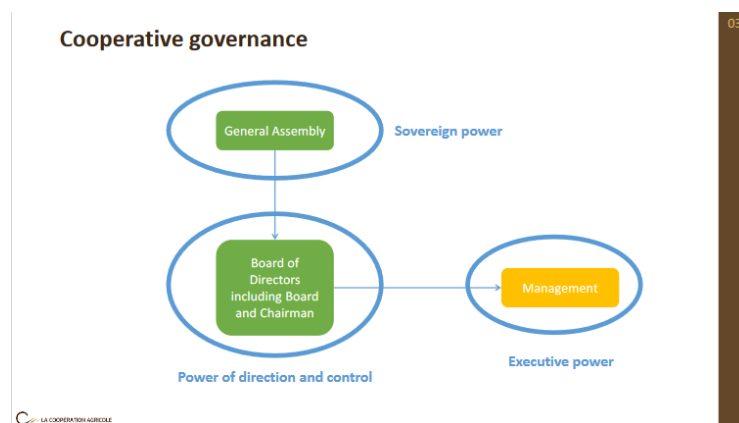
Participants are divided into sub-groups and asked to draw a governance chart on a sheet of flipchart paper. Working time: 20 to 30 minutes.

Instructions: draw an organization chart of the decision-making bodies in a cooperative, with hierarchical links, placing the boss at the top of the diagram.

Tip: participants can first list the bodies they know and then place them on the diagram.

On the diagram, the green frames are the statutory bodies, the yellow the employees, the blue the internal regulations and the dark blue the external control bodies (Statutory Auditor and High Council for Agricultural Cooperation).

Slide 46



Goal

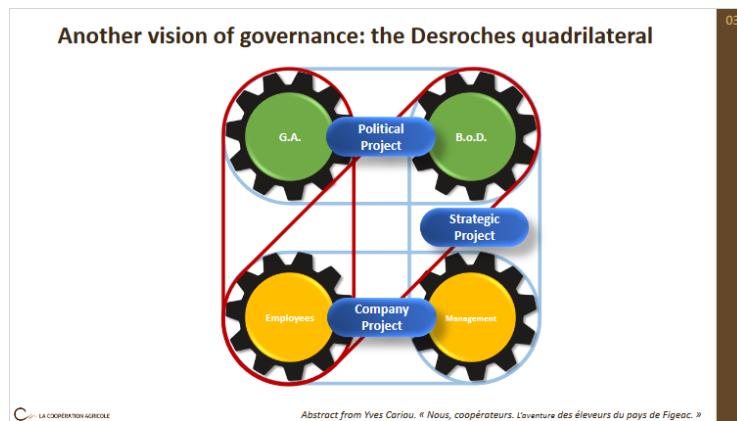
Simplify the notion of cooperative governance and highlight the coexistence of 3 powers.

Methods

Ask participants about the nature of each power, describing how it is exercised.

Specify that good cooperative governance requires that the balance between the 3 powers be respected, and that none should take precedence over the other 2.

Slide 47



Goal

Present cooperative governance in a different form.

Methods

Each corner shows a cooperative body playing a role in governance or operation. As in the other slides, farmers are shown in green, employees in yellow.

Blue or red links indicate hierarchical, statutory or functional relationships between bodies. Red links do not exist and therefore disappear.

For good cooperative governance, each body must play its role without encroaching on the role of another body.

Finally, it is on the basis of the political project formulated by the associates that the administrators can draw up a strategic project which will be translated by management into a corporate project for the employees.

Slide 48

Political and strategic projects

	Political Project	Strategic Project
Why	It is the foundation of affectio societatis (why this collective?)	Entrepreneurial translation of the political project
Language	The city	The company
Relationship to time	Long term (10 – 15 years)	Middle term (3 – 5 years)
Adaptability	Stable	Adjustable to the context
Function	Strategy assessment tool	Managing strategy, controlling direction
Name	Cooperative project, raison d'être, frame of reference	Strategic project, roadmap
Dimension	Short	About ten pages, for 4 to 8 axes
Publication	Public	Confidential
Technicity	Accessible	Entrepreneurial

LA COOPÉRATION AGRICOLE

Goal

For the next 3 slides, explain the difference between a political project and a strategic project.

Methods

Simply present the slides.

Slide 49

Why formalize a political project?

For Who ?	For What ?
General Assembly	Provide a framework and evaluate the work of the Board of Directors
	Cultivating a cooperative culture
	Welcoming new cooperative members
	Build loyalty
Board of Directors	Defining and managing strategy
Employees	Giving meaning to work
	Welcoming new employees
Partners	Introducing the cooperative and its project

LA COOPÉRATION AGRICOLE

Goal

Demonstrate the need for and benefits of formalizing a political project (first step in a strategic project).

Methods

Interview participants for each line and build the table with the group.

Slide 50

Why formalize a strategic project?

For Who ?	For What ?
Board of Directors	Organize the work of the Board of Directors Seizing opportunities, anticipating risks Make the Board's collegiality work Exercising power Welcoming new administrators Seizing opportunities, anticipating risks Bringing partnerships to life
Management	Managing teams Convincing stakeholders
Employees	Being managed

03

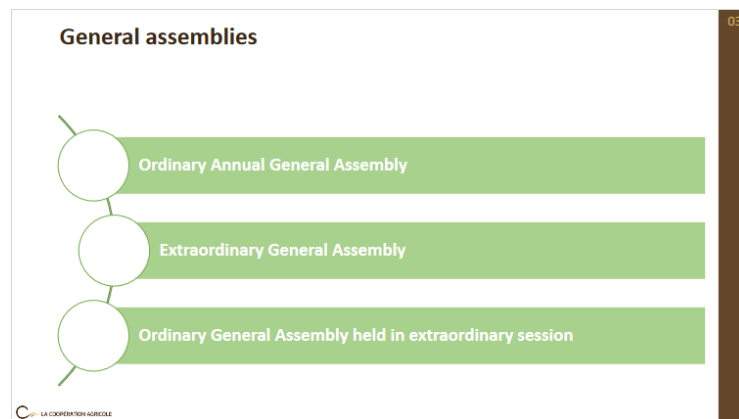
Goal

Demonstrate the need for and benefits of formalizing a strategic project: a task for the Board of Directors, with support from management.

Methods

Ask participants about each line and build the table with the group.

Slide 52



Goal

To help participants identify the different types of general assembly.

Methods

Question the group.

The Ordinary Annual General Assembly is convened to close the financial year.

The Extraordinary General Assembly is convened to amend the company's statutes.

An Ordinary General Assembly held in extraordinary session is called in all other cases.

Slide 53

03

Calling for meetings

Notice of meeting is decided by the Board of Directors.

Meetings may be convened by electronic means of telecommunication.

The Board of Directors sets the date and convenes the meeting.

Contents of the notice

- Agenda (including any questions raised by at least 10% of members or by the Statutory Auditors)
- Date, time and place of meeting

Form (at least 15 days before the meeting)

- By publication in a legal gazette in the department where the cooperative's head office is located,
- By individual notice to each member
- Convocation of members duly registered in the cooperative members' register on the date of the convocation.

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Goal

To specify the procedures for convening general assemblies and drawing up agendas.

Methods

Unroll slide

Specify that the General Assembly can only decide on items on the agenda.

Emphasize the power held by cooperative members: if 10% of them so request, they can amend the agenda.

Slide 54

03

Ordinary General Assembly

Appointment of the Board of Directors.

