

Cooperation and joint actions – principles and opportunities

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Content

1. Principles of co-operation and joint action
2. Farmers' reasons for co-operating
3. The new CAP: how might it help?
4. Future potential, and priorities for policy-makers

Principles of Co-operation

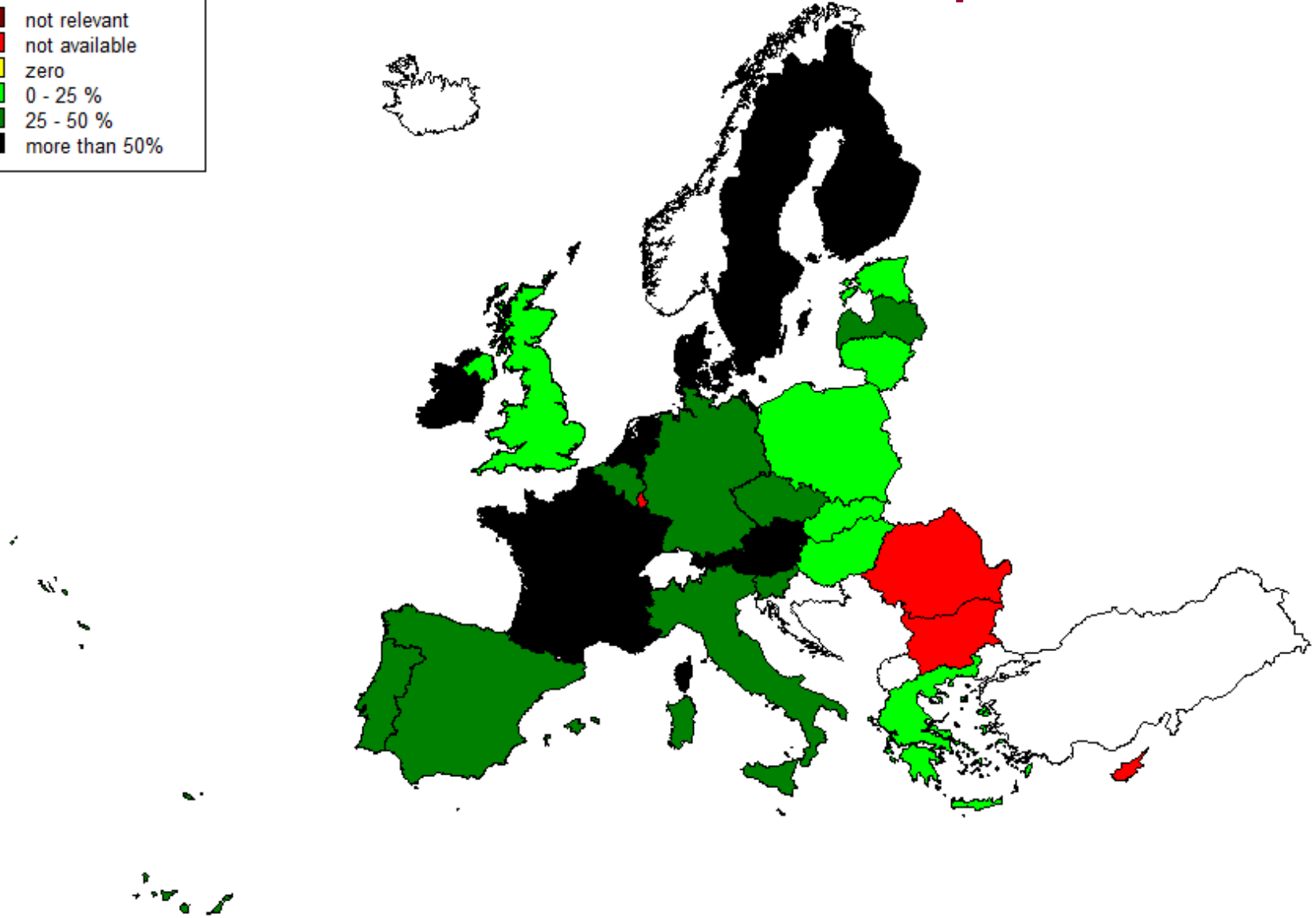
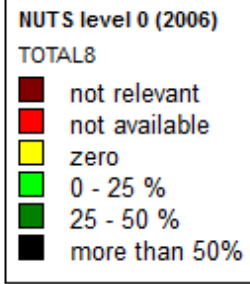
- **Definition** - an action or process of working together for a common purpose or benefit
- Autonomous
- Voluntary
- Range from informal 'neighbouring' activity to large multi-partner formal partnerships
- Purchasing co-operation
- Marketing and sales co-operation
- Production co-operation (of environmental goods & services)



Lessons from research: Farmer reasons to co-operate

- To *enable investment in new equipment, or to share labour-intensive tasks*, across the boundaries of small enterprises
- To *learn from each other*, about best management strategies and planning
- To *develop new business connections* and exploit market opportunities *based upon shared interests*
- To *increase resilience to cope* with public funding restraint, new regulations, climate & market volatility

Market share of farmer co-operatives in MS



Source: Bijman et al (2012) Support for Farmer s'Co-operatives. Report to DG Agri

What are the opportunities for co-operation and joint action provided by the new CAP?

