



# **DG AGRI conference: The role of interbranch organisations in the food supply chain**

## **Vertical Cooperation in German Agriculture**

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24. March 2017 in Brussels



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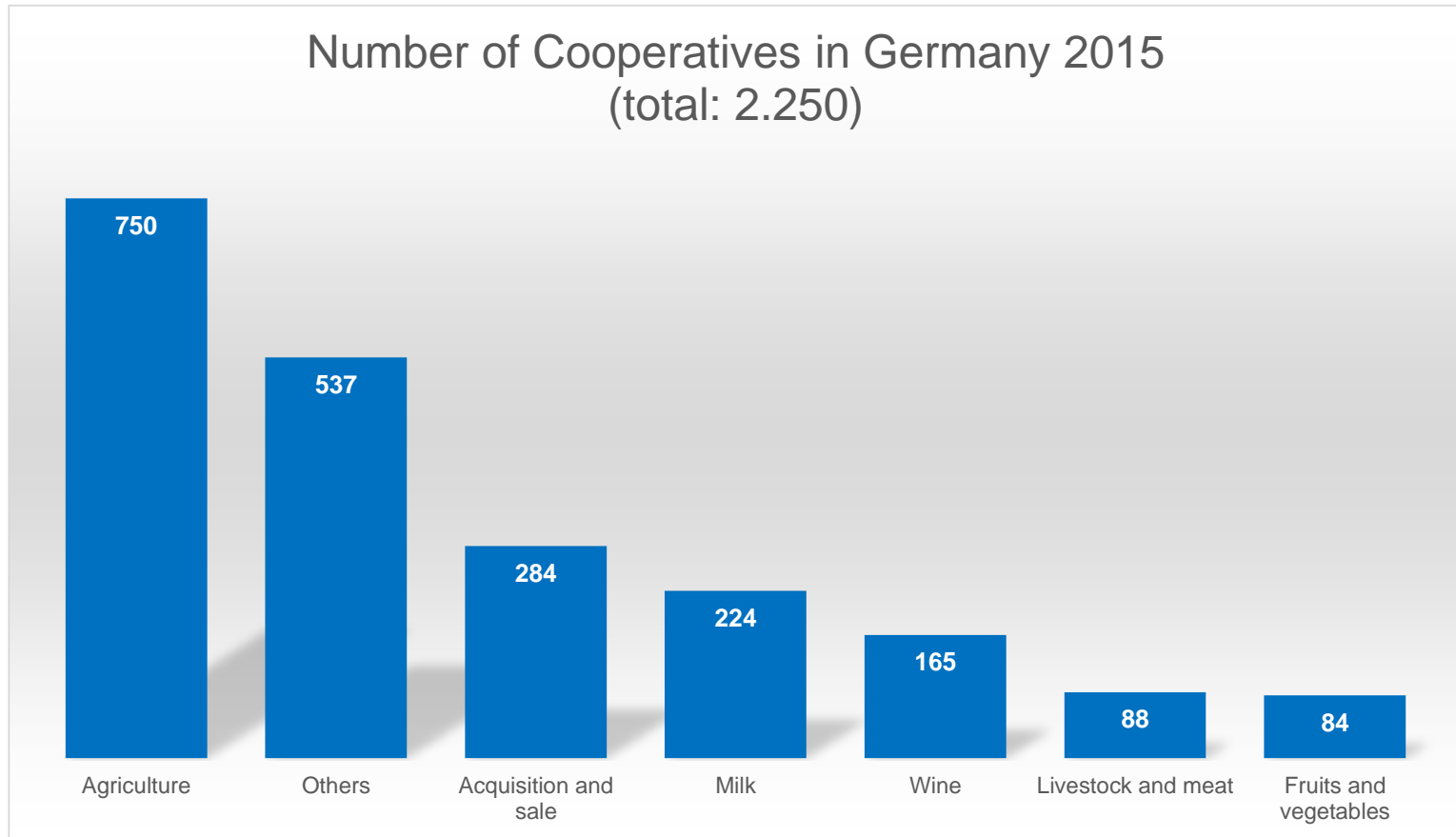
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## 2. Interbranchorganisations in Germany