Report from the Board of Directors :

- Activity report.
- Financial report.
- Moral report: strategic orientations.

Reading of the statutory auditor's report.

Approval of accounts.

Vote of discharge.

Appropriation of financial results.


Recording of changes in share capital.

Renewal of the Board of Directors.

Other business :

- Board member compensation
- Election of the statutory auditor
- Vote on training budget for elected representatives
- ...

Quorum: 1/3 of members
Simple majority

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Goal

Today, very few people know the meaning of the resolutions voted on at the Annual General Assembly, or the legal procedures involved. The aim is to give new meaning to the ordinary general assembly.

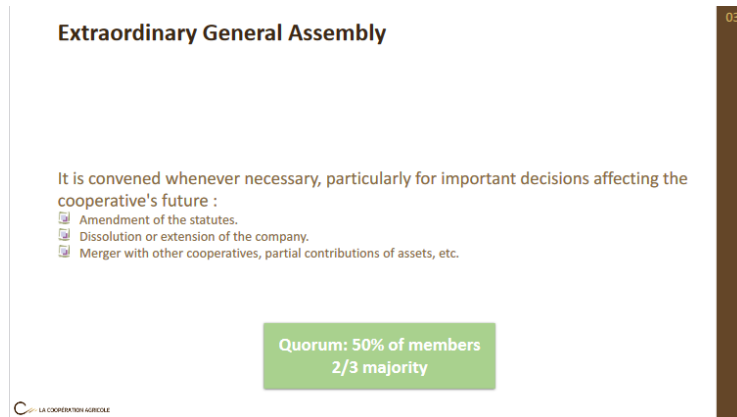
Methods

Ask participants about each stage of the process.

Key points

- No vote may be taken at the General Assembly unless the statutory auditor's report has been read out. Failure by the statutory auditor to certify the financial statements does not affect the proceedings of the General Assembly.
- If the accounts are not approved, the General Assembly is adjourned to allow the Board of Directors to draw up a new balance sheet and income statement. By approving the accounts, the General Assembly only decides on the accounting.
- The vote of discharge corresponds to approval of management. There is no provision for a refusal to grant discharge, and the Annual General Assembly continues.
- For the renewal of administrators, any member of the cooperative can be a candidate up to the time of the vote (no particular formalities are required to be a candidate). Administrators may be dismissed ad nutum, i.e. at any time if the General Assembly so decides.
- Majority at an Ordinary General Assembly: majority of votes cast (simple majority), i.e. the number of "for" votes against the number of "against" votes. The right questions to ask are :
 - who is for?
 - who's against?
- Not
 - who is against?
 - who abstains?

Slide 55



Extraordinary General Assembly

It is convened whenever necessary, particularly for important decisions affecting the cooperative's future :

- Amendment of the statutes.
- Dissolution or extension of the company.
- Merger with other cooperatives, partial contributions of assets, etc.

**Quorum: 50% of members
2/3 majority**

LA COOPÉRATION AGRICOLE

03

Goal

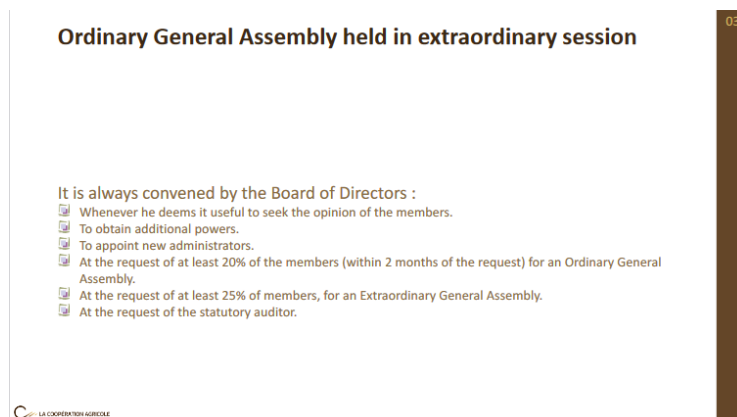
Describe the Extraordinary General Assembly

Methods

Describe the slide

The main change, apart from the purpose, is the quorum and majority rules. Point out that if you hold an Ordinary General Assembly and an Extraordinary General Assembly one after the other, you may have a quorum for the 1st but not for the 2nd.

Slide 56



Ordinary General Assembly held in extraordinary session

It is always convened by the Board of Directors :

- Whenever he deems it useful to seek the opinion of the members.
- To obtain additional powers.
- To appoint new administrators.
- At the request of at least 20% of the members (within 2 months of the request) for an Ordinary General Assembly.
- At the request of at least 25% of members, for an Extraordinary General Assembly.
- At the request of the statutory auditor.

LA COOPÉRATION AGRICOLE

03

Goal

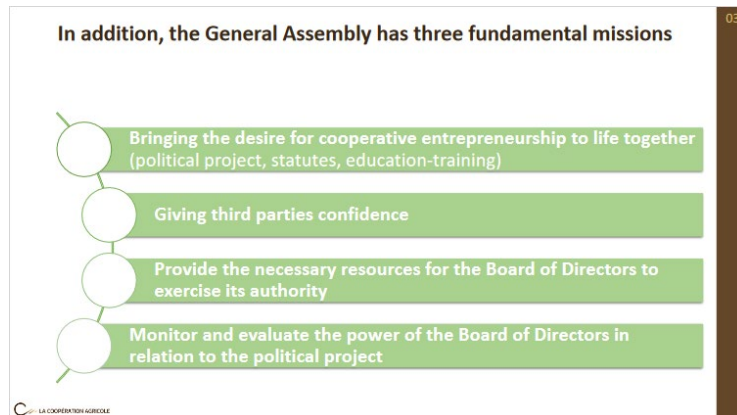
To present the procedures for convening an Extraordinary General Assembly.

Methods

Describe the slide

Emphasize the power of cooperative members: 20% of cooperative members can request that an extraordinary general assembly be convened. As the General Assembly is convened within 2 months of the request, the cooperative members can change the entire board of directors within 2 months.

Slide 57



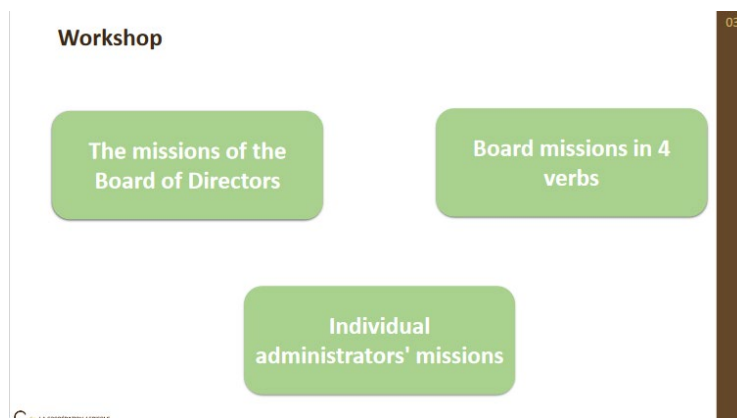
Goal

To summarize general assemblies, beyond what the texts say.

Methods

Describe the slide.