Ecological Focus Area

Art 46(6) of Regulation (EU) 1307/2013

- Possibility for "collective implementation" of EFA obligation for holdings:
 - groups of farmers to use collective arrangements for up to 50% of their EFA obligation on contiguous areas
 - Limited to 10 farmers maximum

Article 46(5) of Regulation (EU) 1307/2013

- Possibility to implement up to 50% of the EFA obligation at a regional level. Holdings need to be located in close proximity, (defined as 80% of farmers' holding in same municipality; or 80% of farmers' holding with a specified radius of 15 km maximum).
- Only for fallow land, landscape features, buffer strips and afforested areas
- Regions have to designate the geographical areas and the obligations for participating farmers or groups of farmers.

Rural Development

Agri-environment-climate measures (Art. 28 of Regulation (EU) 1305/2013)

- Art. 28(2): granting of payments to **groups of farmers** or, in duly justified cases, to groups of other land managers
- Art. 28(6) level of transaction costs paid may rise to a maximum of **30%** of the premium (instead of 20%) in case the payment is done to a group of farmers or land-managers

Organic farming (Art. 29 of Regulation (EU) 1305/2013)

- Art. 29(1): granting of payments to groups of farmers
- Art. 29(4) level of transaction costs paid may rise to a maximum of 30% of the premium (instead of 20%) in case the payment is done to a group of farmers

Rural Development

Investments in physical assets (Art. 17 of Regulation (EU) 1305/2013)

- Art 17(3): The maximum support rate for investments in physical assets may be increased in case of **collective investments** (maximum combined support rate may not exceed 90%)

* Co-operation (Art. 35 of Regulation (EU) 1305/2013) *

Will support for example (Art 35 (2):

- **pilot projects;**
- the **development of new products, practices, processes and technologies**
- Joint action undertaken with a view to **mitigating or adapting to climate change;**
- Joint approaches to **environmental projects and on-going environmental practices**, including efficient water management, the use of renewable energy and the preservation of agricultural landscapes

Art. 35(5) Will support: feasibility studies, plan development; facilitation /animation; running costs; direct costs of specific projects and direct costs of actions targeted towards innovation, including testing; and promotion activities

Opportunities

- Support for collective approaches has been strengthened in the CAP 2014 – 2020
- Good scope to increase collaboratively working at landscape-scale
- Fear of complexity / change may encourage minimalist, conservative choices

Taking stock of New CAP

- RDPs have more scope for integrated action, tailored to local context - *investments, co-operation, training and advice, agri-environment-climate payments, infrastructure support*
- All these could work together: e.g. begin with co-operation, visits, training; then investments and multi-annual payments; then develop new markets and branding...
- Stronger focus upon innovation and research – relevant skills and knowledge combined with practice

EIP - Operational Groups

- Group implementing **one concrete innovation project**
- Combines **different competencies** (practical and scientific: farmers, advisors, researchers etc)
- Aiming to benefit from interaction through **co-creation and cross-fertilisation**
- Support for setting up the group and/or for the costs of the project (**Art 35**)
- **Innovation support services**



Addressing the barriers

- Lack of communication, mistrust
 - Create opportunities for people to meet first in non-threatening, social situations: societies, open days, visits
- Lack of confidence in their skills, lack of experience
 - Focus on sharing experiences first, then develop ideas by bringing in 'outsiders' / going places / tools for learning
- Concern about free-riders, or exploitation
 - Identify the best facilitators (independent or trusted local), ensure transparency and continuity
 - encourage collective responsibility to enable peer-policing
- Risk aversion
 - Focus on issues where the urge to communicate is greatest
- Bureaucracy
 - Provide facilitation, promotion, offer co-design

BUT this kind of action is an investment for the future



Which means:

- Policy makers must be more **innovative in design and delivery** - *move beyond single measures + separate calls; design local approaches with stakeholders, offer combined access to measures; allow gradual roll-out*
 - Policies must **incentivise** experimentation – *facilitating, learning, doing things differently, taking risks / allowing failures, starting small and building*
 - All of this takes time, facilitation /support, lots of regular communication, and trust – *it would be easy to lose confidence in the early years*
- ***This period will be a test-case for collective approaches***

Thank you!



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