

NATIONAL CONVENTION FOR THE EUROPEAN UNION IN THE REPUBLIC OF MACEDONIA

Third Working Session of NKEU-MK

Agricultural cooperatives – opportunities and challenges

RECOMMENDATIONS:

1. Increasing awareness regarding cooperatives:

- To increase and raise awareness among agricultural producers about the importance and benefits of joining (for example, using positive examples here and abroad for the successful functioning of agricultural cooperatives, info sessions, expert meetings, field trips etc.).
- Provide continuous advisory services to support joining into cooperatives.
- Ensure continued training and education of the members and managers of cooperatives, especially in terms of governance, entrepreneurship, negotiations, marketing, business planning, production technologies, etc., and to pay particular attention to the inclusion of young people and women in membership and the management of cooperatives.
- Ensure proper interpretation and information on various issues that create confusion and distrust (e.g. tax policy, differences between cooperatives and other legal entities, etc.). The Employment Agency and its local centres should inform the cooperatives that there are no legal barriers to the founders and members of agricultural cooperatives for loss of the right to use social packages.

2. Adjustment of the legal framework in terms of requirements and conditions:

- To revise and adjust the current legal framework (for existing cooperatives and for establishing new cooperatives).
- The cooperatives to be actively involved and to have a key role in the process of formulation of new legislation.
- To harmonize the various legal acts, which apply to agricultural cooperatives.
- To legally protect the cooperative property, as inseparable and non-transferable, to remain in the ownership of the cooperative.
- To revise the criteria for a minimum number of agricultural producers that may establish an agricultural cooperative.
- Agricultural cooperatives should be adequately covered in the new Law on Agriculture and Rural Development, as well as in the new National Strategy for Agriculture and Rural Development.

3. Improving the institutional framework and governance of agricultural cooperatives:

- Introduce special government measures to support agricultural cooperatives for their development, application of new technologies in production, as well as their technical support, but also to give priority and / or additional scoring to cooperatives in assessing their applications for certain support measures.
- To give priority to cooperatives for the use of state land.
- To improve communication and information flow among institutions regarding the functioning of agricultural cooperatives (e.g. between ministries, various agencies and other relevant institutions).
- To increase and strengthen the communication between agricultural cooperatives and institutions (e.g. more active involvement and participation of representatives of agricultural cooperatives in the working groups of the Ministry of Agriculture, Forestry and Water Economy, etc.).
- To improve the economic and social relations between the cooperative members and the cooperative (e.g. clearly defined and structured goals of the cooperative, introduction of internal mechanisms for following the Statute of the cooperative and cooperative principles, especially regarding the delivery of the agreed quantities of products).
- Establish favourable mechanisms for financing agricultural cooperatives.
- Encourage investment in cooperatives, linked to post-harvest activities, thus adding value to production and partially addressing the problem of agricultural products buyout.