Slide 59



Goal

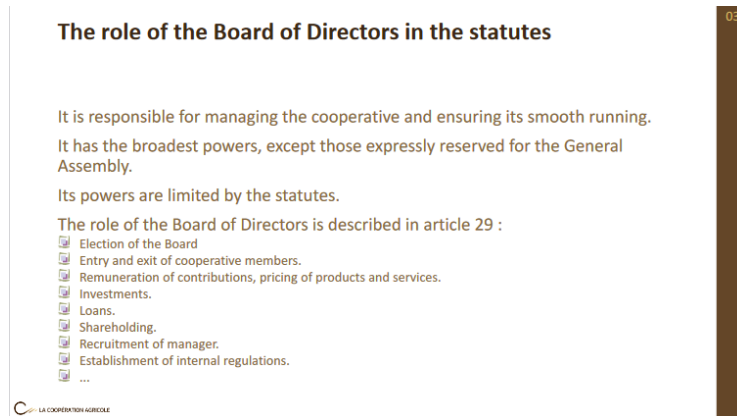
Introduce the reflection sequence on the missions of the Board of Directors and its members.

Methods

Divide participants into sub-groups and ask the 3 questions.

Working time: 20 to 30 minutes.

Slide 60



The role of the Board of Directors in the statutes

It is responsible for managing the cooperative and ensuring its smooth running.
 It has the broadest powers, except those expressly reserved for the General Assembly.
 Its powers are limited by the statutes.

The role of the Board of Directors is described in article 29 :

- ☐ Election of the Board
- ☐ Entry and exit of cooperative members.
- ☐ Remuneration of contributions, pricing of products and services.
- ☐ Investments.
- ☐ Loans.
- ☐ Shareholding.
- ☐ Recruitment of manager.
- ☐ Establishment of internal regulations.
- ☐ ...

Goal

Identify the decision-making areas of the Board of Directors.

Methods

Each group presents its work, and the facilitator completes and corrects if necessary.

Slide 61



Steering
4 fundamental missions for the Board of Directors

- Orient**
 Defining the cooperative's direction
- Control**
 Implementation of strategy, achievement of objectives, results...
- Inform**
 Ensuring cooperative life and communication
- Dialogue**
 With industry and local players

Goal

In addition to its statutory missions, the Board of Directors plays an essential role in shaping the cooperative's strategy, a role that is not defined in the statutes.

Methods

Each group puts forward its own proposal, and the facilitator encourages participants to come up with a set of answers.

Slide 62



Four fundamental missions for administrators

- Contribute to collective decision-making**
Express ideas, debate, vote
- Representing cooperative members**
On the Board of Directors
- Representing the cooperative**
Outdoors
- Assert yourself as an information broker**
Between the Board of Directors and cooperative members

03

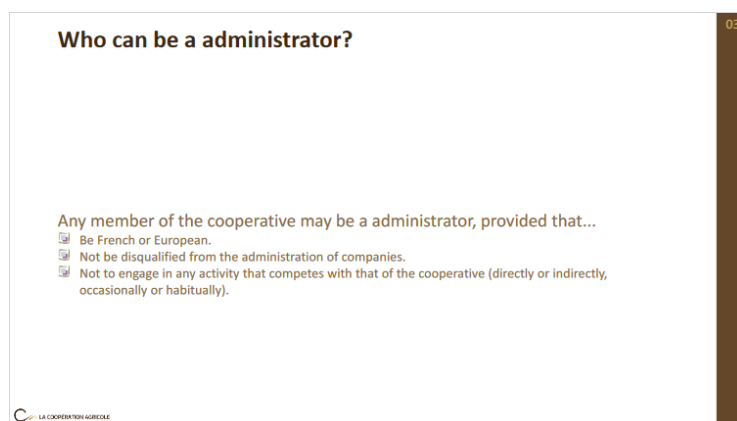
Goal

Clarify the role of individual administrators.

Methods

Same as previous slide.

Slide 63



Who can be a administrator?

Any member of the cooperative may be a administrator, provided that...

- Be French or European.
- Not be disqualified from the administration of companies.
- Not to engage in any activity that competes with that of the cooperative (directly or indirectly, occasionally or habitually).

03

Goal

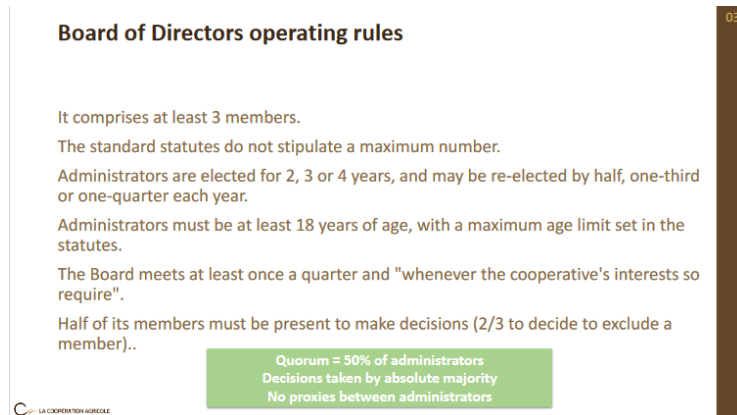
Identify the conditions required to stand for election to the Board of Directors.

Methods

Emphasize the importance of the concurrent activity clause (can a cooperative member with a partial contribution be an administrator?), specifying that the aim is to protect the cooperative and avoid conflicts of interest.

Competing activities are difficult to prove.

Slide 64



Board of Directors operating rules

It comprises at least 3 members.

The standard statutes do not stipulate a maximum number.

Administrators are elected for 2, 3 or 4 years, and may be re-elected by half, one-third or one-quarter each year.

Administrators must be at least 18 years of age, with a maximum age limit set in the statutes.

The Board meets at least once a quarter and "whenever the cooperative's interests so require".

Half of its members must be present to make decisions (2/3 to decide to exclude a member)..

Quorum = 50% of administrators
Decisions taken by absolute majority
No proxies between administrators

03

Goal

To explain the operating rules of the Board of Directors.

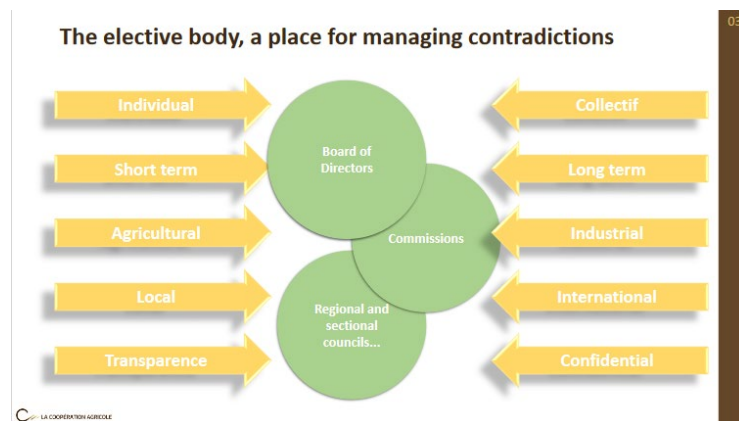
Methods

Present the slide and ask participants to look up the information in their cooperative's statutes:

- Number of administrators
- Term of office
- Age limit
- etc.

Emphasize voting procedures. Abstention = vote against.

Slide 65



Goal

To highlight all the confrontations that can arise on the board of directors.

Methods

Describe the slide.

