

# COFARM



Project Coordinator




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CO-FARM: Enhancing COoperation amongst FARMing entrepreneurs  
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The main aim of this summary report is to analyse the current levels of cooperation amongst farming entrepreneurs in the CO-FARM partner countries and the EU. It seeks to provide information and raise awareness amongst stakeholders about the importance of co-operation amongst farming entrepreneurs.

The CO-FARM project, launched in 2016 for a duration of 30 months, provides rural entrepreneurs, rural landowners and farmers skills and knowledge to implement initiatives of cooperation amongst them, offering an opportunity to address some of the issues the sector faces and secure the future of family farms. However, farmers and rural entrepreneurs need to be trained in the principles of business-to-business co-operation.

The aim of the CO-FARM project is to develop and implement a flexible training program, providing farmers with knowledge and skills necessary to work in a cooperative environment. Based on a series of case studies, this program will be very practical in nature and will aim at enhancing the capacity and willingness of farmers to co-operate at a farm level. The knowledge and skills gained will be applied in a number of different environments and the learning from the experience gained in the application will be used to further amend the training program. People living in rural areas are a group at risk of exclusion. Therefore, access to vocational educational training (VET) is an important alternative for accessing information and education. To facilitate easier access to training and in order to overcome barriers, training materials of the CO-FARM project will be flexible (provided on an IT app) and fully available free of charge.

# Partners

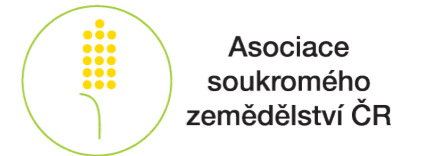


Limerick Institute of Technology:  
higher education institution  
[www.lit.ie/rdi](http://www.lit.ie/rdi)

Ireland

Czech Republic

Asociace Soukromého Zemedelstvi  
Ceske Republiky:  
farmers' association  
[www.asz.cz](http://www.asz.cz)



Hof und Leben GmbH:  
independent private consultancy  
(agricultural and rural family enterprises)  
[www.hofundleben.de](http://www.hofundleben.de)

Germany

Italy

Confederazione Italiana Agricoltori  
Toscana:  
farmers' association  
[www.ciatoscana.eu](http://www.ciatoscana.eu)



On Projects Advising:  
project management and evaluation  
consultancy enterprise  
[www.onprojects.es](http://www.onprojects.es)

Slovenia

Biotehniški Center Naklo:  
public educational institution (specific focus on  
agriculture and rural development)  
[www.bc-naklo.si](http://www.bc-naklo.si)



Spain

Union de Agricultores y Ganaderos-  
Jovenes Agricultores de Jaén:  
farmers' association  
[www.coagjaen.es](http://www.coagjaen.es)

Belgium

European Landowners' Organisation:  
federation of national associations from EU28,  
which represents the interests of landowners,  
land and forest managers and rural entrepre-  
neurs at the European political level  
[www.europeanlandowners.org](http://www.europeanlandowners.org)



The compilation of 6 national reports (Ireland; Spain; Germany; Italy; Czech Republic and Slovenia) pertaining to the state of the art of cooperation amongst farming entrepreneurs. The key findings from national reports will be collated into a summary report. This report will be initially compiled in English and subsequently translated into each of the consortium languages. It will also be used as a published document independent of the other intellectual outputs for dissemination purposes.

The following sources will be consulted for the compilation of the national and summary reports:

- Information presented in the workshop presentations at the kick-off meeting;
- Focus groups/interviews with the sector main stakeholders;
- Bibliographical analysis;
- Interviews with potential users and experts to analyse the project context
- Partners' personal experiences related to co-operation and collaboration amongst farming entrepreneurs.

A workshop was held at the CO-FARM kick-off meeting (November 2016) in order for each partner to present examples of co-operation initiatives amongst farmers in their respective countries (Ireland, Spain, Germany, Slovenia, Czech Republic and Italy). ELO provided an EU overview. All of the presentations were structured around a questionnaire (prepared by LIT) distributed in advance of the meeting. This ensured all presentations were structured in a similar manner and it allowed for the compilation of direct comparisons / contrasts (copies of the presentations are presented in Appendix 1).

After the delivery of the presentations, there was a round table discussion. Key points emanating from the discussion included:

- Different types of co-operation occurring across Europe. These include formal agreements; enterprises established by 2 or more partners; co-operatives; delivery of a social service; farm walks etc.
- Different skillsets required for each type of collaboration. What are the appropriate skillsets to be designed through this project?
- A necessity to define the concepts of co-operation and collaboration.
- All case studies should be transferable from one location to another and should be practical cases involving farmers.
- Taxation policies differ between the partner countries. This can have either positive or negative effects on collaborative / co-operative activities amongst farming entrepreneurs.
- More analysis on different funding models for collaboration is required.

After the workshop, each partner (with the exception of ELO and ON Projects) compiled a national report related to co-operative activities amongst farming entrepreneurs in their respective countries. The key themes / issues and associated research questions are outlined in [Table 1](#)

### Key Statistics on Farming in General

- Number of farmers across a variety of sectors?
- Farm size?
- Key enterprises?
- Demographic details?

Different types of cooperation and the number of farmers involved?  
 Characteristics of each type e.g. number involved, extent of involvement, legal structure?  
 Role of farmers in cooperation – significant role or small role?  
 Specific issues/characteristics relating to each type of cooperation?  
 Comment on extent to which this cooperation has existed (traditional long term approach or relatively new)?

### Description of types of cooperation in operation and extent of cooperation

- How is cooperation benefiting farmers?
- Cost savings?
- Increased incomes?
- Better market access?
- Other impacts?

### Impact/Benefit of Cooperation

What factors/policies support /encourage cooperation among farmers? - Could be positive encouraging factors or could be forcing farmers to cooperate to survive in farming

### Factors Encouraging/Supporting Cooperation

### Challenges to Cooperation

- What are the challenges/issues impacting on cooperation?
- What are the barriers to cooperation and how they impact?

What are the strengths/weaknesses/opportunities/threats of the current forms of cooperation?

### SWOT analysis of Farmer Cooperation

### Changes in the nature of cooperation

- What is happening cooperation in general?
- What aspects of cooperation are changing?
- New trends?
- Aspects in decline?

Overview/expert opinion on how cooperation is working?

### Overview/Expert Opinion

### Enhancing cooperation

What could further enhance cooperation among farmers?

- How equipped are farmers to effectively cooperate?
- What training do they typically receive?
- Extent of engagement with training available?

### Skills/Ability of Farmers to effectively Cooperate

### Training needs for effective cooperation

- What training is required to improve the extent and effectiveness of cooperation at farm level?
- How could training improve the extent and effectiveness of cooperation?

Are there any other relevant areas on cooperation amongst farmers which is worthy of inclusion in the report?

### Other Relevant Areas

The specific target groups/individuals consulted for the compilation of the national reports was country specific. This was due to significant differences in government policy; the nature of cooperation; and agricultural activities pursued within each of the partner countries. The consultation targeted the following actors/ stakeholders:

- |  |  |
|--|--|
| Farmers  | Farm organisations                       |
| Extension agents/advisors (state and/or private consultants) | Universities                             |
| Agricultural research organisations                          | Researchers                              |
| Cooperative members/managers                                 | Other relevant individuals/organisations |

Each partner in the COFARM project was responsible for targeting the most appropriate stakeholders in their respective country. This was achieved through consulting their own network of contacts and associates and where necessary identifying specific key individuals/organisations whom it was necessary to seek the views of. The number of people/organisations consulted was also dependent on each country and the extent of consultation necessary to provide meaningful information. Table 2 provides a breakdown of the number of organisations / individuals and field of activity for each country.

Table 2: Number and Type of Organisations / Individuals Consulted for COFARM Report

	Ireland	Germany	Czech Republic	Italy	Spain	Slovenia
Farmer	2		2	7	4	1
Extension agents/advisors	5	1	-		1	1
Agricultural research organisations	2	1	1			1
Cooperative members/managers				2	3	
Farm organisations	1	2	3		2	
Universities	-		1		1	
Researchers	1		1			
Other	3	3	-	1		1
Total	14	7	8	10	11	4

The agricultural sector in Europe has witnessed prolonged periods of substantive change due to the adoption of firstly, productivist and subsequently, post-productivist farming practices (Lafferty, et al., 1999; Crowley, et al., 2008). Productivist principles of production, akin to Fordism, promoted the industrialisation of agriculture, thereby 'emphasising intensified production, greater mechanisation, specialisation and concentration, and the reliance on the state protection of prices' (Creamer, et al., 2009, p. 4). The productivist era emerged after the Second World War due to major food shortages throughout Europe and remained the dominant agricultural discourse until the late 1970s. Thereafter, a radically different approach, post-productivism emerged to replace productivism as it was no longer financially viable for the state to provide price supports and subsidies for farmers (Woods, 2005). Post-productivism, similar to Post-Fordism within the manufacturing sector, demanded an overhaul of previously accepted practices such as intensification, mechanisation and specialisation. In their place, environmental and social goals were to take precedence (Halfacree, 1999). In order to achieve these goals, successive governments and European Union policies, most notably the Common Agricultural Policy (CAP) have advocated extensification, farm diversification, countryside stewardship and an enhancement of the value of agricultural products (Woods, 2005). The adherence to both productivist and post-productivist principles by all stakeholders within the European agricultural system has allowed for a prolonged period of restructuring in this previously dominant sector of the rural economy (McHugh, 2001). The economic base of rural areas within Europe is also undergoing a period of transition, most acutely in Western Europe, where there has been a considerable contraction in the number employed within the agricultural sector (ESPON, 2006b, p. 32). A high rate of employment growth within rural regions has been outlined by the OECD (2005), as ten of its twenty-seven member states had a predominantly rural area achieving the distinction of being the region with the highest level of employment growth between 1996 and 2001.