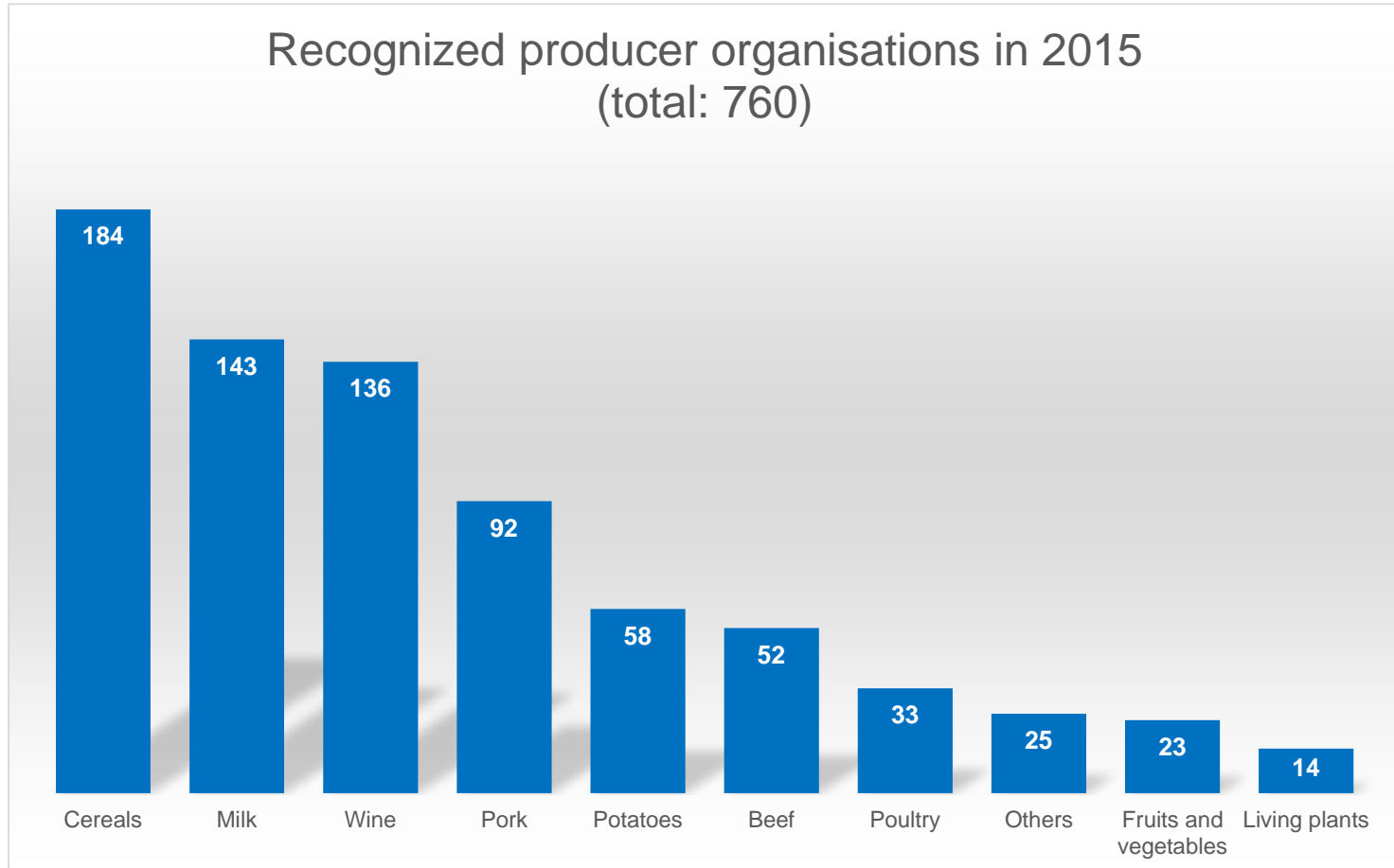
- Sugar: 1 IBO, newly established.
- Milk: Discussions. „Community of interests“ established.
- Wine: Possibly establishing of IBO (s) in future.
- Other sectors: No IBOs?

