



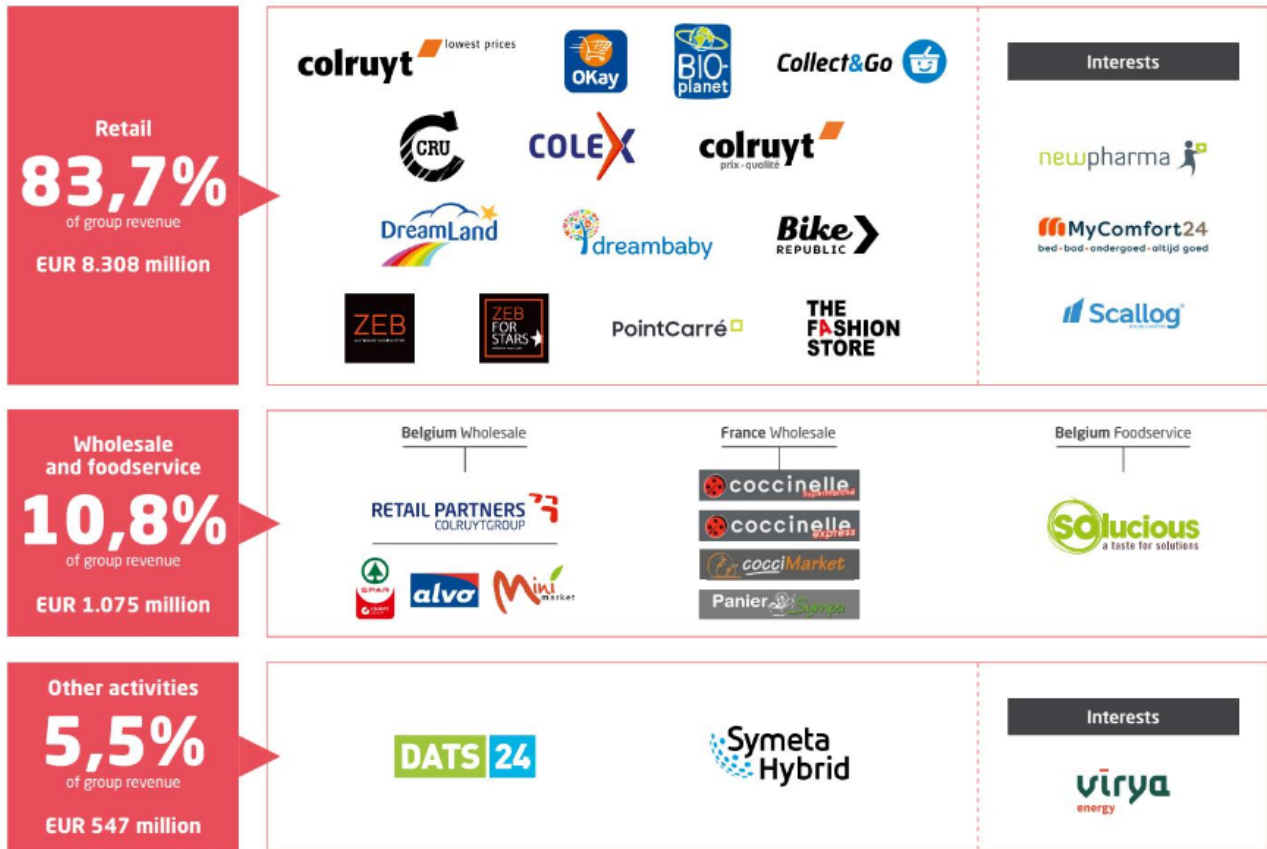
# Cooperation with producer organisations

02/12/2021

# Cooperation with producer organisations: agenda

- ▶ Introduction: Colruyt Group: who we are
- ▶ Direct cooperation at Colruyt Group
  - Cooperation with producer organisations in the beef sector: goals
  - Cooperation model
- ▶ Producer organisations in the beef sector: facts and figures
- ▶ Contribution of Colruyt to the producer organisations
- ▶ Experiences
- ▶ Critical success factors