Historically, the pursuit of unbridled competitive advantage over rival firms (including individual farmers and agricultural co-operatives) was viewed as an intrinsic behaviour of the capitalist system, with a particular emphasis on the maximisation of surpluses (profits). Due to the significant structural changes occurring within the rural economy, there

is a growing necessity for farmers to co-operate and collaborate more closely with each other in order to reduce capital, labour and training costs. The conceptual differences between collaboration and co-operation are outlined in the following definitions:

**Collaboration** refers to 'direct participation by two or more actors in designing, producing and/or marketing a product (process). The relationships among these actors are often internal arrangements that are usually vertical, sometimes among divisions in the same firm or along supply chains. They may include joint ventures' (Polenske, 2004 p. 1031). A collaborative relationship between firms requires the development of teamwork and partnerships; and often entails jointly completing numerous tasks in order to achieve a desired goal / outcome.

**Co-operation** refers to when 'two or more actors agree through a formal or informal arrangement to share information, support managerial and technical training, supply capital and / or provide market information. The relationships among these actors are usually external and horizontal i.e. the actors do not work together in designing, producing and / or marketing the product (process)' (Polenske, 2004 p. 1031).

The benefits of cooperation may be obvious to potential collaborators but having the confidence and the necessary skills to effectively work together in a cooperative enterprise needs to be developed. Co-operation amongst farming entrepreneurs offers an opportunity to address some of the issues the sector faces. However, farmers and other rural entrepreneurs need to be trained in the principles of business to business (B2B) co-operation. Agricultural education levels of farmers in Europe is generally low. Eurostat figures show that 80% of farm managers in Europe have practical experience only and that less than 10% have full agricultural training. A major challenge for the agricultural sector is to enable farmers to develop their entrepreneurial skills. It may well point to the fact that if the sector is under as much strain as many would suggest, then farmers of all types will require economic support and a greater emphasis on education and training may be necessary.





The report is comprised of the following parts:

**Part 1** Agricultural Profile in the CO-FARM Partner Countries

**Part 2** Catalogue of Co-operative Activities.

**Part 3** Benefits and Challenges Associated with Co-operation / Collaboration (SWOT analysis).

**Part 4** Mechanisms (Factors) to Encourage Collaboration / Cooperation.

**Part 5** Training and Up-Skilling Requirements.

**Part 6** Conclusions and Recommendations.

This section provides an overview of Agriculture in the CO-FARM partner countries so as to provide both an insight into these countries and a context for the project.

### Czech Republic

Approximately 53% of the overall area of the Czech Republic (44 million hectares) is agricultural land (including forest land, spaces such ponds for fish farming or land necessary for support of agricultural activities), of which around 3.5 million hectares is utilisable agricultural area. Arable land accounts for approximately 38% of the agricultural land (UZEI, 2015).

There are approximately 47,000 farm holdings in the Czech Republic with around 100,000 people working on these farms (2% of the total employed workforce). The majority of the farm businesses are privately owned (approximately 30,000 private farmers) and there are a small proportion of agricultural cooperatives. It is estimated that about 22,000 farms could be described as family farms.

The average farm size in the Czech Republic is large at 133 hectares. However, this high average farm size is due to a number of large companies which manage farms of 5,000-10,000 hectares. Therefore, there are a large number of farmers (30,000) which operate a small average area (35-37% of the overall agricultural land).

There has been a significant growth in the number of farmers who engage in organic farming. In 2015, there were almost 4,100 registered organic farmers, who cultivate around 12% of the agricultural land (UZEI 2015). Around 6,500 farmers are members of the ASZ (Association of Private Farming), but most of them do not belong to any organization.

### Germany

In 2015, there were 280,800 farmers in Germany, operating 16.7 million hectares of arable land (Destatis, 2015). Some 45.3% of farmers are farming 20 hectares or less while 30% are farming 100 hectares or more. The main land uses are: cereals; pasture; maize; and rapeseed (Table 3).

Table 3. Main Land Use of German Agricultural Land (2016)

Land Use	Hectares (million)
Cereals	6.45
Pasture	4.51
Maize	2.56
Rapeseed	1.33
Sugarbeet	0.33
Potatoes	0.24

Some 64% of German farmers were aged less than 35 years in 2013, while 36.1% were aged over 55 years (Table 4). The farming population is getting older as 16.5% of the farmers in 1999 were aged under 35 years and 28.5% aged over 55 years

Table 4. Age Categories of German Farmers (2013)

Age Category	%
Under 35 years	64
35-45 years	25.6
45-55 years	37.8
55-65 years	29.5
65 + years	6.6

## Ireland

In Ireland, there are a total of 4,536,400 hectares used for agricultural purposes of which: 81% is grassland; and 7.1% of cereals, vegetables and potatoes (CSO, 2015). The main livestock on Irish farms include: 10.1m poultry; 6.9m cattle & cows; 4.9m sheep; and 1.6m pigs (CSO, 2015). The agri-food sector accounted for 84% of total employment in 2015 (DAFM, 2016).

There are a total of 139,860 farm holdings in Ireland (CSO, 2012) with 272,000 people working on those farms (providing a total of 168,387 annual work units). Over 90% of all labour on farms is provided by the holder and their families. Only 6% of labour is provided by regular non-family workers, while 3.6% is provided by non-regular labour (casual workers, relief services and agricultural contractors). Practically all (99.8%) of these farm holdings are family based operations. Almost nine out of ten (88%) of farm holders are male.

Over half (56%) of Irish farmers are categorised as specialist beef farmers, 11% as specialist sheep producers and 9% as mixed grazing livestock farms. Some 11% are specialist dairy farmers and 4% specialist tillage farmers (CSO, 2015).

### Age of Farmers

The average age of Irish farmers in 2010 was 54 years (an increase from 51 years from 2000) while the number of farm holders aged less than 35 years halved in the period between 2000 and 2010 (CSO, 2012). Figures for 2013 indicate that 6% of farm holders are aged less than 35 years and 53% are aged over 55 years (DAFM, 2017; CSO, 2012).

### Area Farmed

The average farm size in Ireland was 32.7 hectares in 2015. However, almost 43% of farms in Ireland were less than 20 hectares in size (CSO, 2015) and only 3% held a 100 hectares or more (CSO, 2012). There was an average of 3.8 land parcels farmed by each farmer (CSO, 2012). Almost 45,000 (32.2%) farms had land which was rented in and 16% of agricultural land was rented in 2015 (CSO, 2012, SCSi & Teagasc, 2016).

### Farm Incomes

The average family farm income in Ireland in 2015 was €26,303 but there were significant variations across the enterprises (€12,660 on cattle rearing farms and €62,141 on dairy farms) (Hennessy and Moran, 2016). The average farm income for the 38% of farms classified as full-time was €51,557 in 2015 while for the 63% of farms classified as part-time the average family farm income was €11,058. Farm incomes in Ireland are highly reliant on direct payments. In 2015 the average total payment was €17,168 and this accounted for 65 percent of income on average (ranging from 32% for dairy farmers, to over 100% for cattle rearing and sheep farmers) (Hennessy and Moran, 2016).

### Farm Viability

Some 38% of Irish farms were categorised as viable in 2014, with a further 31% as sustainable because of the

presence of off-farm income. The viability of farming varies quite substantially by farm system. In 2014, 82% of dairy farms were economically viable. However, 42% of sheep systems and other cattle systems were vulnerable and only 15% of cattle rearing systems classified as viable (Hennessy and Moran, 2015).

### Education and Training

Only 31% of farmers had undertaken some type of formal training however, more than half (51.5%) of farmers under 35 years had undertaken training. The number of farmers with training was also higher on larger farms (CSO, 2012).

## Slovenia

Slovenian agriculture is influenced by the fact that 90% of the land area is situated at an altitude of over 300 metres and flat areas of land only represent 20% of the land area. Some 86% of the agricultural area is classified as less favoured areas of which 72% is mountain.

There were 70,000 farm holdings in Slovenia in 2014, with an average area of 6.7 hectares (in an average of 22 parcels). One in ten people in Slovenia works on an agricultural holding and 49% of the population live in rural areas. Family farms are the dominant type of holding. Slovenian farms tend to be three times more labour intensive per hectare than the EU-27 average.

Slovenia has a significant level of forestry, approximately 60% of the land area has forestry activities. Slovenia tends to have less arable and permanent crops and more permanent grassland than other EU-27 countries. Milk, cattle and poultry production are the most important agricultural enterprises. While dairying is the most important enterprise, only 2% of livestock holdings are large scale (with 50 or more LSU).

Farms in Slovenia are generally family run, with 64% of those working on farms being family members of the owner with a significant involvement of women in the farm labour force.

Most Slovenian farm holdings are not sustainable with agricultural income alone and many have diversified into other activities. In 2013, there were over 12,000 registered supplementary activities on farms including agricultural and forestry services, food processing and tourism. In Slovenia, there are also a large number of semi-professional farms (17%) where family members are employed outside of farming but still engaged to some extent in farming. EU subsidies accounted for 61% of Slovenian farm incomes in 2010.

## Spain

Agriculture accounts for 28% of the surface area of Spain (the low level of agricultural area is a result of climatic issues such as poor soil, lack of water and mountainous terrain). Agriculture in Spain is small-scale, more than half of the farms are less than 5 ha in size. The majority of the labour on Spanish farms comes from family sources. The small average farm size makes it difficult to develop agriculture in the country. The lack of opportunities in farming and rural areas results in the loss of many of the younger generation which further impacts on the rate of change and development in the sector.

