

# Member Commitment and Participation in Producer Cooperatives

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Euroopa Maaelu Arengu  
Põllumajandusfond:  
Euroopa investeeringud  
maapiirkondadesse



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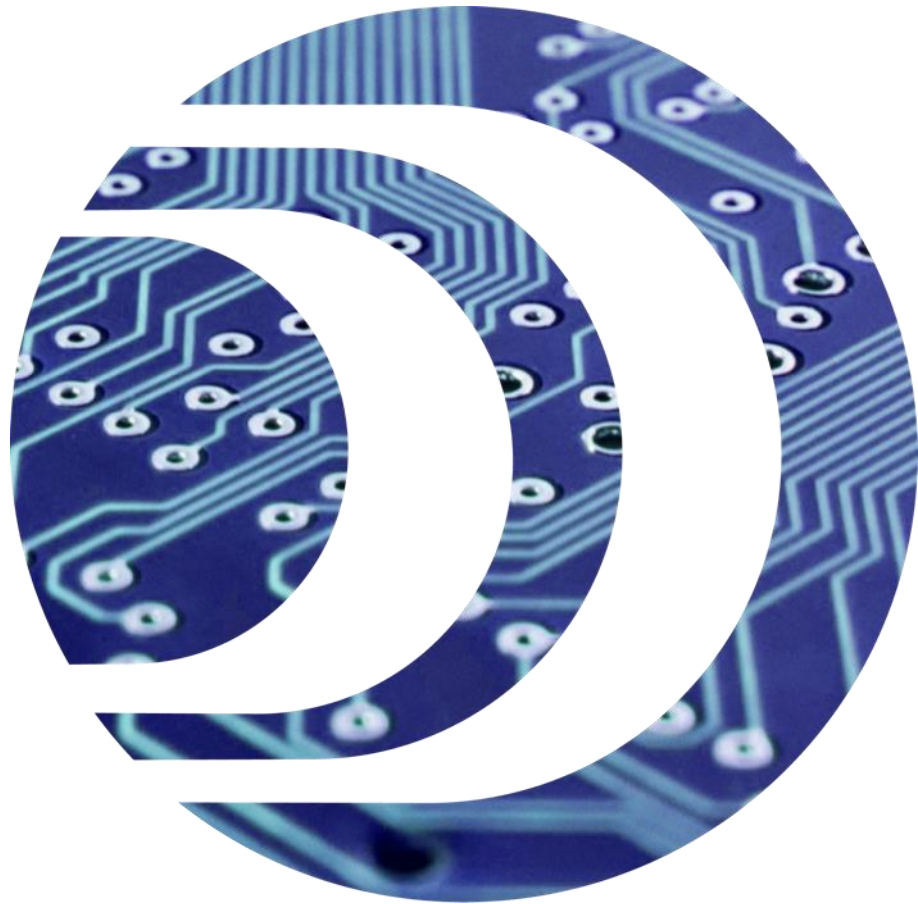
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- ▼ A few words of the special features in producer cooperative
- ▼ Challenge of commitment and participation
- ▼ Keyword: good governance
- ▼ Q & A