Slide 66

Chairman of the Board of Directors

He is Chairman of the Board... not of the cooperative.
 He is mandatory: the Board of Directors cannot not have a Chairman.
 He is elected annually at the 1st Board meeting following the Annual General Assembly.
 As an administrator, he may be dismissed ad nutum by the General Assembly.
 The Board of Directors may withdraw the Chairman's mandate at any time, under normal conditions of quorum and majority.
 His responsibilities are a priori the same as those of the other administrators.
 He has few specific statutory powers :

- Convene and lead the Board of Directors and Annual General Assembly.
- Represent the cooperative before the courts.
- Casting vote in the event of a tie, except for his election..

03

Goal

Define the Chairman's missions, powers and responsibilities

Methods

Describe the slide.

Important message: the Chairman is the President of the Board of Directors, not the CEO. He is the first among equals and is responsible for the Board's decisions.

Slide 67

03


The Board of the Board of Directors

By statute, it is composed of

- A Chairman,
- One or more vice-presidents,
- a secretary,
- Possibly a treasurer.

The statutes specify the composition of the board, but do not assign any specific role to it :

- The Vice-Chairman replaces the Chairman.
- The secretary drafts the minutes of Board meetings.

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Goal

Introduce the board.

Methods

Important message: the Board has no powers and no role defined in the statutes.

It is up to each Board of Directors to define the role of the Board (delegation of powers) and the relationship between the Board of Directors and its Board.

Slide 68

03

Cooperative Manager

He is an employee of the cooperative.

He or she may be a cooperative member, but cannot be an administrator.


They work under the direction, control and supervision of the Board of Directors.

Their powers are entrusted and limited by the Board of Directors (formalize delegations of authority).

Their remuneration is set by the Board of Directors.

Most of the time, the Board delegates personnel management to him/her: in principle, he/she recruits and dismisses staff.

They must not engage in any activity that competes with that of the cooperative.

 LA COOPÉRATION AGRICOLE

Goal

Define the relationship between the Board of Directors and management

Methods

Present the slide.

Important message: the director is an employee of the cooperative and does not hold a corporate mandate.

- **Part 4: Information obligations**

Slide 70



The slide is titled "Information for new cooperative members" and lists the information provided to new members upon joining. It includes a small logo for "LA COOPÉRATION AGRICOLE" in the bottom left corner and a vertical brown bar with the number "04" in the top right corner.

Information for new cooperative members

On joining the cooperative, members receive

- ☑ Information on cooperative values and principles.
- ☑ Information on how the cooperative operates and how it pays its employees.
- ☑ A list of managers, as well as contact details to facilitate integration..

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04

Goal

For this section, to remind you of the legal obligations to inform cooperative members.

Methods

Find information in the cooperative's statutes (Article 9).

Emphasize the need for implementation in cooperatives.

Over and above legal obligations, organizing an integration sequence for new cooperative members is also a way of strengthening the relationship of trust between the cooperative and the cooperative member.

Slide 74

External supervisory powers and guardianship

04

Common characteristic: competence and independence.
Common objective: to serve cooperative members (democratic control), the Board of Directors (progress) and third parties.
Statutory auditor: to ensure that the accounts reflect the company's situation.
Cooperative audit: compliance with cooperative rules and principles, benchmarking of practices.
HCCA: protect status against misuse.

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Goal

Introduce supervisory bodies outside the cooperative.

Methods

- Important message: 3 important bodies
- The supervisory body: the High Council for Agricultural Cooperation (Haut Conseil de la Coopération Agricole).
- An original body within the cooperative: the Audit Office.
- The statutory auditor: the guarantor of cooperative members' interests on behalf of the Board of Directors.

- **Part 5: Administrators' responsibilities**

Slide 75

05

Administrators' responsibilities

Goal

This sequence is optional. It aims to shed some light on the civil and penal responsibilities of cooperative managers.

Methods

Warning: the question of responsibility is a crucial and sensitive one. Each case is different and requires the precise analysis of a legal expert.

This section should therefore be dealt with by a speaker with sufficient legal skills to do so.

- **Part 6: Introduction to strategy**

Slide 83



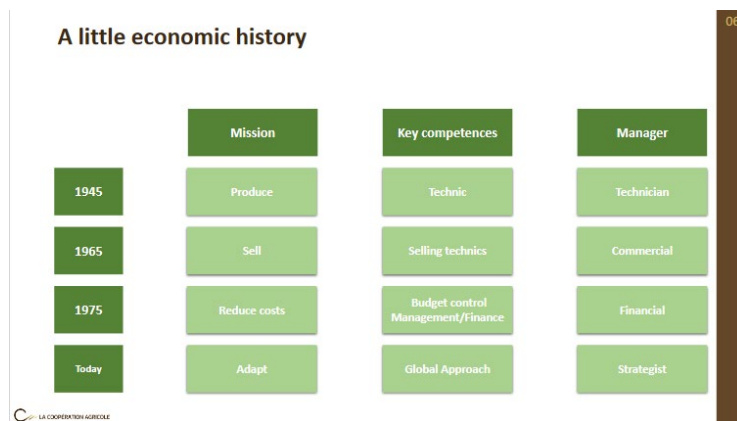
Goal

Strategic analysis is an essential skill for boards of directors and administrators. The aim of this final sequence is to define the concept of strategic analysis and describe the various stages involved.

Methods

Divide participants into sub-groups and have them work on the various questions.

Slide 84



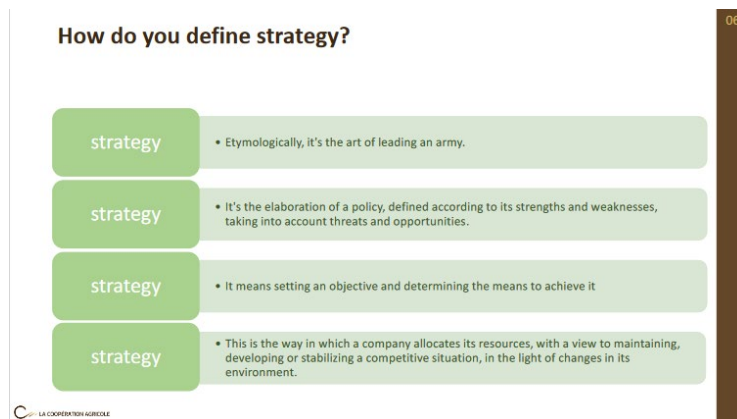
Goal

To help participants understand the importance of strategic thinking in today's companies.

Methods

The table is filled in box by box by the participants. Each line is added to the previous ones, showing how companies must constantly adapt, and that the essential skill required is a strategic one.

Slide 85



Goal

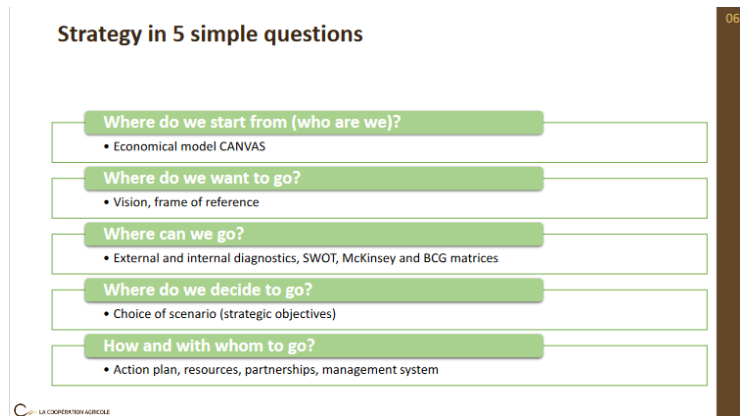
Define the concept of strategy.