While more Spanish farms specialise in permanent crops (fruit, olive, vineyards), in terms of area, non-permanent crops account for almost three quarters of the total agricultural area. The majority of livestock farms have cattle and poultry, while 25% of farms have pigs but this sector accounts for 40% of total livestock units.

Some 48% of farms are classified as specialist permanent crops while specialist field crops account for 22% of farms and specialist grazing livestock for 13%. The average number of labour units per holding is 0.84 units.

As has been the case throughout the EU, the Spanish agricultural sector has become very dependent on EU subsidies and grants. The subsidy and grant support has accentuated the difference between small family farms (majority of the sector) and the more viable larger farms (minority). In addition, the traditional productive focus of the agricultural sector has been extended to include rural development and environmental protection objectives, It implies a broader concept of economic development, through the conservation of nature and the struggle against depopulation.

## Tuscany

### Structure

The main characteristics of farming in Tuscany are small family run farms with a diversified production (wine, oil and crops). Approximately 55% of the land area in Tuscany is utilisable agricultural land as the landscape in Tuscany is generally hills and mountains. As a result, yields are not very high and the focus is on high quality added value products.

### Age of farmers

Only 1.9% of farmers in Tuscany are under 30 years of age, while over half (54.7%) are over 60 years of age.

### Farms and main products

There were 72,600 farms in Tuscany in 2010, however many of these were very small scale. Data from the Union of Commerce indicates that there were 41,000 registered farms in the region. Approximately 40,000 farms had arable crops and 10,000 had cattle, 2,360 had sheep and 1,300 had pigs. While 26,000 farms had grapes and 50,000 had olive trees.

Two-thirds of farms in Tuscany have less than 5 hectares while 80% have less than 10 hectares. However, while 11% of the farms in Tuscany are of 20 hectares or more, they account for 67.8% of the land area. The typical farm in Tuscany is around 10 hectares in size and produces wine, oil and crops while the farms in the mountain areas typically have cattle and sheep. Many farms are involved in diversified activities, particularly tourism.

## Czech Republic

Past history has a significant impact on cooperation in agriculture. For example, there has been a history of farmer collectives in the Czech Republic. Collective farms were originally established to connect individual farmers and had economic goals but also the progression of its members. After the emergence of communism and farmers were losing their farms, they were forced to join the collectives but had no right to make decisions. Activities were centralised and the state became the main decision making body. These cooperatives did little to support the development of farmers. As a result many farmers now have a reluctance to join cooperatives and prefer to work on their own.

From 1989 onwards significant change has taken place in Czech agriculture. The number of farms increased from 4403 in 1989 to 90,000 in 1995 (majority less than 3 hectares). The numbers decreased again and stabilised at 47,000 farms.

Farmers in the Czech Republic currently cooperate at a number of levels such in common services (sharing machinery), common yard sales and in promoting farmers political goals. Some of the most important forms of cooperation are in marketing cooperatives (e.g. in dairying, fruits and vegetables). Czech milk producers organise themselves into milk producers organisations (MPO's) to negotiate together. MPO's have been in existence since the 1990s, are usually farmer led and now represent 70% of the raw milk produced and 51% of milk producers.

## Germany

Loose informal cooperation has existed in Germany for decades with some successes. Cooperation is more likely with regard to machinery than with livestock. The most common form of cooperation is the area of machinery and can involve a number of partners and may have a legal dimension. Cooperation in livestock keeping usually begins with the sharing of manure storage facilities to bring two or more herds together. However, real mergers in this area are the exception. In some regions (e.g. South Bavaria), successful cooperation is happening among farmers in the areas of dairy and meat processing and marketing.

The role of farmers in cooperation in Germany is varied from total involvement down to simply providing finance for initiatives.

## Ireland

Farmers similar to other property holders in Ireland have a close attachment to land/property ownership. This history of land ownership is evident today in the low level of land transactions in Ireland, less than 1% of the agricultural land in the country is sold each year. In the absence of land sales, land rental is the main mode by which farmers gain access to additional land. The importance of renting is that the individual maintains ownership of the land even when they are no longer able or interested in farming the land. The land rental market in Ireland has traditionally been dominated by short-term 11 month rental agreements (conacre) (SCSI & Teagasc, 2015). CAP direct payments also have an impact on the land market as payment entitlements are related to the area farmed.

Cush and Macken-Walsh (2016) highlighted that despite the historical significance of land ownership and independent farm units, that there has been a tradition of cooperation which has assisted the endurance of family farms. There are many examples of this in the past where farmers assisted each other at harvest time and other times of peak labour requirement.

Farm partnerships are the primary approach to collaboration amongst Irish farmers. In addition to partnerships, other approaches include: share farming; share milking; contract rearing; and cow leasing. Producer groups in Ireland typically involve collaboration in the marketing of farm produce. There are also a small number of farmers who are involved in group purchasing of farm inputs.

## Farm Partnerships

Partnership as a business concept is recognised in Irish law since the Partnership Act 1890. A Farm Partnership is where two or more farmers join resources and efforts in order to acquire various benefits (Teagasc, 2017). One of the reasons why farm partnerships have developed in Ireland is that they provide a mechanism to improve the economic viability of farms that do not have the resources to do so individually while maintaining the farm in family ownership (Macken-Walsh & Roche, 2012).

The development of partnerships in Ireland over the past 15 years was driven by the focus on Milk Production Partnerships (MPPs). These were facilitated by amending the rules governing Milk Quotas in 2002. The majority of the MPPs established involved parents and children (DAFM, 2011).

Two types of farm partnerships have developed in Ireland: intra-family; and inter-family. Intra-family are more common in Ireland and can involve spouses, parents and children or siblings and often involve just one farm. Inter-family involve two or more non-family farmers collaborating and involve more than one farm focusing on one or more enterprises.

## Registered Farm Partnerships

The abolition of milk quotas in 2015 brought about changes in the rules for farm partnerships in Ireland. A registered farm partnership is a profit sharing arrangement between two or more farmers which must operate to certain con-

ditions as set out in Irish law by Statutory Instrument 247 of 2015 and the associated requirements for registering farm partnerships (Government Publications, 2015). The Register of Farm Partnerships is maintained by the Department of Agriculture, Food and the Marine.

The register facilitates former milk production partnerships and new partnerships from any enterprise or combination of enterprises. The partnership model also allows for the inclusion of non-active partners who wish to make an equity contribution in the form of land or capital. This model also facilitates situations where young trained individuals can enter partnership with an existing dairy farmer (Curran, 2015).

#### Share Farming

Share farming is an arrangement where two people, a landowner and a share farmer, operate two separate farming businesses on the same land without forming a partnership or a company. Each makes separate contributions to the business and each takes a share in the produce. There is no payment for land involved unlike renting/leasing and each sells their own share of the produce. They each contribute to the costs of production, maintain their own accounts and calculate their own profits as two independent businesses. Both remain separate business entities for the purposes of taxation and Departmental/EU schemes. Both parties share the risks and rewards (e.g. open to losses in a poor year or bonuses in a good year). The details are set out in a legal agreement (Teagasc, 2017).

#### Share Milking

Share milking is a new concept in Ireland which provides opportunities for young skilled people to enter dairying. It provides a short term option for those waiting to return to a family farm or a longer term mechanism of building towards developing their own farm enterprise. The arrangement involves significant risk for the share milker but also they can reap the rewards from sharing in the profits from efficient farm management. Operating costs are split between the land owner and share farmer based on what each party brings to the arrangement. Typically the land owner supplies land, infrastructure and facilities, and some cows. The share milker supplies the management skills and labour to drive on the farm business and some cows. The profits are shared in an agreed proportion (Land Mobility, 2017).

#### Contract Rearing

The contract rearing of replacement heifers is a relatively new concept in Ireland which has emerged as dairy farms have expanded and the availability of land around the milking parlour limits further expansion or the amount of milk that can be produced from the farm. As a result, some dairy farmers have entered into arrangements whereby they engage another farmer to rear their replacement heifers (Teagasc, 2013).

#### Cow Leasing

Cow leasing is an arrangement where a dairy farmer with excess cows leases those cows out to another farmer. The term of the lease can range from short-term (1-2 years) to long-term (4-5 years). Those cows on a short-term lease return to the owner whereas those on a longer term generally do not. The success of the cow leasing is dependent on two farmers working closely together and having a high level of trust (Teagasc, 2017a).

#### Farmer Producer Groups

Producer groups in Ireland typically operate in the areas of beef and lamb production, however, there are also some prominent in forestry/wood production. Farmers involved in lamb and beef producer groups typically engage in contracts with one or more meat processors regarding the purchase of their produce. Processors are therefore quoting prices for large numbers of stock and farmers have greater leverage over price. In some groups, lambs or cattle are assembled in a central location and then transported to the factory. It provides convenience to the farmer without compromising on price. Some producer groups also engage in group purchasing of inputs.

#### Slovenia

Cooperatives are the most common form of collaboration among farmers in Slovenia. In 2013, there were 76 agricultural cooperatives in Slovenia. Cooperatives have existed in Slovenia for over 140 years. They remain important today as three-quarters of commercially produced Slovenian food is traded through cooperatives. These cooperatives cover a range of activities including: provision of services to farmers and rural dwellers particularly in remote areas; purchase and sale of agricultural products (milk, grapes, potatoes, cattle, vegetables, cereals, wood, hops); food processing (meat, wine and dairy); and retail sales. Some cooperatives by their nature are multipurpose while others are specialised (forestry, fruit, dairy). Producer groups are also increasing in popularity in Slovenia particularly in the areas of quality schemes. At national level, 41 products have been protected in Slovenia.