## ***Background Drivers around producer cooperatives***

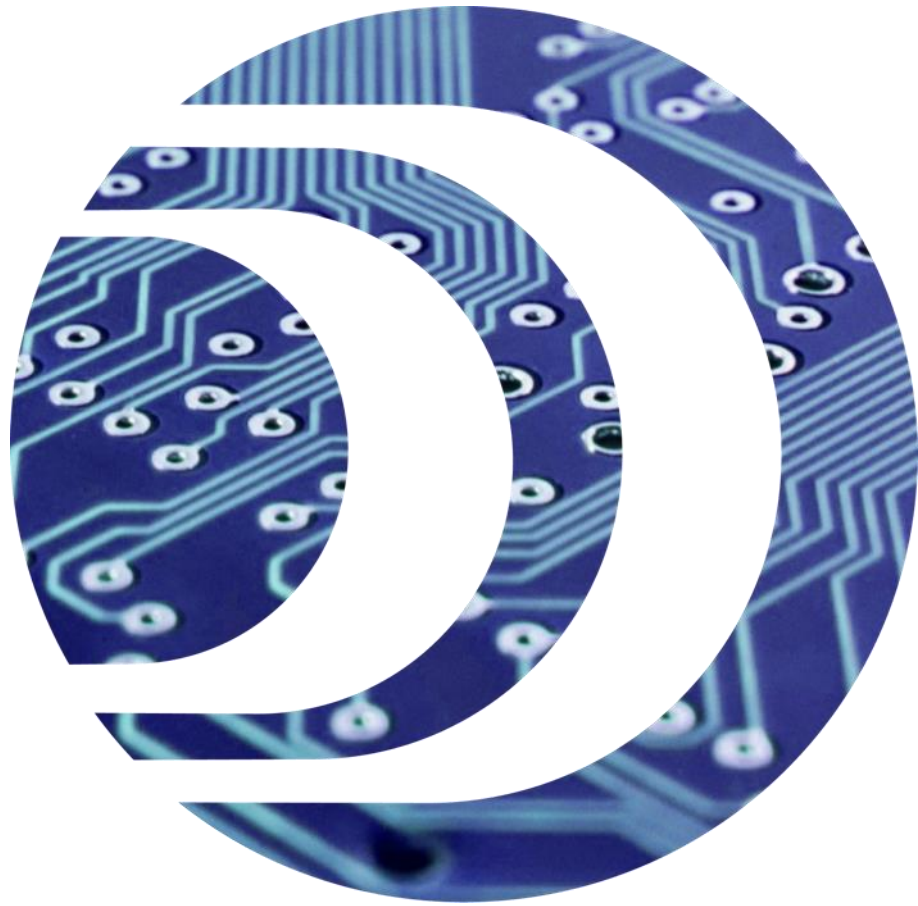
*Individualism vs collectivism*

*Low profitability in farming – short term  
interests highlighted*

*Continuous growth of cooperatives*

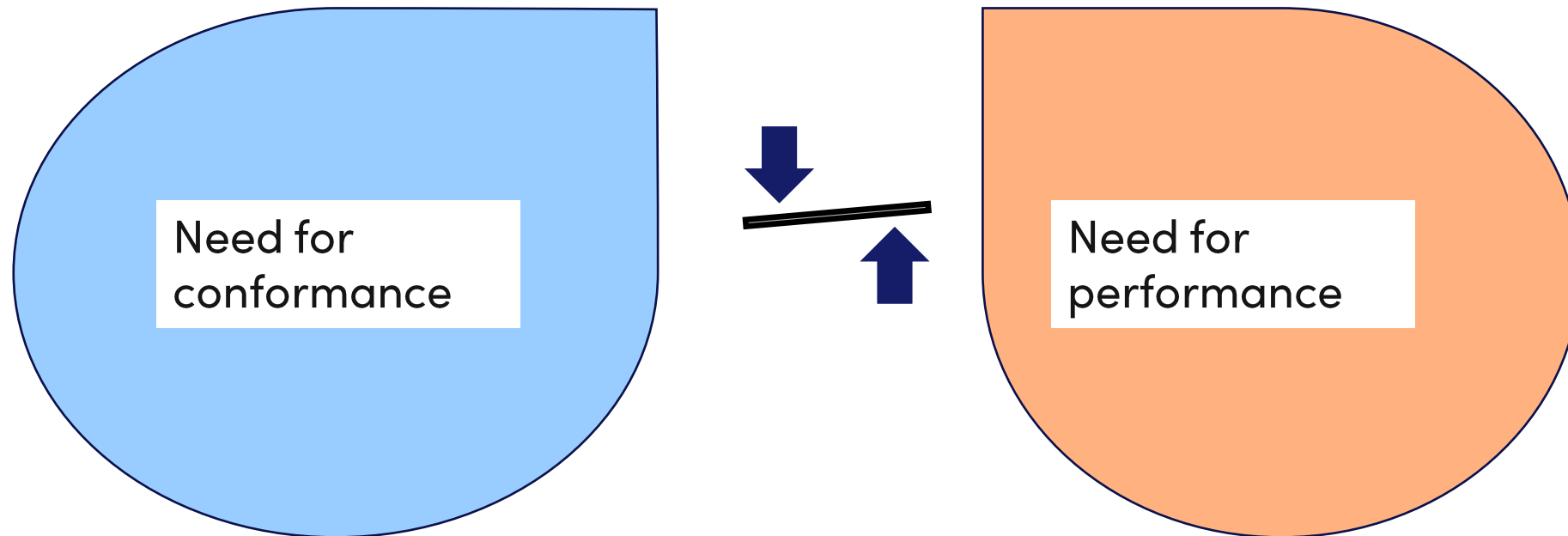
# Special features in producer cooperatives

- Aim: to maximize member benefit (instead of maximizing profit)
- One vote – one member principle (reversely: *voice* instead of *exit*)
- Democratic member governance
- Member's big interest in the cooperative