Methods

Each group gives its definition of strategy. The facilitator completes with the different definitions.

- The first reminds us of the fields in which strategy is applied (military art, gambling, sport, business).
- The second introduces the notion of diagnosis (SWOT), an essential element of strategic analysis.
- The third is probably the simplest.
- The fourth is important, as it introduces the notion of hierarchy, choice and the elimination of possible but non-priority avenues.

Slide 86



Strategy in 5 simple questions

- Where do we start from (who are we)?
 - Economical model CANVAS
- Where do we want to go?
 - Vision, frame of reference
- Where can we go?
 - External and internal diagnostics, SWOT, McKinsey and BCG matrices
- Where do we decide to go?
 - Choice of scenario (strategic objectives)
- How and with whom to go?
 - Action plan, resources, partnerships, management system

06

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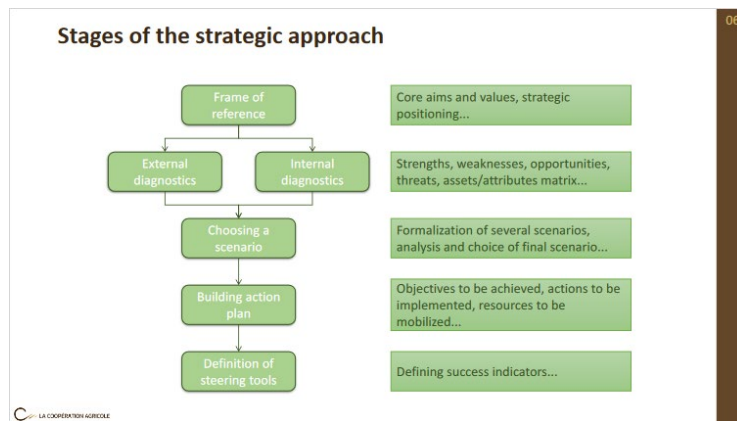
Goal

Identify the stages in strategic thinking.

Methods

Participants are asked to identify, in the right order, the 5 simple questions that make up the stages of the process. Four questions end with the verb "to go", while one contains the conjugated verb "to leave".

Slide 87



Goal

Translate the previous slide into strategic language.

Methods

The questions on the previous slide are repeated using the various strategic tools (frame of reference, diagnosis, etc.).

Slide 88

Why formalize a political project?

For Who ?	For What ?
General Assembly	Provide a framework and evaluate the work of the Board of Directors
	Cultivating a cooperative culture
	Welcoming new cooperative members
	Build loyalty
Board of Directors	Defining and managing strategy
Employees	Giving meaning to work
	Welcoming new employees
Partners	Introducing the cooperative and its project

Goal

Demonstrate the need for and benefits of formalizing a political project (first step in a strategic project).

Methods

Interview participants for each line and build the table with the group.

Slide 89

Why formalize a strategic project?

For Who ?	For What ?
Board of Directors	<ul style="list-style-type: none"> Organize the work of the Board of Directors Seizing opportunities, anticipating risks Make the Board's collegiality work Exercising power Welcoming new administrators Seizing opportunities, anticipating risks Bringing partnerships to life
Management	<ul style="list-style-type: none"> Managing teams Convincing stakeholders
Employees	Being managed

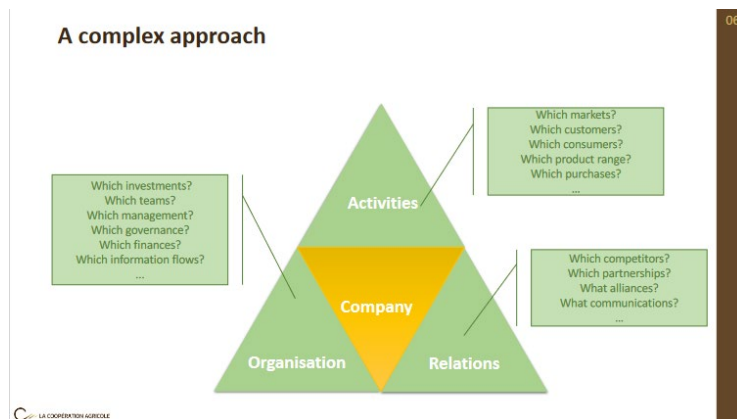
Goal

Demonstrate the need for and benefits of formalizing a strategic project: a task for the Board of Directors, with support from management.

Methods

Ask participants about each line and build the table with the group.

Slide 90



Goal

Insist on the fact that strategy is a complex science, difficult to implement and requiring constant self-questioning.

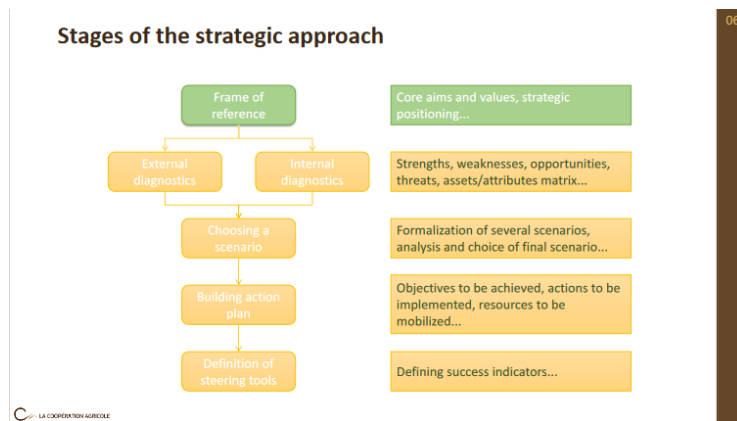
Methods

Ask participants to identify the 3 areas of the company that are impacted by a change of strategy, and gradually lead them to the answer.

Point out that there are tools available to help with this process (SWOT, matrices, CANVAS, etc.).

Cooperative strategy is even more complex: thinking downstream (markets) and upstream (maintaining production), collective decision-making (divergent interests within the cooperative), democratic time (longer than business time)...

Slide 91



Frame of reference = political project

Slide 92



Goal

Work on goals and values (next slide) corresponds to the political project.

Methods

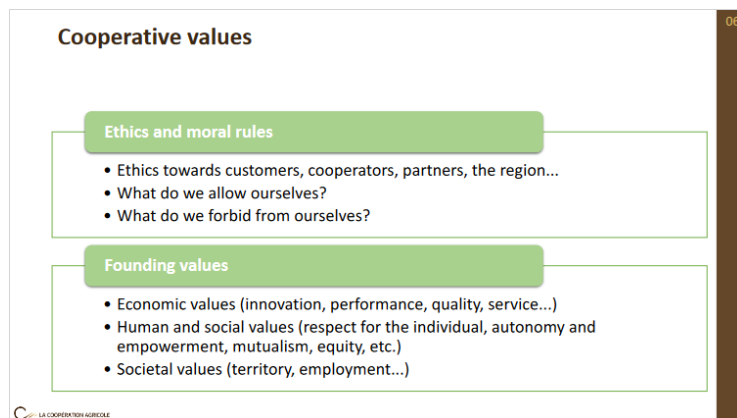
The aim is to get participants to work on their cooperative. It was created to meet specific objectives. Today, what are the goals pursued by managers?

To simplify the work, these goals can be broken down into economic goals (for the cooperative and its members), social goals (for employees) and social goals (for the industry, the region and other stakeholders).

The various possible scenarios are analyzed in the light of this frame of reference.

Total length of sequence (approx. 60 min.)