There is a long history of cooperatives in Slovenia with their origins in dairy processing. Credit unions also have played a key role in the popularity of cooperatives among the farming community. In 1992 cooperative legislation in Slovenia was passed with a number of amendments since then.

Slovenian cooperatives have doubled their revenues in the last ten years, as well as increased sales in local and regional markets and carried out several investments that have enabled new jobs in rural areas. The Rural Development Programme 2014-2020 represents a new opportunity for cooperatives, as cooperatives are recognized by their role in rural areas in the production and processing local food, the organization of agriculture, maintaining jobs and ensuring cultivation of land and sparsely populated rural areas.

The Cooperative Union of Slovenia is a non-governmental organisation with voluntary membership. They support the development of the cooperative movement (involving 71 cooperatives) and represent the interests of their members. Their mission is to stimulate and represent the sustainable development of cooperatives by working together for the benefit of their members and consumers.

Even though cooperatives play an important role in Slovenian agriculture, especially in terms of the trading of agricultural products, they have a bad connotation amongst farmers, due to previous political systems, according to interviewees (agricultural consultant, farmer and director of fruit production company).

Other forms of cooperation, that were identified in Slovenia are machinery rings, that deals with provision of agricultural and forestry machinery, agrarian communities – joint management of agricultural and forest land and other forms of formal and non formal cooperation.

An important form of cooperation are study circles that are organized within Chamber of Agriculture and Forestry of Slovenia (CAFS) (according to an Agricultural Consultant interviewed). Study circles are organized with help of an expert – CAFS consultant, and a small, specialized group of farmers. This form of cooperation does not only lead to exchange of knowledge (and consequently, higher production), but can also result in group purchase of plant protection products, equipment, etc. at more competitive prices. Similar effect can be accomplished within different associations (of animal breeders, crop producers).

## Spain

There are two main types of cooperation among Spanish farmers: 1. Associations of Production, Transformation and Agricultural Marketing which include cooperatives (services, production, credit, machinery), agrarian transformation societies, civil or mercantile societies and groupings based on special agricultural regulations); and 2. Professional, Trade Union or Representative Associations.

Cooperatives in Spain account for almost half of national agricultural production. The main activity of 48% of cooperatives is the provision of supplies while 33% are olive oil cooperatives. While fruit and vegetable cooperatives are also important. The cooperatives represent 13% of the total food industries in Spain, 29% of turnover and 20% of employment.

Agricultural service cooperatives take various forms according to the services provided including: supply cooperatives; transformation cooperatives; and market cooperatives.

- Cooperatives for common usage of land are those where the productive assets (land, machinery) are pooled together as one farm which is managed as a cooperative.
- Associated work cooperatives involve the pooling of the labour resources of people who are then available to provide services to others in the agricultural sector.
- Credit cooperatives provide finance to farmers for investment and labour costs.
- Community of Goods: is a form of company where several people invest their capital with the intention of creating a fund to run a business while those involved maintain their independence.
- Leasing/Share Cropping: involves contracts between farmers who allow others to utilize their land for a fixed time and price. In Share cropping the owner has a right to receive a proportion of the production.
- Irrigating Communities: farmers who collectively manage the distribution of water in an efficient, orderly and equitable manner among its members.

- Farm Management Group: associations whose purpose is the provision of farm management services.
- Agricultural Producer Groups and Organisations (APGs): are cooperatives or AST with a special rating with specific objectives such as: concentration of supply; or adaptation of agricultural production to the demand.
- Professional Organisations: represent farmers in a range of forums.

## Tuscany

The development of cooperatives in Tuscany has led to variation in the nature and types of cooperatives. The main distinctions can be made between economic cooperation and temporary and other forms of cooperatives.

### Economic cooperation

Dimension:

- Small cooperatives: normally involve a small group of people working together who create a small cooperation entity of between 3-8 members generally aimed to a common production activity;
- Cooperatives: involve at least 9 members;
- Consortium: are normally created for a common business activity. A special type of Consortium, are those for the management of products with protected denominations; &
- Product organisations: this form of cooperation born following the evolution of CAP, which provided financial support to recognized "Product Organisations", especially in the vegetable sector.

Activity:

- Production: some cooperatives were formed to manage abandoned areas and specifically in forestry;
- Social activities: in the last years has been the discovery of the function of agriculture to help people with social or physic disadvantage recover; many social cooperatives has been founded to support people encountering social or physical disadvantage;
- Transformation: is the traditional field of cooperation in Tuscany, mainly in olive oil, sheep cheese, wine, vegetables; &
- Services: this function, normally managed by transformation cooperatives, is to supply farm inputs (fertilizers, pesticides, etc.) and/or consultancy services.

Cooperation between persons: in agriculture in Tuscany, there are many examples of family cooperation, in a informal way or in the official form of "simple companies".

### Temporary and other forms of cooperation

- Temporary scope association and temporary enterprise association: public projects and funding organisations offer require the establishment of a group to manage a project e.g. under the RDP. This form of cooperation is

regulated by the national legislation and is typically a very simple form of company; &

- Enterprise networks: this is a new form of cooperation which was established under national law in 2009. It can have two different forms: a network-contract, without economic scope, in which the associated enterprises can only share activities and services; and a network-subject, that can have its own economic activity, VAT number and accountability.



## Czech Republic

## Czech Republic: Benefits

Co-operation amongst farmers has intrinsic economic benefits, especially for small farmers, insofar as there is a capacity to collectively share resources (machinery): For instance, one respondent (a representative from a breeders association) stated "smaller farmers do not have sufficient technical equipment, so they turn to larger farmers who do. So the larger farmers can provide services to them and we can see that there is and there has to be cooperation in terms of 'using their capacities'. It is starting to work much better especially around villages, there was positive progress since 1990s".

Representative groups (for example Association of Sheep and Goat breeders) have an influential role in contributing to agricultural policy within the Czech Republic. The main mission of the Association of Sheep and Goat breeders is primarily focused on animal husbandry, but this organisation also protects farmer's interests. The Association of Private farming (ASZ) plays a major role in advocating for farmers' rights. According to a respondent (project manager in farming organisation) "ASZ is also a member of COPA (Committee of Professional Agriculture Organizations), which gives the Association a possibility to influence the Common Agricultural Policy and promote their members' interests on European level".

Significant economic benefit can be seen in two relatively 'safe' ways of cooperation insofar as the farmers do not have to undergo unnecessary risks and do not have to worry about losing their independence and right to make decisions. A prominent example being the joint purchase of materials. There is no requirement for the signing of official contracts / charters, which makes this form of co-operation more attractive for farmers. It is difficult to quantify the amount of money saved through co-operative activities but there is an anecdotal evidence to suggest that farmers who collectively purchase pesticides together can reduce costs significantly (5% to 35% of the purchase price).

The Czech agricultural system has been deeply impacted by the Communist / socialist regime lasting from the end of the Second World War up to the year 1989. Expert opinions vary on how much the past affects today's cooperation among farmers, but no one sees it in a positive light. It can be very difficult to promote the economic benefits of co-operation as historical factors (including the forced collectivization of farms) still influence attitudes, opinions and behaviours. In essence, farmers do not want to be forced into cooperation. Any assistance or activity initiated by the state has to be cognisant of the attitudes and opinions of farmers. The current government policy is in favour of agricultural cooperation and is willing to take steps to support it. Prominent examples are outlined in the current Rural Development Programme 2014 – 2020. Furthermore, all stakeholders (from farmers to policymakers) are discussing the benefits of state support. A researcher from the University of Agriculture suggested that financial support provided by the European Union in the framework of the Programme for rural development has had no positive influence on developing and assisting cooperatives. On the contrary, a program launched through this initiative (2004 – 2006) collapsed completely and it had not been tried again since then. The scheme sought to financially support the creation of marketing cooperatives, but farmers ceased participating in the 'new co-operatives' once the financial supports ceased.

Another issue connected to the past and the general characteristics of the Czech population is a lack of mutual trust. This has a great impact especially in ventures such as joint purchases of machinery. As one respondent stated there are grant policies directed towards 'Shared technology and machinery' but farmers are not open to it, mostly due to the lack of mutual trust. Furthermore, there is a lack of motivation due to the current positive economic conditions for farmers in the Czech Republic.

**Sense of freedom:** after the end of communism, agricultural land was transferred back to individual farmers and this led to a change in mind-set, insofar as the farmer was provided the opportunity to make independent decisions pertaining to his / her farm holding.

**Aversion towards risk:** If people decided to share technology and machinery, there would always be someone bearing the risk at the expense of other participants of the cooperation. The leading member has the most responsibility. The other members will have less responsibility and can be inclined to deceive their fellow farmers for their own gain. Czech people are generally not open to sharing and exhibit a strong sense of individuality.

**Good economic situation:** The current economic situation in the Czech Republic is quite favourable, so farmers do not have such a strong economic motivation to pursue collaborative / co-operative activities.