## **3 Cooperatives**

### **3.1 Importance of Cooperatives and Producer Organisations**



Source: Statistical yearbook for food, agriculture and forestry



Source: Statistical yearbook for food, agriculture and forestry

## 3.2 Reasons for favoring the cooperative model in Germany

- Historical development.
- Adequate representation of farmers and food processors by economic associations.
- Complexity of rules is dissuasive for the establishment of IBOs.
- Keep simpler constructions like POs.
- Implementation of new recognition procedures do not favor the establishment of IBOs.

## 4. Conclusions

- It remains unclear whether IBOs will play an important role in Germany in the future.
- Cooperatives and producer organizations will in any case remain significant.
- Many reasons for this situation. Inter alia: Historical development, adequate representation of farmers and food processors by economic associations.
- If suggestions of TF are implemented, no real change of organization structure of the food supply chain is expected





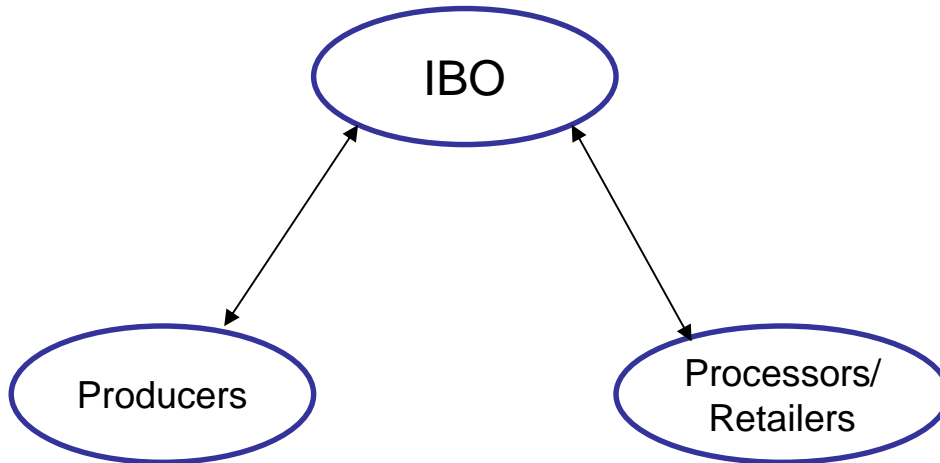
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Thank you very much for your attention