Slide 93



Cooperative values

Ethics and moral rules

- Ethics towards customers, cooperators, partners, the region...
- What do we allow ourselves?
- What do we forbid from ourselves?

Founding values

- Economic values (innovation, performance, quality, service...)
- Human and social values (respect for the individual, autonomy and empowerment, mutualism, equity, etc.)
- Societal values (territory, employment...)

Goal

The work on goals (previous slide) and values corresponds to the political project.

Methods

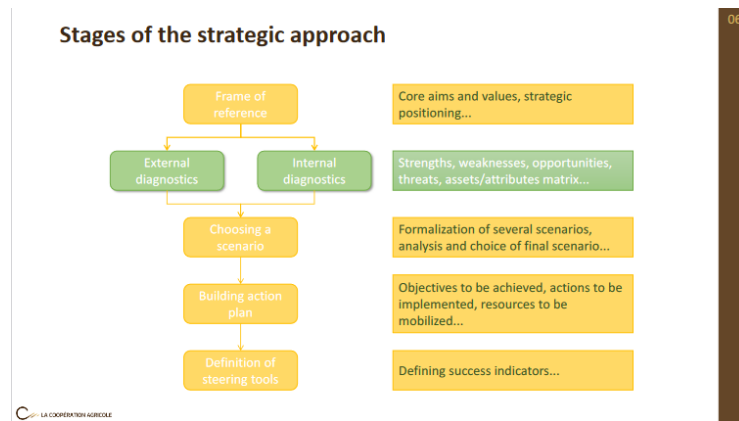
The aim is to get participants to work on their cooperative. What are the cooperative's core values?

To simplify the work, break down the aims into moral rules (what we allow ourselves, what we forbid ourselves), founding rules (mutualism, equity, solidarity...).

The various possible scenarios are analyzed in the light of this frame of reference.

Total length of sequence (approx. 60 min.)

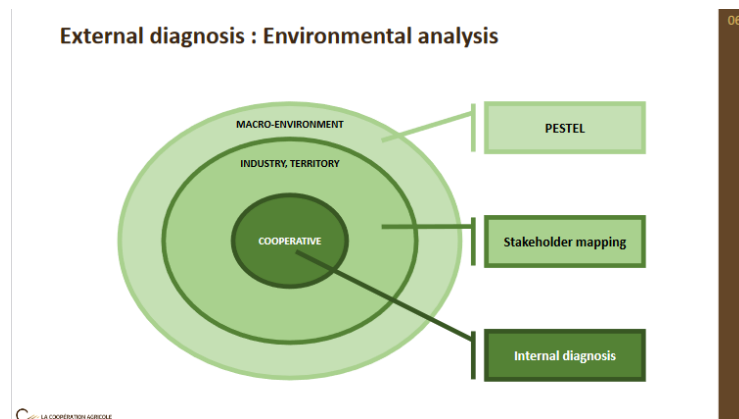
Slide 94



External diagnosis: opportunities and threats in the environment.

Internal diagnosis: the company's strengths and weaknesses.

Slide 95



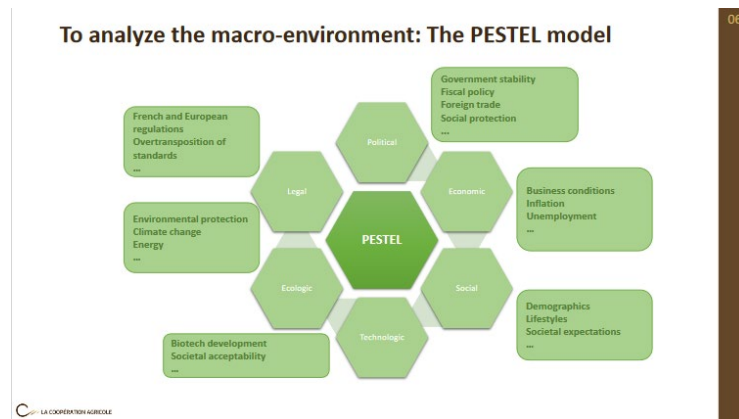
Goal

Provide tools for analyzing the environment.

Methods

Present the diagram and tools for analyzing the macro-environment (PESTEL) and the immediate environment (stakeholder analysis, for example).

Slide 96



Goal

Introduce the PESTEL method, which breaks down the macro-environment into segments that are easier to analyze.

Methods

Introduce each area and ask participants to find examples for the cooperatives involved in the group.

What are the opportunities and threats for the cooperative in each area?

In a strategic coaching situation, work on the case of the cooperative (30 to 60 min.).

Slide 97



Goal

Introduce the notion of "stakeholders" and the importance for the cooperative of meeting stakeholder expectations.

Methods

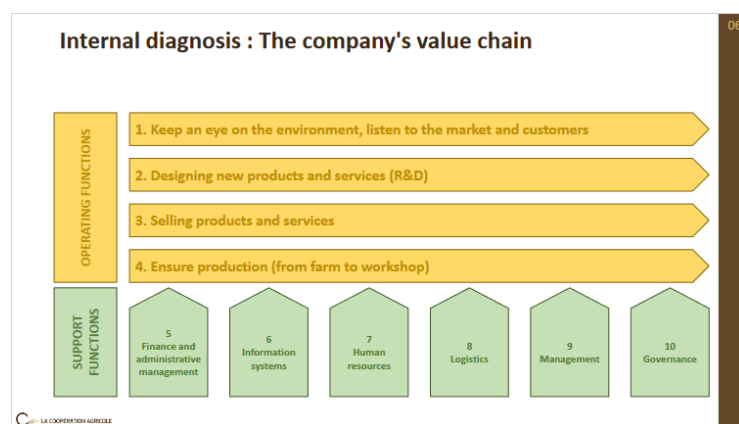
Define the notion of stakeholders.

Work with the group to position stakeholders around the cooperative.

Examples are shown on the slide.

Questioning stakeholders helps identify the opportunities or threats they may present for the cooperative.

Slide 98



Goal

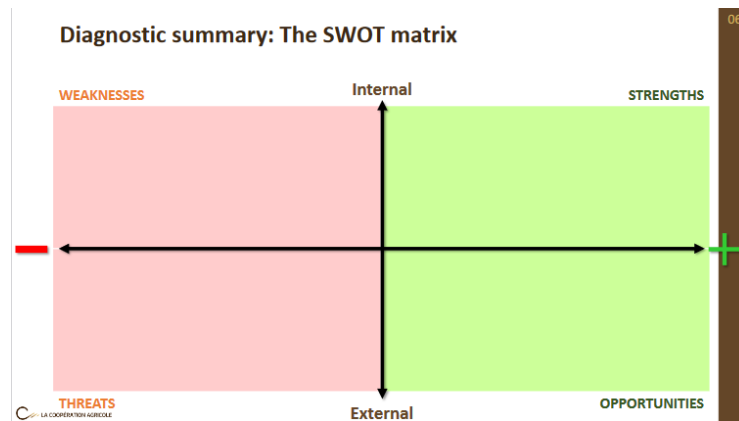
Break down the company into essential functions to facilitate internal diagnosis.

Methods

Have the group identify operational and support functions.

Examine the strengths and weaknesses of the cooperative for each function (in absolute terms and, if possible, in relation to the competition).

Slide 99



Goal

Summarize the diagnosis.