One respondent also outlined a less obvious challenge: many agricultural products, such as meat or eggs, have a very short expiration date and hinders long distance cooperation with respect to fostering mutual distribution networks. However, farmers can effectively co-operate at a local scale, with prominent examples being shared transportation of products or shared space for yard sales

## Germany: Benefits

The main benefits of cooperation/collaboration include:

- Reduction in production costs thereby leading to increased profits: for example if a group of farmers collectively purchases fertilizer, an economy of scale can be achieved, thereby reducing the purchase price. Similarly, if farmers jointly construct a stable slatted unit and share the technical design and construction costs of the building, it will enable an increase of profits.
- A more sustainable work-life balance and enabling enhanced quality of life outcomes.
- A greater capacity (time and energy) to engage in entrepreneurial/ strategic / innovative thinking. This is due to the possible focus to higher quality work time based on cooperation and delegation within cooperation.
- Exchange of entrepreneurial ideas and innovations with colleagues;
- Future-proofing the farming enterprise for future generations.
- Capacity to invest in high quality and highly specialised technology. The technological progress and innovation offers the opportunity to complete tasks more efficiently. Due to the prohibitive cost associated with purchasing agricultural machinery, it is only financially sustainable for farmers to collectively purchase and share such machinery. It is dependent on overall scale; and seasonal requirements (conditions in harvesting season, quality necessities).
- The opportunity to develop effective mainstream and niche marketing strategies.

## Germany: Challenges

The following factors have been identified as significant challenges for co-operation and collaboration amongst farming entrepreneurs:

- Breakdown in personal relationships. Farmers do not have many colleagues to talk to anymore.
- Succession plans within an individual farming enterprise may pose challenges for other collaboration / co-operation partners, particularly due to changes in group dynamics and / or strategic direction.
- Most farmers tend to be and stay individual entrepreneurs. It is a challenge and necessary aim to get from the "I-dimension" to the "WE-dimension".
- At the commencement of the co-operation / collaboration, each farming entrepreneur has different economic and technical circumstances. Some farmers may have to undertake more up-skilling and / or invest financial resources than others.
- Unsustainable growth of the co-operation / collaboration activity may lead to some farming entrepreneurs feeling their interests are no longer being considered or respected.
- Failure to develop contractual agreements / protocols at the outset for situations when co-operation / collaboration amongst farming entrepreneurs cease and / or encounter significant problems.
- External consultants are required to provide ongoing advice with respect to operational tasks.

## Ireland: Benefits

### Benefits of Farm Partnerships

There are a wide range of benefits to farm partnerships

#### Succession

- Enhance attractiveness of farming as a career choice
- Earlier opportunity for young people to enter farming and become involved in management
- Transition arrangement into farming
- Lower risks for older generation
- Intergenerational transfer of knowledge and experience

#### Quality of Life

- More time off
- Less work stress
- Facilitates expansion without negatively impacting on lifestyle

#### Economic

- Increased scale
- Achieve economies of scale
- Improved enterprise performance
- Increased efficiency and profitability
- Labour efficiency and productivity
- Greater resources available for production
- Increased purchasing power
- Pooling of resources
- Increases borrowing capacity
- Reduces expansion costs
- Sharing of labour
- Lower development costs

#### Skills Benefits

- Combining a range of skills and experience
- Better and more informed decision making
- Experience of older farmers combined with youthful enthusiasm and new ideas
- Better use of skills and resources
- Shared learning

#### Social Benefits

- Reduced isolation
- Increased time for leisure activities – time off
- Getting spouses and children more involved
- Increasing the satisfaction from farming
- Less problems due to illness or being unable to work
- Builds confidence
- Increases knowledge sharing
- Allows older farmers to reduce workload while remaining farmers

#### Structural

- Reduce capital expenditure – investing in joint facilities rather than on each farm
- Overall more resources available
- Increases capacity for growth and expansion
- Aids land mobility
- Land consolidation

#### Policy Benefits

- Young farmer top-up to basic payment scheme
- Increased grant aid for young trained farmers and increased grant investment ceilings where young farmers involved
- Entitlements from national reserve for young farmer
- Collaborative farming establishment grant of up to €2500
- Eligible to continue multiple payments under schemes such as GLAS, Areas of natural constraint, organic scheme

#### Taxation Benefits

- Efficient tax management within families
- Enhanced stock relief
- Income tax credit of €5000

### Benefits of Share Farming

Share farming provides an opportunity for farmers to gain access to additional land area to increase their scale of enterprise without having to make upfront payments. Increased scale potentially offers them the opportunity to reduce costs per acre. The advantage for the landowner is that they retain control of the land, remain compliant with schemes, may have better buying power, can also achieve greater efficiency and benefit from the management expertise of the other farmer. Increased production at lower costs benefits both farmers (Teagasc, 2017; Teagasc, 2010; NRN, 2012).

### Benefits of Share Milking

Share milking provides an opportunity for young skilled people to become established in farming with a lower financial requirement than if they were to lease or purchase a farm. The approach provides young people with the opportunity to share in the risk of farming and benefit from efficient management and milk prices. Overtime, it allows the share milker, the opportunity to build their cow numbers. The benefit for the established farmer is that they can continue to get a financial reward from their farm assets without the day to day involvement in the running of the farm (Land Mobility, 2017).

### Benefits of Cow Leasing

The main benefits of cow leasing for the owner are that it provides a financial return on excess cows, provides access to the capital value of the cows while retaining those cows for future expansion. For the farmer leasing the cows it allows them access to milking cows without a high investment cost, less requirement for borrowing and also less impact on cashflow than purchase of cows. The cost is also a tax deductible expense (Teagasc, 2017a)

### Benefits of Contract Rearing

Contract rearing is particularly beneficial on dairy farms where land and/or labour are limiting and where profitability could be increased by increasing cow numbers. There are also benefits to be achieved where replacement heifers are not achieving their liveweight targets. It can benefit those farmers who rear the heifers as it is likely to provide a better return than many drystock enterprises. It provides the farmers with an income from the available land and buildings without having to purchase stock. Contract rearing also improves cashflow as payments are usually received on a monthly basis (Teagasc, 2013)

One of the main challenges to cooperation/collaboration in Ireland is the fact that formal collaboration at farm level is a relatively new concept which the majority of farmers have limited experience of. In addition, the predominance of short-term rentals (11 month or conacre) limits the uptake of other approaches to collaboration. There are a range of challenges/barriers to cooperation/collaboration which can be categorised as: mindset of farmers; attachment to land ownership; succession/inheritance issues; information and advice; fears regarding CAP payments; loss of control/insecurity; lack of experience in working with others; and lack of business skills.

#### Mindset of Farmers

Irish farmers have traditionally cooperated with each other informally but rarely at a formal level which involves pooling of their productive assets. Therefore changing the mindset of farmers from working independently to collectively is a major challenge for collaborative arrangements. The concept of long-term stable arrangements has not yet gained wide acceptance among Irish farmers. Short-term informal arrangements with opportunities to terminate or change the payments are the accepted and preferred norm (NRN, 2012). The family ties to the land and the low level of risk taking among farmers, tends to limit the extent to which farmers are willing to consider collaboration. In addition, many farmers have an aversion to written or formal agreements even though they can protect their own rights.

#### Attachment to Land Ownership

Strong social and cultural attachments between Irish farm families and their land acts as a disincentive to partnerships as farmers may view partnership arrangements as a dilution of their ownership or managerial control (NRN, 2012). The tradition of farming in Ireland has resulted in the majority of farmers 'doing their own thing in their own way on their own land'.

#### Succession/Inheritance Issues

Traditionally farm transfer/succession occurred late in life and therefore many farmers do not actively discuss or explore what they are going to do with the farm when they themselves can no longer farm at the same intensity as they have done when they were younger. In addition, family succession is the traditional norm and therefore where there is no successor or no farming successor, older farmers do not know what to do and simply continue to farm at a very low level of activity. Equally non-farmers who inherit land are not aware of the possibilities other than selling which they may be reluctant to do or renting (Bogue, 2013). Some farmers who consider collaborative arrangements have concerns about how it may impact on succession/inheritance at some stage in the future.

#### Information and Advice

For many of these farmers there is a lack of clarity about what is involved in a farm partnership and lack of understanding of the rules and regulations which also has led to a perception that partnerships are governed by considerable bureaucracy. Farmers lack personal experience of collaboration and as a result many continue to 'question/doubt' the collaborative approach. Outside of dairying there are a few publicised examples of successful partnerships in operation. (Bogue, 2013; NRN, 2012; Deise, 2011).

### Fears Regarding CAP Payments

The significant contribution of the EU CAP payments to overall farm income also impacts on collaboration. Farmers are fearful of entering into any new arrangement which may impact on their EU payment. While clarifications have been made in this area, farmer perceptions and fear of losing out persist. In addition, farmers are reluctant to let go of their individual claim to entitlements for EU payments, therefore partnerships where all payments must be combined do not appeal to many farmers (Bogue, 2013; NRN, 2012).

### Loss of Control/Insecurity

There are real and perceived drawbacks associated with entering collaborative arrangements, such as the loss of autonomy and control over decision making (DAFM, 2011; Deise, 2011). The loss of control may also be an issue for the wider farm family who may feel threatened by the fact they in turn will have less influence over the family farm (NRN, 2012).

### Lack of Experience in Working with Others

There is also fear that something might go wrong within the partnership which is related to a lack of trust and experience in working with others and insecurity about how working relationships could develop. Farmers are lacking education and training in the area of working together (Deise, 2011; NRN, 2012).

### Lack of Business Skills

The predominant education and training courses for young people entering farming in Ireland do not adequately equip young farmers with business and people management skills which could provide them with the skills to successfully engage in a collaborative farming arrangement. Many farmers have a skills deficit in the areas of communication, managing people, understanding and working with different personalities.