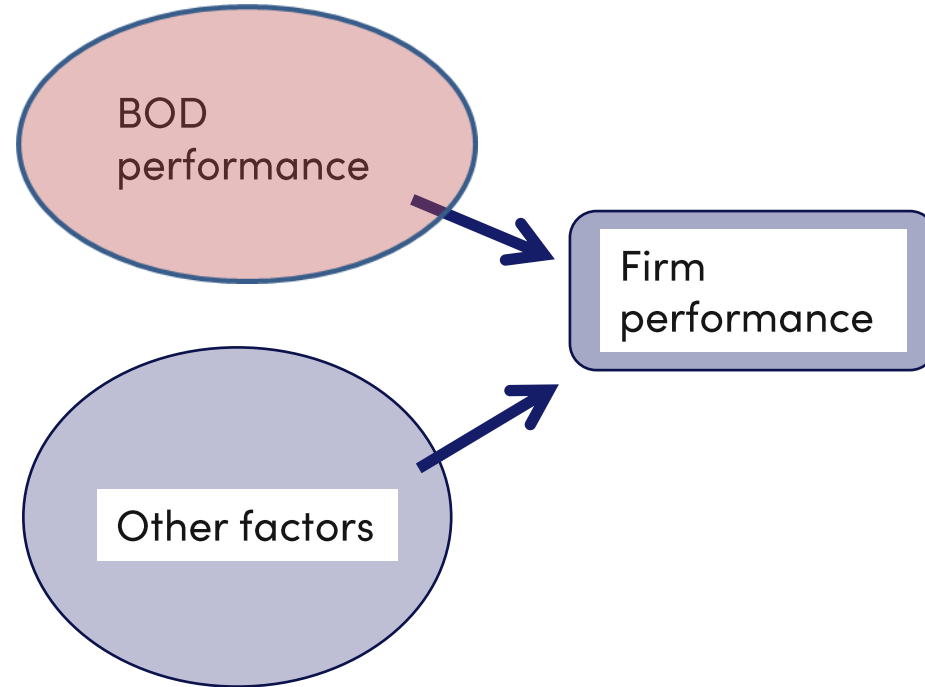


## ***Issues in governance of cooperatives***

# The Dual Essence of Cooperative Firm



# Where does the need for performance stem from?





# What are typical reasons for the need to conform?

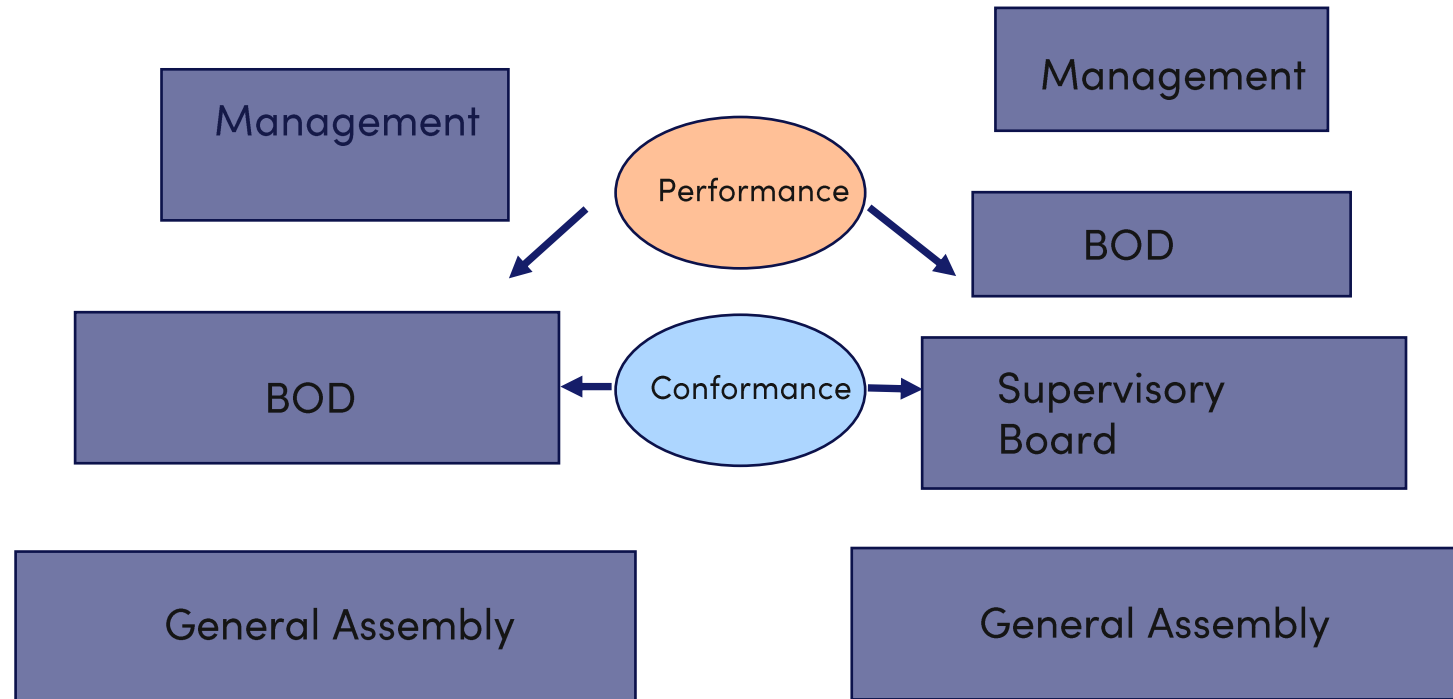
Short term and long term expectations of the membership