Methods

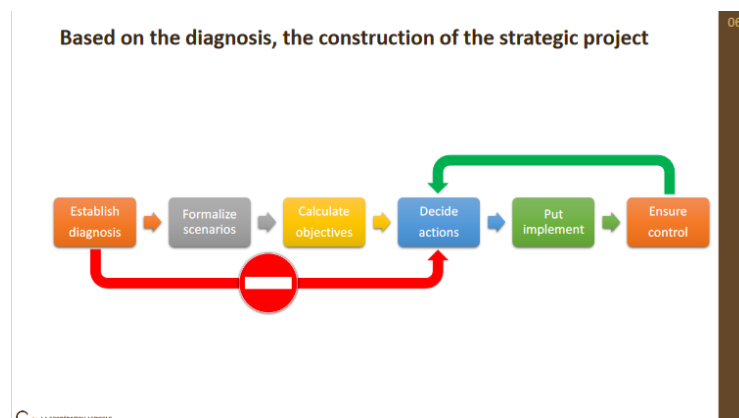
For each of the headings (strengths, weaknesses, opportunities, threats), prioritize and select those which are likely to have a strong and lasting impact on the company (collective discussion to arrive at a summary).

Transfer the selected themes to the matrix.

Cross-reference the various items to identify the truly strategic elements that will enable us to formalize the strategic axes.

Solutions don't just appear; they require thought and discussion: they're complex.

Slide 100



Goal

Present a classic mistake to avoid.

Methods

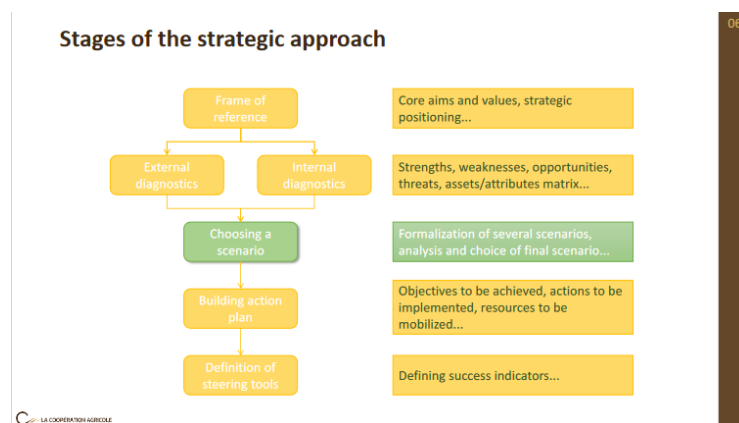
Presenting the plan

Classic mistake: once the diagnosis has been made, you move straight on to actions without defining the objectives to be achieved.

An objective: it pays off (sales, market share, brand awareness...)

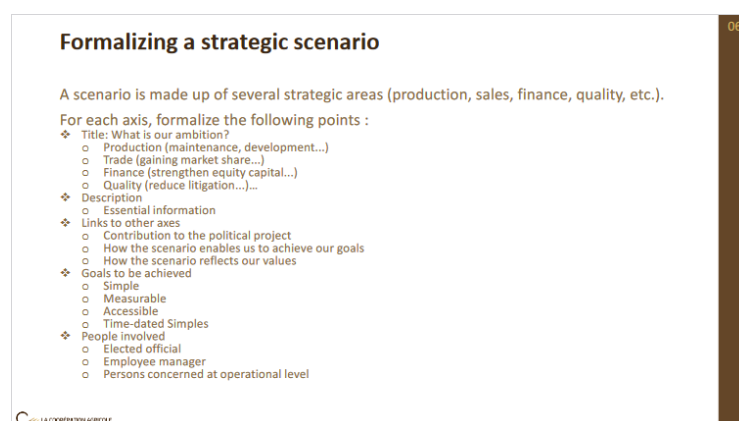
An action: it costs (investment, recruitment...)

Slide 101



Scenario: formalization of the project, composed of several axes.

Slide 102



Goal

Provide a method for formalizing a scenario, consisting of several axes.

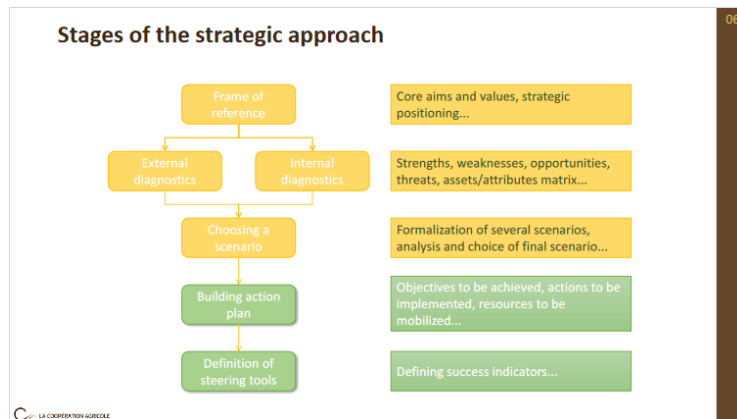
Methods

Get participants to work on their cooperative:

Choose an area (markets, finance, etc.)

Formalize a scenario or axis in a small group.

Slide 103



The action plan will also serve as a management dashboard, which will be periodically reviewed by the Board of Directors to monitor the strategic project, the achievement of goals... and take corrective action if necessary.

Slide 104

Drawing up an action (and management) plan

Axis N° ...

Goals	Target value at maturity	Interim maturity values	Actions to be implemented	Resources required	Action managers
Goal N° 1	Defined in the strategic axis	Roadmap to ensure strategic management and redirect actions if necessary	Action 1 What needs to be done to achieve the goal (invest, recruit, restructure, etc.). There may be several actions for 1 goal.	Financial and human cost of each action	People concerned by the various actions
			Action 2	Action cost 2	Action managers 2
			Action 3	Action cost 3	Action managers 3
...		
Goal N° 2			Action 1		
...			...		

Goal

Provide a tool for building an action plan.

Methods

Present the table.

Ask participants to work on the axes formalized in the previous step (one goal, several actions, associated resources, etc.).

Slide 105



It is the total production, all the exchanges and all the summaries drawn up at each stage that constitute a strategic project for the cooperative, drawn up by the Board of Directors with management.

Slide 106



Goal

Encourage administrators to question the relevance of the proposed investment project, beyond the simple question "What is the cost of the investment?".

Slide 107



Things to consider when making an investment

- Why invest?
- Is investment compatible with strategy?
- How long will the investment last?
- What will the investment really cost?
- What is the financing plan?
- What impact will this have on the accounts?

06

LA COOPÉRATION AGRICOLE

Goal

Identify the questions to ask yourself in the event of an investment project (or to ask those proposing the project: Chairman, Executive Board, Manager, etc.).

Methods

Divide participants into groups of 2 to 4 people.

Ask them to list in order the questions they should ask themselves when considering an investment project.

Have the groups report back their answers, correcting them if necessary.

Slide 108



Why invest?

- To maintain the cooperative's capacity (renewal)
- To increase the cooperative's capacity
- To improve productivity
- To diversify activity
- To bring facilities into compliance with legislation
- To reduce labour difficulties
- ...