## Spain: Benefits

The benefits associated with the co-operative movement:

- Optimization of available resources. The sharing of resources such as land, machinery, the creation of irrigation infrastructures, etc., generate synergies, favourable financing, enable the development of more initiatives that benefit more people and ensure the optimization of the use of these resources, as with transformation cooperatives, communities of irrigators, communities for common usage of land, etc.
- Saving. In addition to the optimization of use, sharing fixed maintenance and usage costs generates savings to members. It also means a saving in the time invested that can be destined for other purposes.
- Greater offer for professionals. Many times it is not only a question of price, but of being able to access other alternatives that until now were not available or were not visible to most farmers. The democratization of associative initiatives brings to the farmer new possibilities that he /she was previously unaware of or could not cope with.
- Development of a network of micro-entrepreneurs and professionals who can benefit from this type of initiative.
- Creation of collaboration networks. Being part of this type of initiative develops the exchange of information, the generation of more mutual trust and facilitates the exponential development of new initiatives in the future.
- Greater negotiating power. Cooperative and collaborative initiatives increase buying and selling volumes, giving them a greater negotiating position than in individual operations.
- Teamwork. The collaboration generates synergies that improve the development of any initiative, improves performance and achieves better results than previously established. It also makes its members feel part of something that enriches them beyond their farm and socializes them with other profiles.
- For well-structured initiatives, there is a great benefit, but many do not manage their resources correctly. In many instances, costs for their partners are more expensive than outsourcing services to third parties. The potential benefit is therefore diluted. There is an added value because of transformation of agricultural products. It allows for the acquiring machinery in a joint way, which could not be acquired individually. Transformation and access to markets is a necessity, many farmers have chosen cooperativism because they have no choice.
- Cooperatives have always saved costs and improved the processing system to achieve higher product qualities. Most of the time, they are very profitable for the producers. They eliminate the dispersion of supply, concentrating it to become strong against intermediaries and large distributors.
- Co-operative initiatives can take greater risks and cope with greater investment and borrowing costs which individuals could not cope with or afford to take the risk.
- Having large volumes of production cooperatives obtain more competitive purchase contracts. With expenses, providers are willing to negotiate discounts.
- Cooperatives usually save costs and improve market access.

## Spain: Challenges

- Lack of legal and contractual regulation can generate some insecurity in the development of collaborative initiatives.
- It is necessary to generate an atmosphere of mutual trust among the participants.
- The efficient use of resources, particularly machinery which is seldom used on the farm.
- Some farmers do not have a full appreciation for cooperatives, they think that they should be totally focused on profit which can limit their performance and ability to deliver on their social objectives.
- Cultural aspects and a lack of professionalism: board members of co-operatives are not necessarily professionals and this can impact on the quality of decision making and the direction that is provided to cooperative managers. The ethos of the cooperative 'one person – one vote' can in fact be a negative factor as many smaller farmers who are members of cooperatives (and many also work in cooperatives) have little interest in bringing about change. While the medium size farmers who live off agriculture and who want to bring about change in the system do not see the benefits of joining cooperatives as the fear a loss of decision making power. While the larger farmers have no interest of getting involved in the co-operative movement.
- Managers of cooperatives need training to become more professional and more focused on profitability. Cooperatives need to become more commercialised.
- The agriculture sector suffers from price fluctuations, often with prices below production costs which have severe impacts particularly when there is only one crop on the farm (e.g. olives). It is a challenging environment as others in the market place always want to win on purchases and sales.
- It is challenging for farmers and cooperatives to become more competitive and add greater value to their products. Cooperatives must also face the power of large companies which limit the price paid for produce or impose conditions on the sale of produce.

## Slovenia: Benefits

Farmers who engage in co-operative and collaborative activities are able to secure a number of benefits. These include:

- cost reductions (through enhanced economies of scale);
- better access to markets;
- productivity and income growth;
- knowledge transfer;
- technological improvements; and
- increased quality of life (in terms of enhanced recreational time, social interaction etc.).

## Slovenia: Challenges

The price dictated by global commodity markets for produce grown / reared by farmers does not always equate to production costs and consequently farmers are forced to cooperate in order to survive. Furthermore, forced cooperation amongst farmers was previously implemented by government policy in Slovenia (Communist era) and this led to the nationalisation of farm holdings and the creation of agricultural combines. The older generation in Slovenia have bitter memories of cooperative farming practices, including co-operatives.

Farmers are very well qualified in terms of their area of expertise (for example, fruit growing, vegetable production etc.), but they lack on soft skills, for example social skills, communication skills and entrepreneurial skills. Many farmers are curious and open to gaining new knowledge and skills. However, they are not in favour of compulsory training.

## Tuscany: Benefits

The benefits associated with co-operation / collaboration includes:

- cost savings (concentration of purchasing and selling policies) thereby leading to increased incomes; and
- better access to the market vis-à-vis joint promotional and associated marketing; and
- export campaigns.
- Collaborative activities also provide opportunities to share knowledge and skills with other farming entrepreneurs.
- Furthermore, co-operation amongst farmers has been very beneficial in improving the environment in disadvantaged areas, especially maintaining forested locations.

## Tuscany: Challenges

The key challenges faced by farmers in Tuscany Italy with respect to engaging in collaborative / co-operation activities include:

- Quality of production;
- Conjugation between the exigency of a scale economy and maintaining linkages with the territorial identity;
- Relationship dynamics between entrepreneurs and management within co-operatives;
- Approach to the digital technologies;
- Extension of national and international market;
- Credibility; and
- Management and participation: the democratic processes within the cooperative movement could be perceived as an obstacle and there is a requirement to have an efficient management system.

# Strengths, Weaknesses, Opportunities and Threats of Current Forms of Cooperation/Collaboration

The following summary outlines the key strengths, weaknesses, opportunities and threats of current forms of cooperation/collaboration in farming within the respective partner countries.

## Strengths

- Significant efforts by agricultural advisory services to develop and promote the concepts;
- Recognition by Department of Agriculture, Food and the Marine (Ireland) of the potential of collaborative arrangements;
- Improved the quality of life and incomes of those involved;
- Facilitated growth and achievement of scale;
- Improved efficiency and economies of scale (reduction in production costs; marketing; distribution);
- Increased productivity for some farms which were in decline;
- More options for new entrants to become established in farming;
- Intergenerational and inter-farmer transfer of knowledge and experience;
- Number of options for collaboration being explored and developed;
- Social orientation;
- Improvement in market access; and
- Enables collective acquisition of equipment (machinery rings).

## Weaknesses

- Lack of understanding among many farmers of the concepts and potential benefits;
- Limited resources within state agencies to further develop and promote the concepts, deliver training and support those involved in collaborative activities;
- Small number of non-familial co-operation / collaboration developed to date;
- Disaffection of farmers towards the cooperative model, thereby leading to low participation (especially for former Communist states);
- Lack of openness to change – traditional orientation;
- Cooperative structures are mainly concerned with small farmers, thereby hampering the participation of medium to large-scale farmers;
- Rules of cooperation not clearly defined – breach of rules;
- Lack of consensus on common aims of cooperation; and
- Limited legislation.

## Opportunities

- Significant potential for further growth in cooperation;
- New structures being developed;
- Expansion into the non-family and dry-stock sectors;
- Potential to grow and prosper through political incentives & measures (rural development programme);
- Enhanced professionalization (business management; technical operations; digital technologies);
- Promotion of innovation and search of new markets (internationalization); and
- Collaboration between cooperatives.

## Threats

- Traditional attachment to land ownership;
- Predominance of short term renting;
- Taxation supports favour leasing more than collaboration;
- Statutory and regulatory bodies can be slow to respond to new structures;
- Farmers may not be willing to engage in new arrangements;
- Concerns regarding succession and involvement of the next generation;
- Fear of failure;
- Aversion to contracts and formal agreements;
- Lack of information leading to misinformation;
- Lack of educational and training structures; and qualifications for relevant stakeholders;
- The poor management and image of some cooperatives, favour the substitution by private companies;
- Poor rural development policies / strategies; and
- Lack of participation, trust and cooperative spirit amongst some farming entrepreneurs.



## Mechanisms (Factors) to Encourage Collaboration / Cooperation

### Czech Republic

The government should not be the primary actor in advocating cooperation among farmers. The cooperation needs to be initiated by farmers (bottom-up approach). Farmers, who are not yet engaged in any form of cooperation and are reluctant towards it, should not be forced pursuing activities that will limit their independence.

A possible first step should be supporting and teaching farmers about joint input purchases (fertilizers; animal feed). These joint purchases are non-binding, very profitable and allows to slowly build-up trust among farmers for another topics and levels of cooperation, such as joint sales. Only when cooperation is successful in these less binding forms or a fair amount of trust exists, it is advisable to move to deeper cooperation, such as machinery sharing.

The most efficient mechanism for farmers is to have a qualified person run the cooperative organisation. However, when cooperatives start up or continue as small operations, this might not be possible and there is a need to develop at least some basic skills needed for cooperation among themselves.

As for the necessary abilities and competences for successful cooperation, experts agree, that they should comprise of typical managerial skills. They need to have negotiating skills and be able to reach consensus with other farmers with different opinions. They also need to have at least basic financial knowledge and should have general knowledge about the entire sector of agriculture. They should also know where to find relevant information. It would be valuable for the leader to have basic legal training and some options to gain experience.

Farmers and any other workers in agriculture are generally very busy people and they do not have the option or capacity to read up on cooperation in literature, also because there are very limited resources in the Czech language.

Therefore, it is much more effective to provide them with easily accessible resources that do not require large amount of time to study. The young chairman of the Club of Young Farmers stresses the possibilities brought by new technology, online education and specifically short video tutorials. "If I had a choice between looking at a five minute YouTube video explaining the topic well and sitting at a lecture for several hours with the same effect, I would of course choose the video. It is possible to watch it for example while waiting for the bus, so it is much more effective!"