# COLRUYTGROUP activities



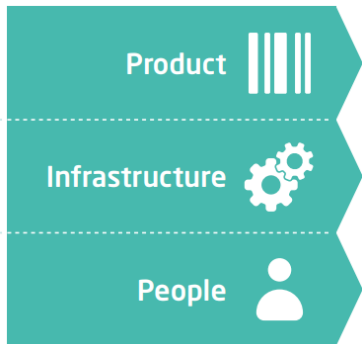
**Together, we create sustainable added value through value-driven craftsmanship in retail**



## Our ambition

To be a reference point for sustainable entrepreneurship and a source of inspiration for conscious consumption

### 3 drivers on which we organise ourselves



Signatory to the **EU CODE OF CONDUCT ON RESPONSIBLE FOOD BUSINESS AND MARKETING PRACTICES**

*A common aspirational path towards sustainable food systems*

## Our vision on sustainability

### 12 programmes to make a difference

Our vision on sustainable entrepreneurship is set out in twelve programmes, on which we can make a difference with our day-to-day activities.

Health	Biodiversity
Working together	Agriculture
Learning together	Raw materials
Living together	Atmosphere
Animal welfare	Water
	Energy
	Mobility

### 4 themes to consume more consciously



# Direct cooperation at Colruyt Group

- ▶ By working directly with producer organisations.  
→ *3 producer organisations in the beef sector*
- ▶ Through direct cooperation with farmers.  
→ *development and cultivation of new apple varieties (see Wolfcarius)*
- ▶ Through targeted partnerships in the supply chain under coordination of Colruyt.  
→ *cooperation BioVar.be - Colruyt - Delavi: Belgian organic pork*
- ▶ By cooperation with a producers' platform in combination with a service provider.  
→ *collaboration with potato producers (via Aardappelhoeve)*  
→ *BONI milk (via Inex)*

