



EUROPEAN COMMISSION
DIRECTORATE-GENERAL FOR AGRICULTURE AND RURAL DEVELOPMENT

Brussels,

EXPLANATORY NOTE

Subject: Workshop on “The role of cooperatives and cooperation structures of primary producers for mainstreaming the Bioeconomy”

Policy context and rationale for organising the workshop

In the context of the revised EU Bioeconomy Strategy and the preparation of the CAP post-2020, DG AGRI organised a workshop (20-21 September 2018) on best practices for the effective integration of primary producers in the bioeconomy value chains. The workshop brought together policy makers at national/regional level, experts, representatives of primary production and bio-based industries.

DG AGRI received very positive feedback from the participants and stakeholders about the content and the added value of the event. The detailed report with policy recommendations, prepared as an outcome of the workshop, was widely disseminated among stakeholders working on the bioeconomy and serves as a basis in our work with Member States in the context of preparation of the CAP Strategic Plans.

As also announced during the workshop, one of the objectives was to do a mapping of all key issues and drivers in the process of effective integration of primary production in the bioeconomy value chains and on that basis, to draw conclusion for future work. One of the key conclusions was the important role that cooperatives and cooperation structures of primary producers could play for developing locally rooted bioeconomy value chains.

The workshop provided some very successful examples in this respect but it is considered that more could be done to explore and disseminate existing good practices at the level of cooperation structures among primary production as a factor of achieving the necessary economies of scale for a viable bioeconomy production and as an intermediary providing individual primary producer with access to key know-how and knowledge about the potential of the bioeconomy.

In general, farmers’ cooperatives play an important role in helping farmers to capture a higher share of the value added in the food supply chain in all Member States. The key functions of all marketing cooperatives are improving the bargaining power of their members and letting members benefit from economies of scale.

In addition, cooperatives are reducing market risks, reducing transaction costs, providing access to resources, and strengthening their competitive position through product

innovation and guaranteeing food quality and safety. A large number of cooperatives have expanded their activities in downstream stages of the food chain, thus strengthening their customer and consumer orientation by enhancing efforts in marketing (including branding), product innovation, and customization¹.

The links between cooperatives and rural development are manifold. Cooperatives are often important employers and contributors to the regional economy. They contribute to public policy objectives such as the development of human capital, the improvement of competitiveness, and environmental sustainability. Quite a number of cooperatives build their strategy on regional characteristics, like in developing and marketing regional specialties.

Taking all the above into consideration, this workshop aims to allow for a deeper assessment and exchange of good practices and experience across bioeconomy value chains and Member States. It aims as well to show how cooperation can be and is a driving force to deploy the bioeconomy, effectively integrating primary producers and revitalising rural areas.

Objective and content of the workshop

In this context, the focus of the workshop would be to improve knowledge and facilitate dissemination on:

1. Key drivers and potential of cooperation structures of primary producers in streamlining the bioeconomy also from the point of view of adaptation to climate change and decarbonisation;
2. Identify ways of promoting cooperation for the purposes of the bioeconomy, specifically in MSs where cooperation is still under-developed;

Key issues

The discussions and presentations during the workshop will try to cover the key issues below:

What are the main benefits of being part of a cooperation structure compared to acting alone (i.e. economies of scale and scope in the case of R&I and knowledge transfer)?

How has the cooperative concept/ structure evolved over time?

What are the main challenges the cooperative faces now in terms of climate change?

What is the role of your cooperative in giving technical directions to associated farmers?

What is the real possibility to re-invest positive profits into climate/environmental friendly operations?

¹ “Support for Farmers’ Cooperatives (SFC)”, Final report from November 2012, study financed by DG AGRI

What types of investments the cooperative is making in capacity building and human resources development?

Which link would the cooperative see with the local community for raising awareness and creating the right incentives?

What are the opportunities for the cooperative in terms of Bioeconomy value streams?

How is the concept of circular and sustainable bioeconomy integrated in the business model of the cooperative?

How needs in terms of R&I or other knowledge needs are satisfied?

What is the future vision of the cooperatives about optimisation of biomass harvesting, and innovative end use of biomass?

What is the role of EU funding to help cooperatives in the process of mainstreaming the bioeconomy by creating new value chains or integrating into existing ones?

Expected results of the workshop

Based on the presented good practices and the exchanges in the discussions, a report of the workshop will be prepared. It will aim at summarising the reflections on the key issues and drawing certain conclusions to be addressed to policy makers at EU and national level.

The report and the outcome of this workshop will also serve as a basis for future activities on promoting the development of the bioeconomy, feeding into the preparation of the future CAP Strategic Plans in order to guarantee an effective support for the deployment of Bioeconomy projects.