Many farmers do not know about their options and possibilities, so informative lectures and training are very useful. A great help would be adding cooperation to the curriculum of farmers' basic education. Very helpful would be to accompany any education activities with presentation of case studies and examples of both successful and failed attempts of cooperation so farmers can empathize, learn from other people's mistakes and then find their own best

way on how to approach cooperation possibilities.

### Germany

Some of the factors encouraging cooperation in Germany include:

For instance, one respondent stated "no chance to cope with the workload anymore; and no chance to finance necessary investments anymore. Cooperation out of pure necessity tends to be not so stable". Viable enterprises coming together for cooperation / collaboration with sufficient time to plan and implement properly have a tendency to be highly successful.

A better quality of living enabled through decreasing work time and higher quality work time.

Policy and legislative decision have enabled collaborative / co-operative farming practices. For example new regulations concerning the spreading of manure. This leads to need for investment in expensive technology; There are also positive effects if cooperation is supported by specific financial support/ legislative advantages; specific support for cooperation was offered in Bavaria 15-20 years ago. For instance, public funding subsidized the construction of a stable if two farmers entered an agreement to collectively undertake this task.

High level of Farming knowledge of all partners, which should be completed by the ability to better communicate and work with each other ; and

Cooperation needs to help achieve the majority of the goals of individual farmers to work.

Significant efforts have been undertaken in Ireland over the past two decades to support and encourage the development of collaborative farming initiatives and in particular farm partnerships. This has been driven primarily by Teagasc and including the Department of Agriculture, Food and the Marine, farmers, farm organisations, cooperatives, dairy processors, colleges, the Revenue Commissioners and the Law Society among others. In addition to policy supports, information events/seminars have been organised and promotional and information material prepared. Teagasc and the Department of Agriculture, Food and the Marine in conjunction with other stakeholders have pioneered the development of templates for agreements for various collaborative arrangements. Teagasc and private agricultural consultants provide advice and information to farmers on their options and on becoming established in collaborative arrangements. Teagasc has a dedicated specialist who is responsible for Collaborative Farming who works with others within the organisation to promote the concept of collaboration and support farmers in this area. Macra na Feirme, the Irish Young Farmers Organisation has a Land Mobility Service which supports and encourages land mobility including collaborative activities.

The Department of Agriculture, Food and the Marine recognized that greater use of the partnership model can not only help to increase scale but can also help to develop the sector's skill set through attracting, in a more meaningful way, new entrants to the sector. The Food Harvest 2020 report recommended that 'any remaining obstacles to partnership formation or other new models of farming should be removed' (DAFM, 2011). One of the main achievements in the promotion of the concept of collaboration is that support for collaborative arrangements has become government policy and this is reflected by making provision for them in the supports to the agricultural sector (Curran, 2014).

#### Previous Milk Quota Incentives

Milk Production Partnerships (MPPs) were introduced in 2002 following amendments to the rules governing milk quotas. These changes facilitated farmers who wanted to combine their milk production enterprises into one business. The rules were further amended in 2003 to include 'new entrant/parent' partnerships, whereby young people could become established in dairying in partnership with their parents. The young farmers were given priority access to milk quota until quota abolition. This incentive proved very popular and in excess of 70% of the MPPs established were family partnerships. Initially the rules relating to participation in EU/Department Schemes were restrictive and discouraged some from entering non-family partnerships (this issue was subsequently addressed by the Department of Agriculture).

#### Taxation Measures

The Government recognised the potential of farm partnerships in the 2012 budget by introducing an enhanced 50% stock relief for all registered farm partnerships and 100% stock relief for certain young trained farmers entering partnerships (available for 4 years).

Registered farm partnerships which fulfil certain criteria specifically relating to the transfer of farm assets between the older and younger farmers can avail of an annual tax credit of €5,000 for up to five years (introduced in Budget 2016).

#### Establishment Grant

A collaborative farming establishment grant was introduced in 2015 to support the costs of setting up in partnership. The grant rate is 50% of costs up to a maximum of €5,000 (maximum grant of €2,500).

#### CAP Measures

A number of incentives were introduced under the CAP reform measures in 2014 which benefit farm registered farm partnerships (as defined earlier).

- Young Farmer Scheme & National Reserve

A young farmer who is part of partnership can avail of the young farmer scheme which provides a top-up to the Basic Payments Scheme. Similarly young farmers may apply to the Young Farmer National Reserve (when in operation) for a top-up on low value entitlements or apply for new entitlements on land that has no entitlements. Eligibility to both is subject to terms and conditions (Teagasc, 2016).

- Targeted Agricultural Modernisation Scheme (TAMS II)

TAMS II aims to provide farmers with grant aid to improve and/or build a specific range of farm buildings or purchase equipment that may benefit their farm businesses. Registered partnerships may be eligible for double investment ceiling (€160,000 compared to €80,000). The rate of grant is 40% on an investment of up to €160,000 where the partnership does not have a qualifying young trained farmer. Where the partnership has one partner who qualifies as a young trained farmer, a rate of 60% is available on the first €80,000 ceiling and 40% on the second €80,000 ceiling (Teagasc, 2016).

- Multiple Payments

With regard to schemes such as the Area of Natural Constraints Scheme (ANC), Green, Low-Carbon, Agri-Environment Scheme (GLAS) and the Organic Scheme, farmers who were in receipt of payments in their own right prior to joining the partnership, can continue to receive payments due to them (Teagasc, 2016).

#### Further Enhancing Cooperation

In order to enhance cooperation/collaboration among farmers, there is a need for support structures for those engaged in collaboration including: skills training programmes; consultancy/advisory services specialised in this area; competitions which raise the profile and encourage others to consider their options; and farmers already in collaborative arrangements sharing their experiences with others. Essentially it is important to build the skills of those involved in or considering collaboration.

Training in particular is needed for progressive farmers who are either involved in or considering getting involved in collaborative arrangements. It could also be worthwhile in engaging consultants who have considerable experience in collaboration (such as those from New Zealand) to provide advice and guidance to farmers.

Other aspects such as changes in taxation relation to machinery ownership, livestock ownership and capital investment on farms could bring about structural change similar to that which has occurred in the area of land leasing.

Particular focus should be placed on encouraging part-time and smaller scale drystock farmers to consider collaboration which would benefit them in terms of efficiency, profitability, labour, purchasing and marketing power. These farmers need to see collaboration in practice before they will consider it as an option. This could be piloted by way of demonstration farm setup to show how collaboration works in practice.

Farmers should be encouraged to explore the necessary skill sets for effective, efficient and profitable farm operations. In doing so, either specific skill gaps could be identified and targeted for collaboration e.g. some farmers are stockmen, others machinery experts, others are technology skilled while others have specific financial expertise for example.

Case studies are considered to be particularly useful for documenting and highlighting real examples of collaborative arrangements in practice. Efforts should also be made to collate practical information/advice from farmers who are involved or in collaborative arrangements (including contract rearing etc) including those who may no longer be involved. Particular effort needs to be made to highlight the success stories but focus on the believable stories, not just the best or top class but those involving more average farmers.

In seeking to encourage farmers to cooperate/collaborate, particular effort should be put on trying to get them to buy into the general concept but should not be too prescriptive in terms of the actual arrangement. Let arrangements emerge from farmers identifying what works best for them.

All stakeholders in the industry including farm organisations and Teagasc need to provide information, advice and education to farmers on working together and pooling their resources. The farm organisations have a large membership who they can provide information to and also encourage them to consider their options.

The Deise 1250 Dairy Discussion Group report 'Ladders of Opportunity' contained a number of worthwhile recommendations which focus on the development of farm partnerships including:

- An industry led focus on partnerships;
- Simple, easy to implement templates/blueprints covering both legal and financial arrangements, which are easily accessible to all;
- Education programme for young farmers that encourages partnerships as an option;
- Workshops designed for farmers on partnership formation and developing the necessary skills; and
- Farmers need to be supported by other expert farmers on the realities of day to day management once they step on the partnership ladder.

Farmers need to:

- Accept that a big cultural shift is required to enter a partnership;
  - Anticipate the needs of partners and employees; and
  - Be proactive about their long term needs.
- (Deise 1250, 2011).

The Department of Agriculture, Food and the Marine (DAFM, 2011) identified that there is a need for enhanced un-

derstanding of the factors that influence farmers' decisions to engage in farm partnerships in order to promote the concept to them and also to provide targeted advisory services to them. The factors influencing farmers' decisions are both social and economic. Spouses irrespective of their level of involvement in the day to day running of the farm play a role in overall decision making and are influential in the decision to enter partnership or not. Therefore they need to be targeted in provision of advice and information.

The National Rural Network (NRN, 2012) published a research report on 'Potential of Farm Partnerships: to Facilitate Entry into and Establishment in Farming' which identified a series of recommendations for enhancing partnerships which are also relevant to the wider issues of collaboration/cooperation. The recommendations on Farm Partnerships can be summarised into broad and specific.

Broad Recommendations:

- Ensure future policies/regulations take needs of current partnerships into account;
- Changing the mindset of farmer through information provision and promotion of a wide range of partnership arrangements – stakeholders involved in the promotion;
- Funding allocated for research, demonstration, continuing education and advisory services for farm partnerships;
- Participants encouraged to engage in ongoing education, training and interaction; &
- Initiative to establish a group to act in an advocacy and development role for farm partnerships.