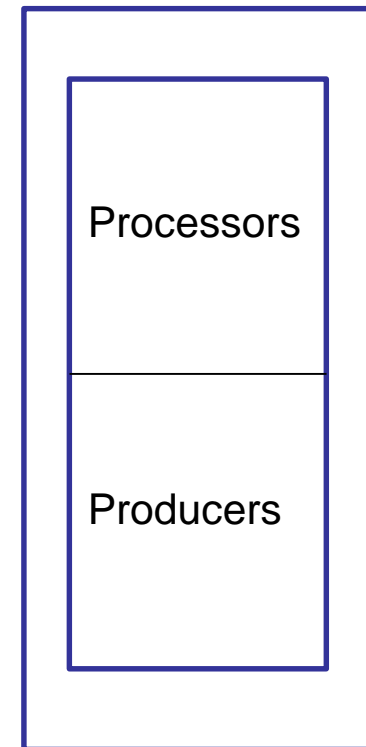


## Conceptual difference between IBOs and Cooperatives

IBOs:  
Prod. a. Proc. independent

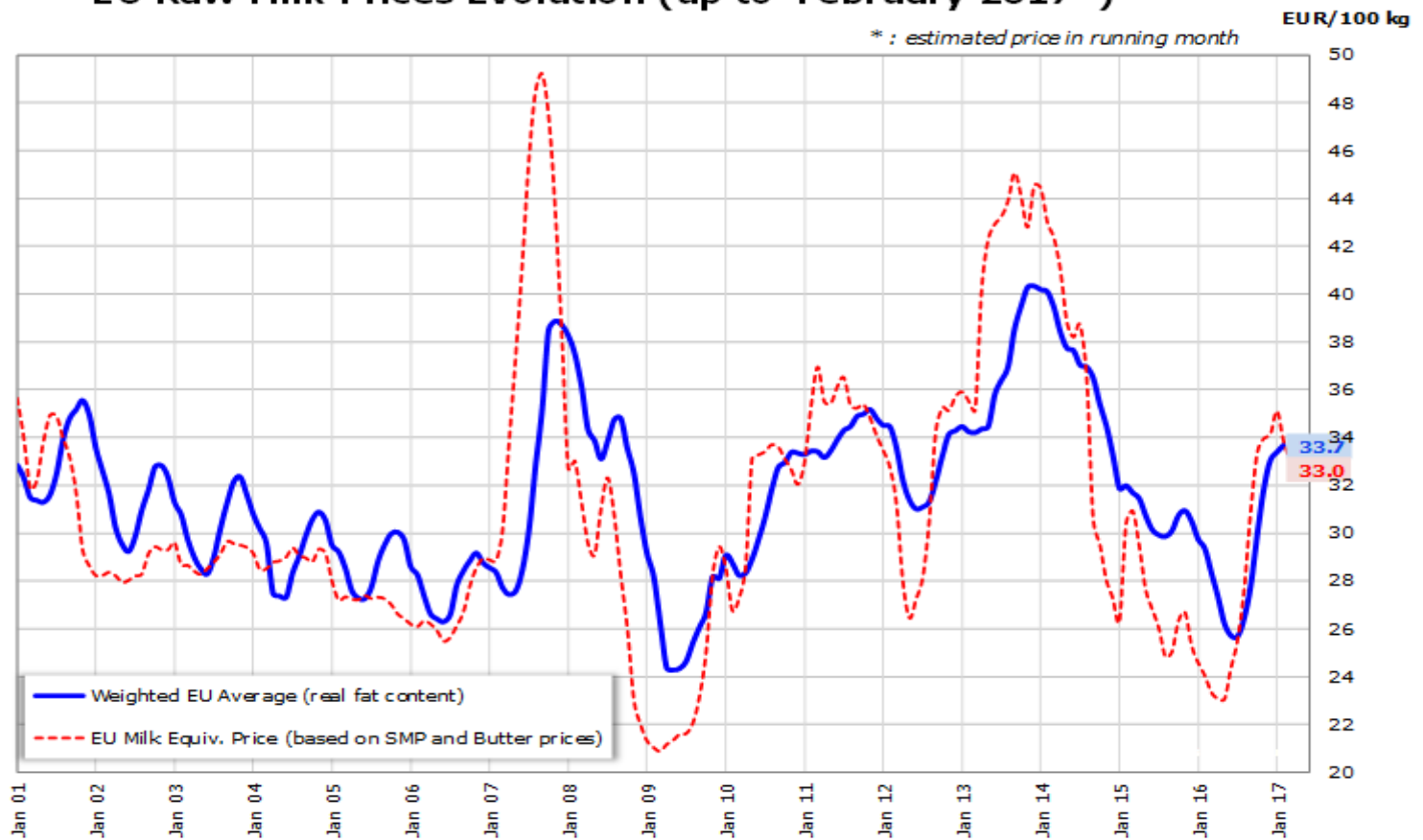


Cooperatives:  
dependent



## EU Raw Milk Prices Evolution (up to February 2017\*)

\* : estimated price in running month



Source : MS' communications under reg. 562/2005 & 479/2010