Expectations of different sub-groups within the membership

Expectations of the stakeholders (e.g. local communities)

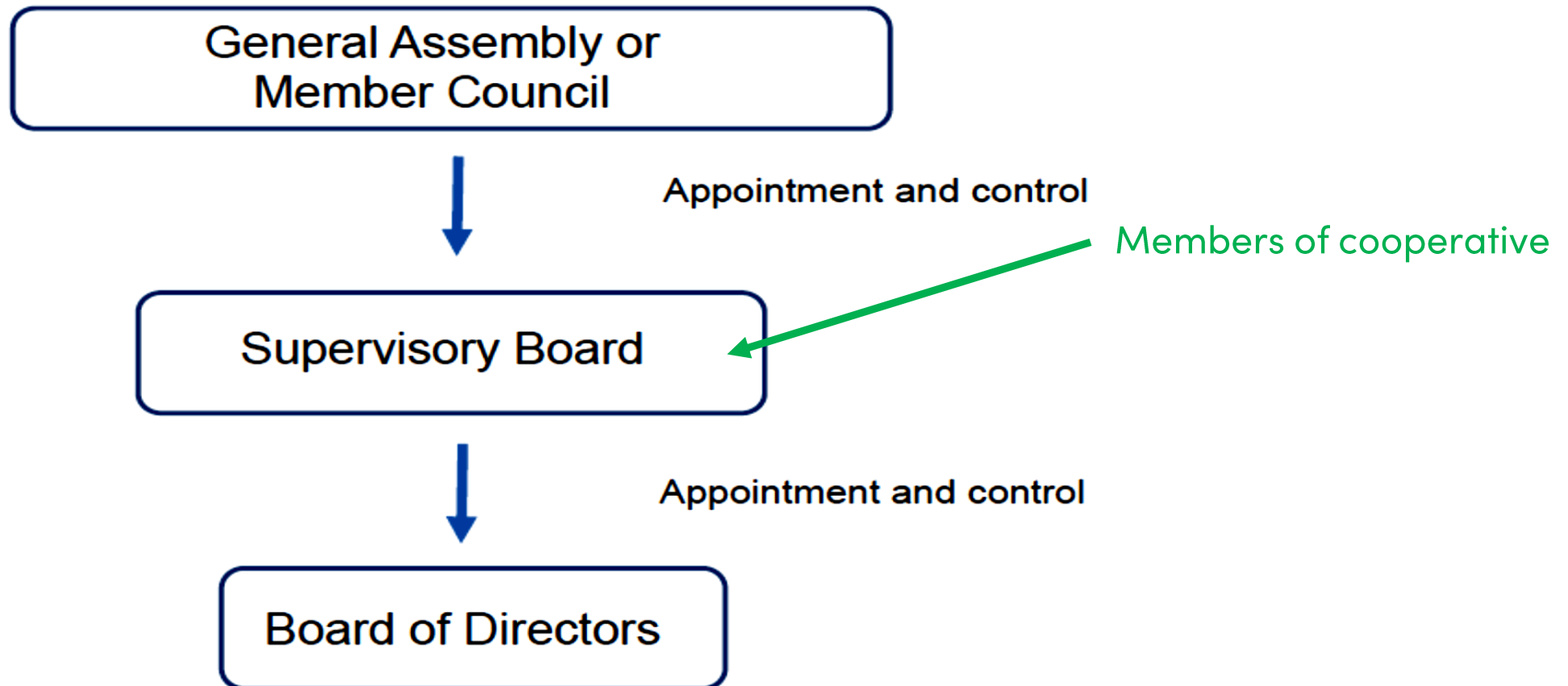
# Different types of governance structures