06

LA COOPÉRATION AGRICOLE

Goal

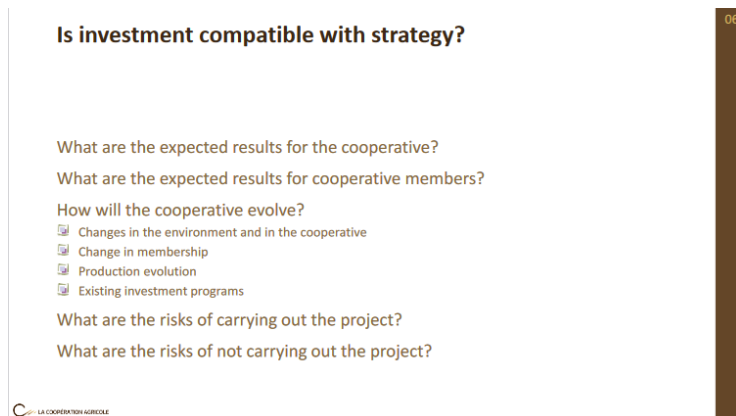
Identify the few fundamental investment cases.

Methods

Collective reflection and presentation of the slide

Point out that in some cases (business growth, diversification, etc.), working capital requirements will increase, and will also need to be financed.)

Slide 109



Is investment compatible with strategy?

What are the expected results for the cooperative?
What are the expected results for cooperative members?

How will the cooperative evolve?

- ☐ Changes in the environment and in the cooperative
- ☐ Change in membership
- ☐ Production evolution
- ☐ Existing investment programs

What are the risks of carrying out the project?
What are the risks of not carrying out the project?

LA COOPÉRATION AGRICOLE

06

Goal

Identify the few fundamental investment cases.

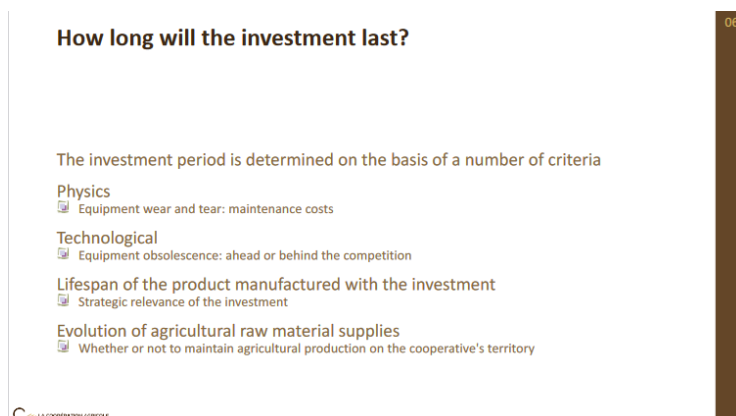
Methods

Collective reflection and presentation of the slide.

Possibility of further work in sub-groups.

Emphasize the question of risk, which is not always clearly formalized.

Slide 110



How long will the investment last?

The investment period is determined on the basis of a number of criteria

Physics

- ☐ Equipment wear and tear: maintenance costs

Technological

- ☐ Equipment obsolescence: ahead or behind the competition

Lifespan of the product manufactured with the investment

- ☐ Strategic relevance of the investment

Evolution of agricultural raw material supplies

- ☐ Whether or not to maintain agricultural production on the cooperative's territory

LA COOPÉRATION AGRICOLE

06

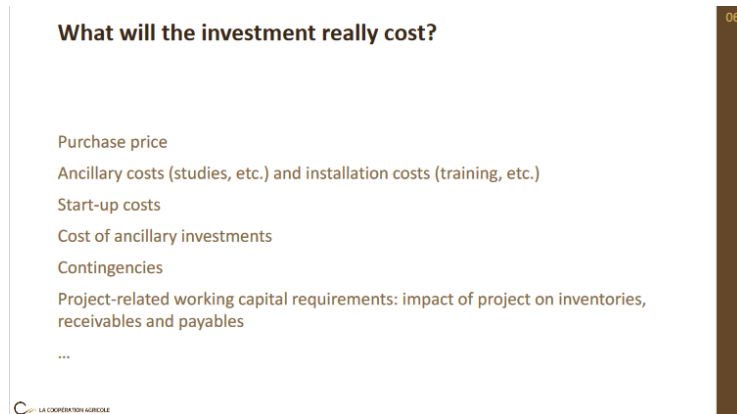
Goal

Identify the few fundamental investment cases.

Methods

Collective reflection and presentation of the slide.

Slide 111



What will the investment really cost?

- Purchase price
- Ancillary costs (studies, etc.) and installation costs (training, etc.)
- Start-up costs
- Cost of ancillary investments
- Contingencies
- Project-related working capital requirements: impact of project on inventories, receivables and payables
- ...

LA COOPÉRATION AGRICOLE

06

Goal

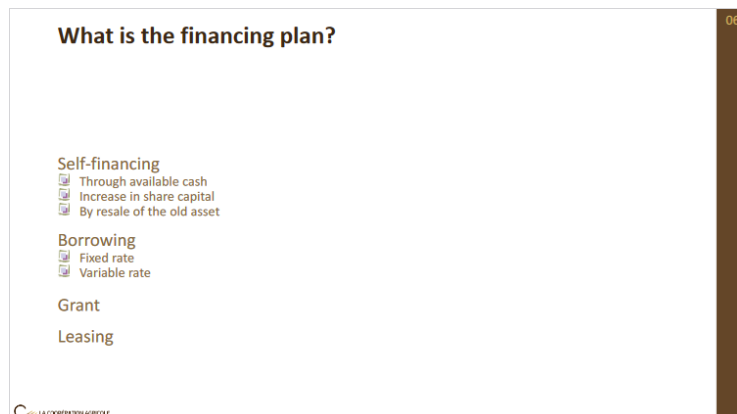
Identify the few fundamental investment cases.

Methods

Collective reflection and presentation of the slide.

Emphasize that the cost of the project is different from the cost of the investment.

Slide 112



What is the financing plan?

- Self-financing
 - Through available cash
 - Increase in share capital
 - By resale of the old asset
- Borrowing
 - Fixed rate
 - Variable rate
- Grant
- Leasing

LA COOPÉRATION AGRICOLE

06

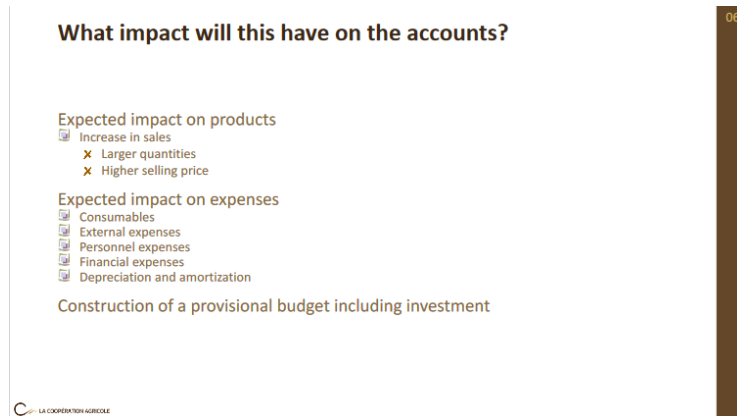
Goal

Identify the few fundamental investment cases.

Methods

Collective reflection and presentation of the slide.

Slide 113



06

What impact will this have on the accounts?

Expected impact on products

- Increase in sales
- Larger quantities
- Higher selling price

Expected impact on expenses

- Consumables
- External expenses
- Personnel expenses
- Financial expenses
- Depreciation and amortization

Construction of a provisional budget including investment

LA COOPÉRATION AGRICOLE

Goal

Identify the few fundamental investment cases.

Methods

Collective reflection and presentation of the slide.

This slide refers to management concepts taught in other training courses.

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