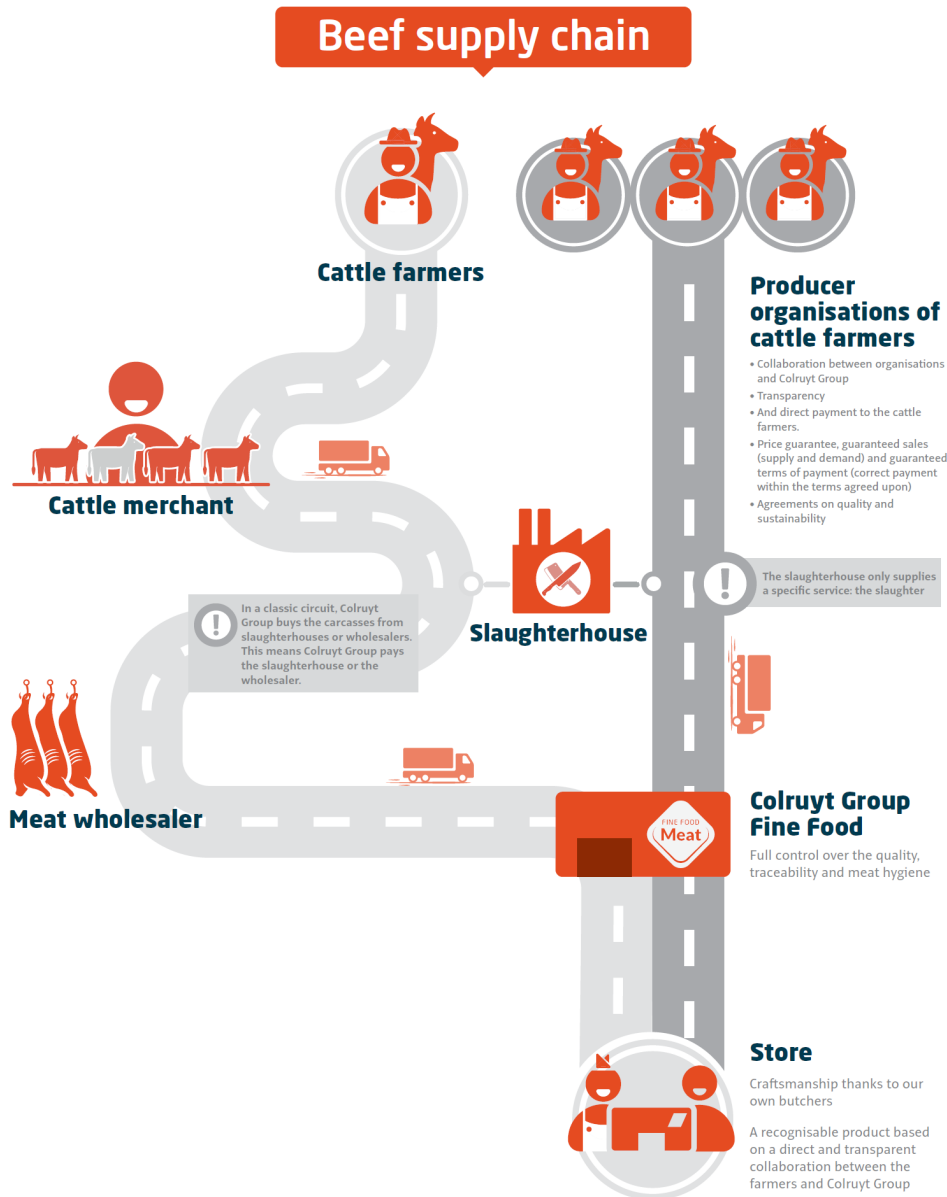


# Direct cooperation with producer organisations in the beef sector: goals

- ▶ Develop and guarantee local, Belgian sourcing.
- ▶ Better coordination of supply and quality.
- ▶ Improve the income of the farmer through direct cooperation (see model).  
Result: net yield per animal increased by € 50 to € 100.
- ▶ Together with the beef farmers, informing the consumers about the "production process" and the "products".
- ▶ Be a catalyst in creating trust and transparency in the supply chain in order to achieve an efficient long-term cooperation.
- ▶ Inspire to make the supply chain more sustainable.



# Cooperation model



# Producer organisations in the beef sector: facts en figures

- ▶ 3 PO's
  - 2 Wallonia
  - 1 Flanders
  
- ▶ Approximately 40 % of the volume of beef carcasses at Colruyt
  - 90 bulls/week
  - 60 cows /week (PO's exclusive supplier for female bovine)
  
- ▶ Approximately 150 family farms with a shared commitment
  - Animals always stay on the same farm (from birth to slaughter)
  - Cows are grazing at least 6 months/year on the meadow
  - Natural shelter in the meadows
  - To the maximum extent locally grown fodder
  - Spacious stables on straw
  - Belgian Blue-White breed





# Contribution of Colruyt to the producer organisations

- ▶ Support in the setup and design of the cooperation: governance, communication with their members,...
- ▶ Facilitate the cooperation model: negotiations with the service providers
- ▶ Learning network: encouraging the exchange of best practises in the producer organisation. In the future also between producer organisations.
- ▶ Organise quarterly meetings with the board of the producer organisations to maintain and improve the cooperation.



# Experiences

- ▶ Farmers are very proud to deliver their products to Colruyt Group  
“Now, we know who we are working for!”
- ▶ Farmers respect the extra bonus via the producer organisation and are very motivated to do better and better in order to achieve a long-term cooperation.
- ▶ By getting to know each other better, a better insight and understanding is created.  
It makes it easier to take action together from there on!
- ▶ Interest in investing together in more sustainable livestock farming is rising:
  - project on **carbon farming**
  - testing with feed that reduces methane emissions
- ▶ Strong demand to contribute to the promotion of their products by:
  - organising an experience day on a farm
  - supporting and attending tasting sessions in the Colruyt stores and answering questions
- ▶ Critical, but constructive challenge on pricing
- ▶ Strong concern to be able to work profitably in the future, to be able to offer perspectives to the young generation
- ▶ Via the producer organisation farmers also obtain additional advantages via joint purchasing



# Critical success factors for a producer organisation

- ▶ Transparent costs as condition for members' trust.
- ▶ The farmers always take the final decisions!  
Respect the principle: a producer organisation is for and by the farmers!
- ▶ Ensure that there is a clear and common, long-term vision for the producer organisation.
- ▶ The board should foster active membership through stimulating communication.
- ▶ Act as a team and not as an individual.  
*Gordon Campbell (Spar International): "United we stand, divided we fall!"*



An aerial photograph of a vast, lush green agricultural field, likely a cornfield, stretching towards a town and hills in the background. The field is divided into sections by dark, curved tracks, possibly from a tractor. The town in the distance features various buildings, including a prominent white structure, and is surrounded by trees. The sky is clear and blue.

Thank you !

 COLRUYT GROUP