Specific Recommendations:

- Expert Committee to develop farm partnership legislation;
- CAP regulations support existing and encourage new partnerships;
- Change the mindset of farmers on the concept;
- Enhanced information provision to farmers and professionals;
- Additional resources required by Teagasc for promotion, education, support and registration;
- Specific sectors should be targeted for promotion: drystock farmers; older farmers; young people; landowners with off-farm employment; families; investors; and those interested in diversification opportunities;
- Establishment of monitor partnership farms;
- Farm organisations involved in promotion;
- Mechanisms put in place to make farm partnerships more advantageous than short-term rentals.

## Slovenia

Farmers are often faced by low purchase prices and consequently are forced to cooperate only to survive. Forcing farmers to cooperate is definitely not the right, long-term solution. "Forced cooperation" has been present in Slovenia through nationalisation of agricultural holdings to form agricultural combines (Communist era) and this has left Slovenian farmers (especially older generation) with bitter memories of cooperation. The most acceptable way to establish long-term cooperation is through the adoption of a voluntary approach amongst farmers, with well-defined obligations and rights of all partners involved (Director of Mirovita).

There are several good examples of cooperation, as well as bad ones. The general impression is that there are lots of individual success stories, but not as many good examples of cooperation. There is also regional variation within Slovenia. Slovenian farmers need to take small steps towards cooperation, to build tradition and continuity (Agricultural consultant).

All interviewees agreed that Slovenia could encourage cooperation with the presentation of best practice examples. Capacity building of knowledge transfer institutions, policy encouragement, and involvement of media is also very important.

### CAP and RDP

The Rural Development Programme has adopted some measures to enhance cooperation between farmers. Measures for enhancing cooperation include:

Cooperation of agricultural producers in quality schemes for agricultural products and foodstuffs.

Supporting groups of producers for informational and promotional activities of quality schemes products.

Supporting set up and operation of producers groups.

## Spain

The national and regional innovation strategies 2020 (RIS3) (Europe 2020 Strategy) are relevant to farm cooperation. Within the Andalusian framework, the main objectives prioritised include: economic development; and technological and social innovation. In its development, it is considered that the collaborative economy is in line with social innovation but that it must have an impact on economic growth. Therefore, it supports the development of initiatives that favour collaborative innovation, but always ensuring a regulatory framework that restricts the limitations to economic operators, so that the general interest and the protection of consumers and users prevail.

Cooperatives have special tax systems with tax reductions, as well as grants and subsidies for the construction and modernization of existing ones.

Special scheme of cooperatives

Law 20/1990, of December 19, on the Fiscal Regime of Cooperatives and Law 27/1999, of July 16, on Cooperatives,

constitute the state regulations governing Cooperatives.

### Area of application

The fiscally protected Cooperative Societies are classified into two groups:

Protected cooperatives: those that comply with the principles and provisions of Law 27/1999 of Cooperatives or the laws of Cooperatives of the Autonomous Communities that have competence in this matter, and do not incur any of the causes foreseen in article 13 Law 20/1990 on Fiscal Regime of Cooperatives, on loss of the status of fiscally protected Cooperative.

Specially protected cooperatives:

Cooperatives of Associated Work.

Agricultural Cooperatives.

Cooperatives for Common Usage of the Land.

Sea Cooperatives.

Cooperatives of Consumers and Users.

Public institutions have promoted associations through grants in the belief that cooperatives were good for society, but they have not attempted to encourage profitable entities. In addition to having a social purpose, their results must be measurable and comparable.

Policies mainly promote integration in second-degree cooperatives, but replicating the same existing structures. It is necessary to change those structures which are archaic.

Legislative changes have not solved the structural problems of cooperatives; they should affect the professionalization and management of cooperatives as companies.

The Administration tries to encourage cooperation, but the law is vague. Instead of encouraging the concentration of supply to be competitive, the new law does not protect the farmer. If the farmer wants to leave the cooperative or work with another entity, he has to assume a surcharge. The member can voluntarily leave the cooperative at any time, but to take that step, the partner must say it in writing to the Governing Council with the advance that the statutes say. In some cases, the partner cannot leave the cooperative when he wants. The articles of association may bind members to be in the cooperative for a while. The maximum time is 5 years.

The Italian Legislative system encourages many forms of cooperation, through:

**Economic Cooperation:** The Italian Constitution recognizes the social value of cooperatives (Art. 45). Starting from this principle, the National Legislation established rules and facilities for cooperatives. The main principles are fixed by the Civil Code (articles 2511-2545), describing the scope, the activity aimed to benefit the associated member, the use of work and resources of associated members as basic requirements of cooperatives. The fiscal Legislation established obligations and facilities for cooperatives.

**Cooperation between Individuals:** The Civil Code regulate other form of cooperation between persons, called "simple companies" (Articles 2253-2259), which are not considered as commercial companies, but can share money, work, material goods.

**Temporary scope association:** This form of cooperation is regulated by National Legislation (Legislative Decree 63/2006) and is a very simple form of company.

**Enterprise networks:** this form of cooperation is a new form of cooperation, established by a National law in 2009 (Law n. 33/2009 and further updating with law n. 99/2013).

## Part 5 Training and Upskilling Requirements

A wide range of training and upskilling requirements can be identified across the range of cooperation activities in the different partner countries. Training is required by both farmers and the professionals who support and advise farmers. The main areas of training and upskilling required included:

- Education on the potential opportunities and benefits of cooperation both for those engaged in cooperative activities and those who may be considering them;
- Training on cooperative structures and functions and both the requirements and responsibilities of those who get involved in these structures – incorporating legal, economic, financial, administration, health and safety, marketing, technical and management aspects;
- Understanding of collaborative farming models - focus on how collaboration works in practice: why they work; why they don't work; number and type of arrangements in place. Principles and practices that make a collaborative farming arrangement work;
- Legal and practical aspects of signing up to and adhering to cooperative agreements;
- Time management: critically important when working with others;
- Financial and cost management and control (long-term budgeting and cash flow management);
- Leadership and corporate governance: for those who are taking on roles within cooperatives/businesses;
- Entrepreneurialism: encouraging individuals to develop new enterprises and business opportunities;
- People and relationship management skills: either as a partner in a larger business or as a manager, farmers are lacking people management skills;
- Cooperative/collaborative skills and decision making: farmers have traditionally worked and made decisions on their own (or with family input) and therefore require training in the area of working with others and shared decision making;
- Strategic planning skills;
- Succession planning skills;
- Stress management and well-being skills;
- Communication skills;
- Training for effective cooperation/collaboration;
- Conflict management and resolution skills;
- Approaches/practices to improve efficiency; and
- Use of technology to improve efficiency.

One of the challenges in providing training to farmers is to get them to recognise the benefit of the training and to encourage them to participate. It was also highlighted that while online training may be more flexible for farmers, it will still be difficult to get them to engage with the training.

## Part 6 Conclusions

It is evident that cooperation amongst farmers takes place in a wide variety of forms across the partner countries. However the common theme is that farmers are working together in order to enhance their opportunities for themselves, their families and the agricultural sector. There is also considerable potential for further cooperative activity across all partner countries.

The differing approaches to cooperation across the partner countries relate not only to the different natural environments but also reflect the history of farming in each country, the demographics of the farming population, the scale and nature of farm enterprises and the challenges facing farmers (environmental, structural, market and demographic among others). Some approaches to cooperation have been in operation for generations while others are relatively new.

The benefits derived from cooperation depend on the level of involvement and the nature of engagement. However, it is obvious that there are both economic and personal benefits from cooperation. The economic benefits stem from the opportunity to collectively market produce and achieve a better financial return and economies of scale which emerge from smaller farmers sharing resources and their collective input. These economies of scale allow smaller producers to benefit from efficiencies which could not be achieved from operating independently. Cooperation also facilitates investment in buildings, infrastructure, machinery and technology which may not be otherwise feasible. The risk of investment is also shared among all members.

Farmers who engage in cooperative activities have an opportunity to learn from each other, widen their skills base and also to improve their own work life balance by having the opportunity to take more time off and share the burden of decision making, management and workload. Cooperative activity also involves young people in the industry which has the potential to also increase the level of innovation.

Despite the obvious benefits to cooperative activity among farmers, there are ongoing challenges to the concept and its acceptance among farmers. One of the challenges in certain countries is the negative history of collective farming in the past which was forced upon the farming population



and which continues to taint the perception of the concept.

Farmers have traditionally worked independently with family support and it can be difficult to break with this tradition and work with others. Farm families have always helped each other but not to the extent of pooling resources, labour input and sharing of the financial outcomes. There is a fear among many farmers that they will lose their control and independence if they engage in cooperative activities. Some of this fear is as a result of past experiences of cooperation which did not work often because of a failure to develop and/or implement contracts or protocols for working together. Much of this can be due to the mindset of farmers and the level of trust or lack of that exists in relation to working with others. In addition, some farmers may not have the skills required to effectively engage in cooperation or may feel that their skills are lacking or inadequate compared to others.

Cooperative activities have been encouraged in many countries by the implementation of Government regulations and policies. However, while advice and information is available on cooperative activities and statutory and private agencies are encouraging this activity, further information, advice and support is required to encourage more farmers to engage.

Training and upskilling could benefit both farmers and the professionals who support and advise farmers. However, it remains a challenge to get farmers to realize that they could benefit from training in this area and they may need encouragement to engage in training.

The scope of training required will need to be wide ranging encompassing: education on the opportunities and potential of cooperative activity; cooperative structures and functions; different models and approaches to cooperation; personal development; people and relationship management skills; communications skills; planning and evaluation skills; financial management; and other areas.

Training and upskilling has the potential of placing farm families in a better position to capitalize on the potential that cooperative engagement presents them and the wider agricultural sector right across the EU. The CO-FARM project has the opportunity to contribute to the process of training and upskilling farmers and professionals in the industry.

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