1-tier  
governance  
model

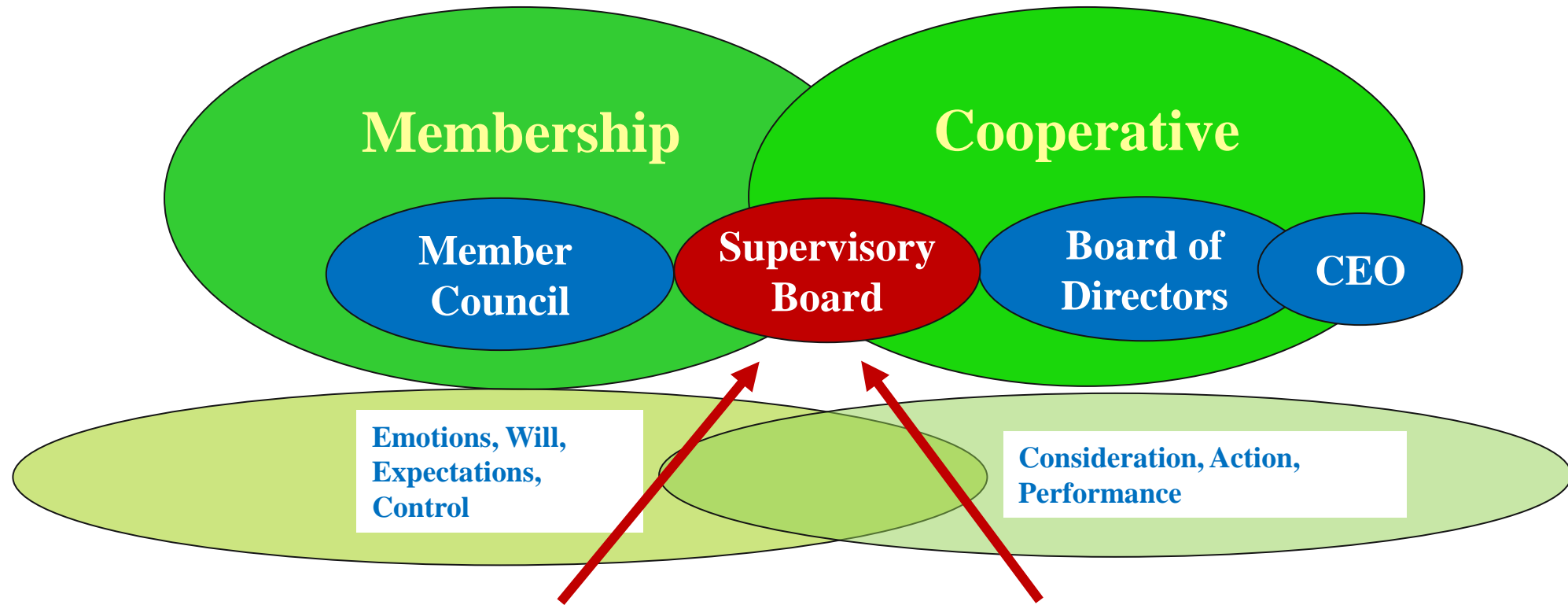


2-tier  
governance  
model

# General structure of governance in Finnish cooperatives



# Who steers our cooperative?



- Cooperative Governance
- member-owners' voice
  - ownership strategy

- Internal communication
- with the membership/member council
  - With the board of directors

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# Kiitos!

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## Questions and answers

How important is the role of active communication with the members and in what form it should be done (newsletters, social media, meetings, regional contact points/people, forum etc.)?

How important is the role of the cooperative's technological level, e.g., the existence of a self-service platform?

What should be the cooperative's role in implementing the Green Deal and adapting to climate change?

How important is it that young people/women are represented in the board and council of the cooperative?

How valuable are cooperatives' programs aimed at young farmers such as mentoring, a lower obligation to contribute financially (if the cooperative has stipulated such an obligation), etc.?

Which services are particularly important for young farmers (e.g., loans, guarantees, access to land, advice, training, "renting out" an expert to a company, etc.)?

What are the main mistakes cooperatives are making when it comes to (young) farmers?

Good and bad examples of cooperative initiatives, activities.